

**PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA  
1325 G STREET N.W., SUITE 800  
WASHINGTON, D.C. 20005**

**PUBLIC NOTICE**

**December 14, 2018**

**FORMAL CASE NO. 1115, APPLICATION OF WASHINGTON GAS LIGHT  
COMPANY FOR APPROVAL OF A REVISED ACCELERATED PIPE  
REPLACEMENT PROGRAM;**

**and**

**FORMAL CASE NO. 1154, APPLICATION OF WASHINGTON GAS LIGHT  
COMPANY FOR APPROVAL OF PROJECTPIPES 2 PLAN**

1. The Public Service Commission of the District of Columbia (“Commission”) hereby gives notice that on December 7, 2018, Washington Gas Light Company (“WGL” or “the Company”) filed a request for approval of a “PROJECTpipes 2 Plan (“PIPES 2 Plan”)” with the Commission.<sup>1</sup> The Commission is opening a new docket *Formal Case No. 1154* to address WGL’s request.

2. By Order No. 17431, the Commission approved the first five (5) years of WGL’s proposed 40-year Revised Accelerated Pipe Replacement Plan.<sup>2</sup> Under the Accelerated Pipe Replacement Plan (“PIPES 1 Plan”), WGL proposed to replace approximately 23,600 bare and/or unprotected steel service segments, 29 miles of bare steel main, 25 miles of targeted unprotected steel main and all 428 miles of low pressure and medium pressure cast iron main in the District of Columbia.<sup>3</sup> The Commission also indicated that the remainder of the 40-year Revised Plan should be submitted for our approval in 5-year segments.<sup>4</sup> WGL seeks approval of its PIPES 2 Plan as well as authorization to recover the costs associated with the PIPES 2 Plan through the approved

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<sup>1</sup> *Formal Case No. 1115, Application of Washington Gas Light Company for Approval of Revised Accelerated Pipe Replacement Program (“Formal Case No. 1115”), Washington Gas Light Company’s Application for Approval of PROJECTpipes 2 Plan, filed December 7, 2018, (“PIPES 2 Plan”).*

<sup>2</sup> *Formal Case No. 1093, In the Matter of the Investigation into the Reasonableness of Washington Gas Light Company’s Existing Rates and Charges for Gas Service (“Formal Case No. 1093”) and Formal Case No. 1115, Order No. 17431, ¶ 32, rel. March 31, 2014.*

<sup>3</sup> *Formal Case No. 1093, WGL’s Request for Approval of a Revised Accelerated Pipe Replacement Plan, Attachment A, at 3 to 13, filed August 15, 2013.*

<sup>4</sup> *Formal Case No. 1093 and Formal Case No. 1115, Order No. 17431, ¶ 32, rel. March 31, 2014.*

PROJECTpipes surcharge mechanism.<sup>5</sup> Also, WGL requests approval of the PIPES 2 Plan and surcharge mechanism in advance of the expiration of the current PIPES 1 Plan, by September 30, 2019, “to allow the continuous progression of PROJECTpipes, and to ensure the continued availability of contractor resources needed to perform the work under this program.”<sup>6</sup>

3. According to WGL, “under the PIPES 1 Plan, as of September 30, 2018, the Company retired or remediated approximately 12.8 miles of main and 2,959 services.”<sup>7</sup> WGL states that the PIPES 2 Plan will “further the Company’s efforts to address relatively higher-risk pipe associated with an aging infrastructure by replacing pipe materials and components, as well as adding new features to enhance the safety of the system.”<sup>8</sup> Specifically, the PIPES 2 Plan covers the period October 1, 2019, through December 31, 2024, and consists of 13 programs, including eight (8) distribution programs and five (5) transmission replacement programs, at an estimated total cost of \$305.3 million.<sup>9</sup> WGL indicates that through its PIPES 2 Plan, it intends to replace 22 miles of main and replace or changeover 8,274 services in its distribution system over the five-year period of the plan, at a total estimated cost of \$277.1 million. For the transmission programs, WGL states that it has budgeted \$28.2 million for the five-year plan for the District of Columbia portion of the total cost for these projects.<sup>10</sup>

4. The Commission notes that pursuant to the Settlement approved by the Commission in the AltaGas-WGL Merger *Formal Case No. 1142*, Commitment No. 54, requires that WGL file the results of a cost/benefit analysis of PROJECTpipes with the Commission as a part of its second five-year PROJECTpipes filing.<sup>11</sup> In its Pipes 2 Plan filing, the Company has indicated that the study is not expected to be concluded until April of 2019; and that WGL will file the results of the study for consideration in this proceeding when it is concluded.<sup>12</sup> We also note that there are other AltaGas-WGL Merger commitments regarding PROJECTpipes, including Commitment Nos. 53, 72, and 74.<sup>13</sup>

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<sup>5</sup> *Formal Case No. 1115*, PIPES 2 Plan at 1.

<sup>6</sup> *Formal Case No. 1115*, PIPES 2 Plan at 1-2.

<sup>7</sup> *Formal Case No. 1115*, PIPES 2 Plan at 1.

<sup>8</sup> *Formal Case No. 1115*, PIPES 2 Plan at 3.

<sup>9</sup> *Formal Case No. 1115*, PIPES 2 Plan at 4.

<sup>10</sup> *Formal Case No. 1115*, PIPES 2 Plan at 5.

<sup>11</sup> *Formal Case No. 1142, In the Matter of the Merger of AltaGas Ltd. and WGL Holdings, Inc.* (“*Formal Case No. 1142*”), Order No. 19396, Appendix A at 21, rel. June 29, 2018.

<sup>12</sup> *Formal Case No. 1115*, PIPES 2 Plan at 11.

<sup>13</sup> *Formal Case No. 1142*, Appendix A at 20-28.

5. The Commission invites interested persons to provide comments and reply comments on the matters set forth in WGL's request for approval of the PIPES 2 Plan by January 21, 2019, and February 6, 2019, respectively. Interested persons may propose a procedural schedule to facilitate adjudication of this matter and specifically identify material issues of fact that they believe are in dispute, should persons request a hearing in this matter. Comments and replies thereto shall be filed with Brinda Westbrook-Sedgwick, Commission Secretary, Public Service Commission of the District of Columbia, 1325 G Street, N.W., Suite 800, Washington, D.C. 20005 or electronically on the Commission's website at [https://edocket.dcpsec.org/public/public\\_comments](https://edocket.dcpsec.org/public/public_comments).

6. Copies of WGL's PIPES 2 Plan may be obtained by visiting the Commission's website at [www.dcpsec.org](http://www.dcpsec.org) or at cost, by contacting the Commission Secretary at the address provided above. Persons with questions concerning this Notice should call (202) 626-5150 or send an email to [psc-commissionsecretary@dc.gov](mailto:psc-commissionsecretary@dc.gov).

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