

TESTIMONY OF
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DISTRICT OF COLUMBIA PUBLIC SERVICE COMMISSION
BEFORE THE
COMMITTEE ON TRANSPORTATION & THE ENVIRONMENT
COMMITTEE ON JUDICIARY & PUBLIC SAFETY
COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT
COUNCIL OF THE DISTRICT OF COLUMBIA
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Good Morning, Chair Cheh, Chair Allen, and Chair McDuffie and Members of the Committees. I am Emile Thompson, Interim Chairman of the Public Service Commission of the District of Columbia, and I am pleased to testify on the Commission's work on the climate resiliency of public utility infrastructure in the District.

Climate resiliency is the ability to prepare for, withstand, and recover from severe, adverse weather-related events affecting the energy distribution infrastructure.

It is the Commission's responsibility to require public utilities to assess their climate-related vulnerabilities and identify measures to make their systems resilient to climate change impacts. As new technologies and research emerge, investing in and modernizing the energy distribution infrastructure allows the District to make smart choices that will support its climate goals for years to come. Investments such as battery storage, energy efficient buildings and appliances, and electric and natural gas distribution grid enhancements all help to produce an energy delivery system that is safe, reliable, resilient, secure, interactive, and supportive of the District's climate policy initiatives.

For the last decade, the Commission has been active in measures to assure climate resiliency in the District. The 2012 derecho that left thousands of District residents without power for days was the catalyst for our efforts. I will begin an overview of specific initiatives that the Commission has undertaken with that event and the public-private partnership that followed.

1. DC Power Line Undergrounding (DC PLUG) Program

On July 2, 2012, former Mayor Vincent C. Gray publicly announced the need for a “game changer” as Pepco worked to restore power to the hundreds of thousands of customers who lost service after the Derecho moved through the District on June 29, 2012. On August 16, 2012, former Mayor Gray issued a mayoral order establishing the Mayor’s Power Line Undergrounding Task Force, which led to the creation of the DC PLUG program. DC PLUG is a public-private partnership between Pepco, the DC Department of Transportation (DDOT) and other District agencies to improve electric service resiliency and reduce the impact of storm-related outages and other environmental events in the District by placing vulnerable overhead distribution lines underground.

The Commission was instrumental in developing the policies that led to DC PLUG and has overseen the progress made in protecting the electric distribution infrastructure from climate events by placing vulnerable electric feeders underground. Undergrounding reduces the severity of power outages during major storms, thereby, increasing the resiliency and reliability of the electric distribution system.

On November 9, 2017, the Commission approved the first Pepco and DDOT DC PLUG Biennial Underground Infrastructure Improvement Projects Plan (Biennial Plan), which identified six electric distribution feeders to be placed underground. On January 24, 2020, the Commission approved the Second Biennial Plan which included ten feeders to be undergrounded.

On September 30, 2021, Pepco and DDOT filed the Third, and final, Biennial Plan that proposes to move four overhead feeder lines, located in Wards 3, 5, 7, and 8, entirely or partially underground. The Commission has scheduled the virtual community hearing for Formal Case No. 1168 for Tuesday, January 11, 2022, at 6:00 p.m.

Undergrounding electric distribution feeders is perhaps the best example of District initiatives to address climate resiliency. The Commission continues to oversee DC PLUG to assure improved climate resiliency. Based on information provided in the Third Biennial Plan, the entire DC PLUG initiative comprises about \$485 million of total investment, providing a resiliency benefit to about 26,000 Pepco customers in the District.

One final point regarding the DC PLUG Program is that pursuant to the DC PLUG statute, the Mayor, Commission, Office of People's Counsel, and Pepco shall jointly prepare a report and recommendations about whether the DC PLUG Program should be continued and/or modified in some fashion. The statute requires that this report and recommendations shall be filed with the DC Council by December 31, 2022.

2. PowerPath DC

Power Path DC outlines the critical next steps for bringing grid modernization to fruition by fostering the development of an energy delivery system that is safe and reliable, secure, sustainable, affordable, interactive, and resilient to the effects of climate change. A Governance Board of stakeholders was created by the Commission to recommend Pilot Projects, to be funded by the \$21.5 million provided to the Commission as a commitment from the Pepco/Exelon Merger. These Pilot Projects will serve as verifiable examples of how to modernize the electric distribution grid to meet the aforementioned objectives. We expect to consider the first of the Governance Board's recommendations in early 2022.

Additionally, the Commission continues to foster growth in clean renewable energy in the District, and we are pleased to report that we have certified over 9,500 solar projects in the District, encompassing over 147 MW of generation capacity. These certified facilities include nearly 210 solar community renewable energy facilities (or CREF's). We are hopeful that battery storage technology developments will further leverage the benefits of these 9,500 solar facilities and provide additional resiliency and clean power benefits across the District.

The Commission also continues to foster "Smart Grid" and electric distribution automation investments. These innovative technologies help the electrical system isolate and limit outages, automatically "heal" itself, while also preventing expensive truck rolls and manual operations.

3. Capital Grid Project (CGP)

The Capital Grid Project is a long-term Pepco initiative, approved by the Commission, to address aging infrastructure, enhanced system resiliency, improved reliability, and load growth. The CGP will provide a networked high voltage underground transmission system and upgrade or add three electric substations in the District, while also providing about 70 MW of additional hosting capacity for future distributed energy resources. The CGP provides transmission and distribution resiliency benefits to over 300,000 Pepco customers in the District, as well as many in Maryland. The CGP encompasses a significant long-term investment of \$850 million. Costs will be shared between Pepco customers in the District and Maryland over the 50-60 years life of this equipment.

4. PROJECTpipes Initiative

Washington Gas Light Company's (WGL) PROJECTpipes is an accelerated gas pipeline replacement program that originated out of a national effort by

gas utilities and public utility regulators to address the replacement of aging, higher-risk, gas infrastructure. Following several earlier major natural gas pipeline safety incidents, the U.S. Department of Transportation's Pipelines and Hazardous Materials Safety Administration issued a "Call to Action" in 2011, urging the acceleration of the repair, rehabilitation, and replacement of the highest risk aging gas pipeline infrastructure, such as cast iron and bare steel pipes.

In 2014, the Commission approved WGL's Revised Accelerated Pipe Replacement Program (PROJECTpipes) to enhance the resiliency, reliability, and safety of the 1,200-mile natural gas distribution system in the District, which provides gas service to 165,000 customers. The District has one of the oldest and the most leak-prone distribution pipe systems in the three-jurisdiction WGL region. Old leak-prone vintage pipes currently comprises about 40% of WGL's total gas main piping and 21% of service pipes in the District.

PROJECTpipes will help with mitigating greenhouse gases (GHG) arising from WGL's distribution system by replacing leak-prone older pipe, implementing new gas leak detection and survey technologies, and updating GIS mapping of underground facilities.

On December 9, 2020, the Commission approved a modified PROJECTpipes 2 plan for the three-year period starting on January 1, 2021, through December 31, 2023. The Commission's Staff estimated that there will be more than 100 avoided methane gas leaks over the three-year period of PROJECTpipes 2 and a cumulative GHG reduction of 6,000 metric tons of carbon dioxide (CO₂ equivalent) emissions.

With the completion of PROJECTpipes 2, we are expecting WGL to have remediated over 36 miles of gas main pipe and 8,500 service pipes, since inception of the overall initiative in 2014.

The Commission directed WGL to file its next successor PROJECTpipes plan no later than January 1, 2023, for consideration and potential approval beginning no earlier than January 1, 2024.

5. AltaGas Climate Business Plan

In compliance with Commitment Term No. 79 for approval of the AltaGas/WGL Merger, AltaGas filed its Climate Business Plan on March 16, 2020. On September 1, 2021, AltaGas and WGL filed, pursuant to Commission directive, its explanation of how the Fuel Neutral Decarbonization scenario in the Climate Business Plan will provide safe, reliable, affordable, and sustainable natural gas distribution service in the District. Just two days ago, on December 15, 2021, AltaGas and WGL filed, as directed by the Commission, a detailed list of individual proposed projects for approval in the next 5-years to implement the Fuel Neutral Decarbonization scenario in the Climate Business Plan. The Commission has also directed AltaGas and WGL to file by January 18, 2022, a detailed list of individual proposed projects that WGL intends to undertake in the next 30-years to implement the Fuel Neutral Decarbonization scenario in the Climate Business Plan. We will carefully review these filings to be sure that they advance the District's climate goals.

6. Pepco Climate Solutions Plan

On November 18, 2020, the Commission opened a new proceeding, Formal Case No. 1167, to consider whether, and to what extent, utility or energy companies under its purview have realistic, and implementable, plans to address the District's climate goals, including the need for climate resiliency, and then take action, where necessary, to guide the companies in the right direction. Consistent with Commission directives in that proceeding, on July 20, 2021, Pepco filed its Climate Solutions Plan, followed by an Electrification Study the Company filed on August 27, 2021. And, on October 8, 2021, Pepco filed its 5-Year Action Plan.

In sum, I am grateful for the opportunity to share some of the steps the Commission has taken to assure climate resiliency. Thank you and I am available to answer any questions.