

GOVERNMENT OF THE DISTRICT OF COLUMBIA

ADVISORY NEIGHBORHOOD COMMISSION 3A



RESOLUTION RE FC 1179: REVISED PLAN FOR WASHINGTON GAS LIGHT ACCELERATED PIPE REPLACEMENT PROGRAM

We thank the Public Service Commission (PSC) for the opportunity to comment on the revised proposal from Washington Gas Light (WGL) in FC1179.

We also appreciate the PSC’s decision to reject WGL’s proposed Phase 3 of PROJECT*pipes*, as ANC 3A had urged in our November 2023 comments in FC 1175, and to launch this separate proceeding to consider a revised WGL plan “that ensures the safe and reliable operation of the natural gas infrastructure to meet the energy needs of all District consumers in the District as well as aligns with the District’s climate goals.”

It is difficult for ANCs, community and public interest groups, and members of the public to prepare informed comments in the current proceeding when the formal parties in the case have not yet submitted their full analysis or participated in evidentiary hearings before the PSC, with cross-examination of witnesses.

With the current November 20 deadline for public comments in FC1179, we have made a concerted effort to compile basic information, seek feedback, and develop comments.

We are grateful to WGL and the DC Office of People’s Counsel for participating in the ANC 3A public meeting on November 13, 2024, to present information to the Commissioners and the community about the new proposal for the accelerated replacement of aging and leaking gas lines in the District.

Based on the input we have received, we have a series of questions and concerns about WGL’s revised plan for accelerated replacement of natural gas lines in the District, using the funds collected from ratepayers through special surcharges for this purpose:

- Does WGL’s revised plan show increased efficiency in replacement of District gas lines, compared to PROJECT*pipes* Phase 2 and the previously proposed PROJECT*pipes* Phase 3, particularly when comparing like projects? (Substituting less complicated projects for more difficult and time-consuming but higher priority projects may not reflect improved efficiency.)
- Would WGL’s revised plan accomplish increased effectiveness compared to PROJECT*pipes* Phase 2 or the previously proposed PROJECT*pipes* Phase 3 at removing gas lines that are showing serious deterioration or at major risk of suffering dangerous leaks or failure and posing threats to public health and safety?

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3A01	3A02	3A03	3A04	3A05
Thaddeus Bradley-Lewis	Vacant	Vacant	Jeremy Del Moral	Ann Lane Mladinov

- Has WGL adopted an advanced leak detection system as the PSC has ordered, so the plans for not only maintenance and repairs but also capital spending for replacing vulnerable pipes will reflect improved capacity to identify leaks and risks of failing pipes before they become emergencies and create hazards to local customers and the community as a whole?
- Is WGL targeting the highest priority gas lines for removal and replacement in the revised plan so it can better achieve the goal of safe and reliable service?
- In the prioritization process, has WGL identified certain parts of its service area and gas lines, particularly gas mains, where customers would be most likely to replace systems powered by natural gas with systems powered by other sources of energy, so those portions of the WGL service network would have high probability not to be used or needed in the future?

We are concerned about gaps in WGL's revised proposal that will limit the capacity of the utility company, its customers, and the District as a whole to accommodate the need for dramatically reducing greenhouse gas emissions and increasing reliance of energy sources other than fossil fuels.

We urge the PSC to scrutinize the details of WGL's proposals and require the utility to improve its plans for gas line replacement to address shortcomings such as those suggested above.

- Any pipe replacement plan approved by the PSC should ensure that WGL's work is efficient and cost-effective. WGL's accelerated pipe replacement plan should meet top industry standards and not waste ratepayer funds that are expressly intended to make the utility infrastructure perform better for customers.
- It is particularly important for the PSC to ensure that WGL focuses any accelerated gas line replacement or rehabilitation programs on pipes that are performing an essential role for ratepayers and are most likely to leak or fail and create hazards to health and safety in the District, in the short or medium term.
- The PSC should continue to press WGL to adopt a more effective advanced leak detection technology for identifying where to concentrate resources for repair and/or replacement.
- As the District pursues its Clean Energy goals, different technological options will emerge along with changing demand for natural gas and other utility services to residences, businesses and other organizations. It is vital for our public utilities to adapt their operations and investments to meet the different circumstances going forward.
- To meet safety goals as well as environmental and energy goals, WGL is going to have to work with the local government, corporate and non-profit partners in a holistic way to plan the transition to increased reliance on clean renewable energy. This should include identifying where gas lines and related infrastructure in the District will not be needed in the future, so we

can all avoid the costly and unneeded capital cost of replacing gas mains and pipes for the next 50 years if they are not going to be used and useful in the much shorter term.

We understand that WGL is a natural gas distribution company and does not have responsibility for leading a transition from fossil fuels to use of other forms of energy such as electric power produced from clean renewable sources. Electrification. However, if the District is going to meet its Clean Energy DC goals, the DC government, the PSC, the District Department of Energy and the Environment, the private sector including utility companies WGL and Pepco, as well as a wide range of stakeholders will have to work together to make possible a successful shift away from carbon-emitting uses of energy.

A pilot program to demonstrate how that process could work would seem like a constructive next step, for example as a demonstration project to support implementation of the Healthy Homes Act. Incentives and compensation may be needed to facilitate that process. But it will be important for public officials and utility companies to find ways to assist consumers in identifying and affording safe, effective, economical options for replacing appliances and heating and cooling systems that emit greenhouse gases.

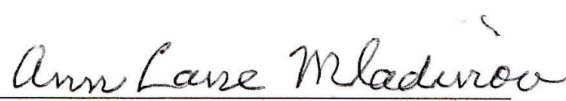
What is at stake is health and safety in the District and beyond, including reducing or preventing dangerous leaks and explosions, health hazards from methane such as asthma and other lung diseases, as well as climate-related disasters and environmental degradation that threatens health and life on earth.

We urge the PSC to review all these aspects of the current proceeding with attention to whether WGL has met the goals for FC1179, to “submit a restructured pipes plan that ensures the safe and reliable operation of the natural gas infrastructure to meet the energy needs of all District consumers in the District as well as aligns with the District’s climate goals.”

We also recommend that the PSC hold evidentiary hearings and welcome public comments through the closing date for the formal parties to submit final statements in this proceeding.



Chair



Secretary

This resolution was approved by the Commission by a vote of 3 - 0 at its duly-noticed public meeting on November 13, 2024, at which a quorum was present. (Two of the three sitting Commissioners constitute a quorum.) By the same vote, the Commission designated the Chair or Commissioner Ann Mladinov, ANC3A05, to represent the Commission on this matter.

BACKGROUND POINTS

The “Clean Energy DC” goals adopted by the District in 2018 call for reduction in total greenhouse gas emissions in the city (including carbon dioxide and methane) by 50% by 2032 compared to the levels in 2006, and carbon neutrality by 2045.

The Clean Energy DC goals are ambitious and will require significant changes for individuals, businesses, government, and other institutions. WGL observed that the largest share of electricity consumed in the District comes from powerplants that burn natural gas, and a complete shift to electricity could take 3 to 4 decades, which still might be partly powered by natural gas. The District’s current Renewable Portfolio Standards have goals for the share of electricity used in the District that is coming from “tier one renewable sources” in the PJM regional transmission grid or the states adjacent to the PJM, including a target of 45% in 2024 and 100% in 2030. Those are the goals we are committed and obliged to be working toward.

WGL’s presentation to ANC 3A on FC1179 included some discussion of plans for replacing cast iron gas mains, which are 100 years old or more. WGL noted that aging cast iron pipes were being removed in earlier years of WGL’s PROJECTpipes, as part of the policy of replacing gas pipes where DC PLUG or other utility projects already required opening up the streets to reach and replace other underground infrastructure. That approach was described as saving the cost of duplicative excavation of the roadway and the further disruption, noise, and shaking that could result from a subsequent project in the same area. The point was made that any excavation to access nearby underground infrastructure could potentially cause further damage to fragile cast iron gas pipes and leave them in more vulnerable condition if they were not removed and replaced at the same time. In WGL’s documents, those gas pipe replacement projects were categorized as “compelled by others.”

In FC1175, some commenters criticized WGL for the number of projects “compelled by others,” noting that gas lines in areas targeted by DC PLUG would not necessarily be the top priority gas pipes for replacement. Now WGL has said that under its revised plan proposed in FC1179, it will no longer be replacing gas pipes in areas where there are excavations for DC PLUG or other utility work. There was a suggestion in the WGL presentation to ANC 3A that under the revised accelerated gas line replacement plans, giving up projects “compelled by others” would mean that the utility will not be replacing any significant share of the aging cast iron gas mains in the District. This should be clarified.

As WGL emphasized in its presentation to the ANC 3A, the District still has a number of cast iron gas mains still in use, many of them 100 years old or more. WGL also highlighted that the federal government Pipeline and Hazardous Materials Safety Administration (PHMSA), located in the U.S. Department of Transportation, has been urging every state and jurisdiction to remove and replace all cast iron gas mains, which are among the gas lines that post the highest risk of leaks and failure. (PHMSA reports that cast iron pipes accounted for only 1% of the nation’s gas distribution mains in 2023, but between 2005 and 2023 cast iron or wrought iron pipes had accounted for 9% of the reported safety incidents, 16% of injuries and 34% of fatalities on U.S. gas mains.)

WGL system maps indicate that the District’s cast iron gas mains are largely in older portions of the city, where the natural gas distribution system was installed first. To the extent that those gas mains are heavily developed areas such as downtown and adjoining areas with primarily commercial, retail and apartment or condominium buildings, would those also be areas that will be shifting away from natural gas in order to meet BEPS standards?

WGL did not indicate in its presentation whether that factor was part of its decision to shift away from pipe replacement “compelled by others,” but that would seem to be an important consideration in planning for future investments.

Buildings are the major source of greenhouse gas emissions in the District, accounting for 72% according to current estimates, compared to 29% for transportation. With the DC Building Energy Performance Standards (BEPS) in place and the first Compliance Cycle ending December 31, 2026, many commercial buildings (offices, retail, and large apartment s and condominiums) are putting together action plans to meet fuel efficiency and carbon emission standards, including replacing natural gas-powered HVAC systems with alternatives that do not involve consuming carbon-based fuels. That would suggest that parts of the District made up entirely or primarily of large commercial buildings could be areas where natural gas use would be dramatically reduced and potentially phased out in coming years.

At a smaller scale, WGL is also offering a new option called “Customer Choice” that would allow individual residential customers to “opt out” of having WGL replace their natural gas service lines (from the gas main to the house) when their street or block is on the list for accelerated replacement in the coming year. Under that plan, WGL could agree to remove that service line from the replacement plan and abandon that service if the customer provides evidence that the residence has been shifted to a different energy source or has entered an agreement to make that change. As a result, that customer would no longer receive a gas bill and thus would also no longer pay the surcharge that covers the cost of WGL’s accelerated gas line replacement program. As discussed in ANC 3A, that could meet the particular household’s interests and policy views but it would mean that the entire burden of that program would fall on the WGL customers who cannot give up gas service, perhaps because they do not have the funds to make the transition away from natural gas.

With the focus on individual residences rather than a larger area, the Customer Choice option would appear to result in a patchwork pattern of residential service lines that would be abandoned year by year, but the savings in both dollar costs and leaks or other safety risks from abandoning an individual service line would generally be low compared to the savings if WGL did not need to repair or replace a gas main to an entire block or area. Though the details are not entirely parallel, the ANC Commissioners have learned from DC Water’s lead line replacement program that it is far more efficient to work block by block than to respond to requests to remove service lines from individual households, one at a time. Perhaps WGL would find a demonstration project would show that a concentrated program focusing on a larger area than just one home at a time would be more effective, especially if it involves sharing information on options available, community meetings, mailers, door hangers, and online resources, as well as customer assistance. That would seem like a helpful project.