

Your Energy. Your Voice.

For Immediate Release: April 11, 2022

Contact: Kellie Didigu, kdidigu0@psc.dc.gov, 202-626-5124

Washington Gas Light Company Files Application to Request Rate Increase

On April 4, 2022, the Washington Gas Light Company (WGL) filed an application, docketed in <u>Formal Case No. 1169</u>, requesting authority to increase existing rates and charges for natural gas service in the District of Columbia.

• In the application, WGL proposes an increase in base rates for gas service. According to WGL, the requested rates are designed to collect approximately \$53.0 million in total annual revenues, which includes a transfer of \$5.3 million from the PROJECTpipes surcharge to base rates; therefore, the incremental amount of the base rate increase is approximately \$47.7 million, reflecting an overall increase of approximately 20.4% over and above current charges. WGL contends that the request to increase base rates is because the Company is operating in the District of Columbia with negative cash flows from operating activities and an insufficient return to cover its financing costs.

WGL seeks approval of a Climate Progress Adjustment that WGL contends will stabilize customers' annual bills for the delivery of energy while also allowing WGL the opportunity to recover its approved revenue requirement notwithstanding reduced customer consumption. WGL also seeks approval of a Climate Action Recovery Tariff which would allow WGL the opportunity to recover costs associated with the Company's efforts to support the District of Columbia's climate goals.

In September 2021, Commission Order No. 21017 outlined actions WGL was required to take to address ongoing customer service issues. Conditions of this order included filing monthly compliance reports on certain customer service standards in the Natural Gas Quality of Service Standards (NGQSS) and suspension of disconnections of any customers for non-payment until the Commission has determined that WGL is in full compliance with the NGQSS. In that same order, the Commission notified WGL that if the Company filed a rate case, the Commission may hold the commencement of the rate case in abeyance until the Commission issues an order stating that WGL is in compliance with the NGQSS.

On April 1, 2022, WGL filed a motion requesting the Commission find that the Company is in compliance with the NGQSS and allow WGL to resume disconnections for non-payment. On April 8, 2022, the Office of the People's Counsel ("OPC") filed a motion opposing WGL's request to resume disconnections.

Also, on April 8, 2022, OPC filed a motion requesting the Commission hold in abeyance WGL's rate case until the Commission issues an order finding that the Company is in full compliance with NGQSS. WGL has 10 calendar days to respond to OPC's motions.

The Commission will issue a public notice of WGL's application in the D.C. Register.

The Public Service Commission of the District of Columbia is an independent agency established by Congress in 1913 to regulate electric, natural gas, and telecommunications companies in the District of Columbia.

###