

May 10, 2022

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Brinda Westbrook-Sedgwick
Commission Secretary
Public Service Commission of the District of Columbia
1325 G Street NW, Suite 800
Washington, DC 20005

Re: **Formal Case No. 1167, *In the Matter of the Implementation of Electric and Natural Gas Climate Change Proposals***

Dear Ms. Westbrook-Sedgwick:

In accordance with Commission Order Nos. 20754 and 21100 in the above-captioned proceeding, enclosed for filing please find Washington Gas Light Company's Comments on Sierra Club's Electrification Study, filed on March 11, 2022.

If you have any questions regarding this matter, please feel free to contact me.

Sincerely,



Moxila A. Upadhyaya

Counsel for AltaGas Ltd.

cc: Certificate of Service, Formal Case No. 1167
Christopher S. Gunderson, Esq.
J. Joseph Curran, III, Esq.

In the Matter of the Implementation of Electric and Natural Gas Climate Change Proposals, Formal Case No. 1167

Earthjustice Report Sponsored by the Sierra Club

Washington Gas Light Company (“Washington Gas” or “Company”) has reviewed the report prepared by Rewiring America and filed by Earthjustice for the Sierra Club. The report contains no independent analysis to be critiqued and often cites numerous studies and other reports — some with relevance to this docket, and others the Company deems not relevant nor sufficiently explained in the report to enable a response. The Company offers no comment at this time on the political and advocacy beliefs of Rewiring America, Earthjustice, the Sierra Club, or the studies cited in the report to support their beliefs. We consider the comments and recommendations contained in the report to be opinions and beliefs based on the works cited and do not take a position on their validity. Nonetheless, the Company does offer commentary on certain conclusory statements and recommendations contained in the report.

Company Perspective on the Report

- 1. The District is focused on carbon neutrality by 2050 which does not mandate 100% electrification and does not mandate 100% electrification to achieve its carbon neutral policy goal.**

The natural gas industry, including Washington Gas, has been evaluating various pathways to decarbonization as states and the federal government identify decarbonization as an important policy imperative. It is Washington Gas’ opinion that any and all reports purporting to identify strategies and means to support the District’s ambitious drive toward a carbon neutral future should be considered by the Commission. The Company notes, however, that the claim made by Rewiring America that electrification is the only viable path to a carbon neutral future is valid only to the extent that electricity is generated, stored, and delivered entirely from non-carbon emitting energy resources, assuming that this can be achieved while also delivering a safe, affordable, reliable, and secure energy future for all customers. Further, it is the Company’s position that not all buildings and transportation electrification needs are most efficiently and affordably met by supplying more electricity through the electric grid or by on-site renewable energy generation. Renewable natural gas and green hydrogen can be used in fuel cells to supply electricity to meet the electricity needs of buildings and transportation with carbon neutral emissions. The existing pipeline infrastructure can be leveraged to power on-site highly efficient combined heat and power installations as well as transport using blended hydrogen and natural gas and avoid the massive investment and customer costs required to upgrade the electric grid to serve potentially ever-increasing loads. The utilization of the existing and extensive underground pipeline infrastructure will also serve to maintain reliability and enhance

resiliency during a period of increasing variable and intense weather conditions. As pointed out in “The Role of Gas Distribution Companies in Achieving the Commonwealth’s Climate Goals”¹ report published by E3 and ScottMadden in March 2022, a coordinated gas and decarbonization strategy, using a diverse set of technologies, energy sources, and conservation strategies is likely to be better able to manage the costs and feasibility of decarbonization than scenarios that rely on any single technology or strategy.

2. Any workable plan pursuing policy-driven electrification must address affordability gaps and the significant need for new electric infrastructure.

The Company agrees that meeting the District’s decarbonization goals is an ambitious challenge and one which the Company is committed to helping achieve. Arguably, the resolve to meet decarbonization goals requires that government and regulatory agencies and the public at large approve large and steady increases in electric transmission and distribution, smart grid, and distributed energy infrastructure. In New Jersey’s 2019 Energy Master Plan, RMI found that, “with building and transportation electrification, New Jersey’s electricity use will more than double through 2050, even after meeting and exceeding New Jersey’s nation-leading energy efficiency goals.”² Nowhere does Sierra Club address in detail the costs and investments necessary, or associated affordability questions, of this one path only framework.

3. The reference to the 2021 Winter Storm completely infers the wrong conclusions on reliability and energy security.

The Company would like to comment on Earthjustice’s reference to the February 2021 winter storm events throughout the United States, with much of the reporting focused on the events in Texas. By reference, we would highlight the analysis done by the American Gas Association. Despite the record demand and the challenges caused by this event, natural gas utilities continued to provide safe and reliable natural gas service to customers during this event with few interruptions. The Company notes that firm natural gas customers remained largely uninterrupted during the event – as highlighted in the “Assessment of Natural Gas and Electric Distribution Service Reliability.”³ This level of service is attributable to the resiliency of the natural gas infrastructure based on years of strategic investment in these distribution systems’ safety and reliability.⁴ Washington Gas takes seriously its focus on reliability, and the Commission is aware of the significant investments to meet firm gas loads for customers against design day parameters. As the Commission is aware, Washington Gas has been serving its customers consistently and reliably for over 175 years, and we are committed to providing our customers with essential energy to live, work and play in a safe, reliable and affordable way.

¹ <https://www.mass.gov/info-details/investigation-assessing-the-future-of-natural-gas-in-massachusetts>

² <https://rmi.org/new-jersey-charts-a-practical-affordable-course-to-a-decarbonized-economy/>

³ <https://www.aga.org/globalassets/research--insights/reports/energy-analysis-2021-01-natural-gas-market-performance-during-the-february-2021-cold-weather-event.pdf>

⁴ Assessment of Natural Gas and Electric Distribution Service Reliability (gti.energy), page 1, Table 1

4. Washington Gas remains firmly committed to assisting the District achieve its goals in a safe, reliable, affordable, and secure manner.

Lastly, to meet the District's climate goals, the Company believes that all parties, including those parties involved in this proceeding, must work and act collaboratively and collectively to achieve emissions reductions across multiple sectors of the economy, including in how we generate electricity, fuel transportation, and heat buildings. The Company believes in the importance of analyzing all potential pathways to successful accomplishment of the District's goal of a carbon neutral future. These pathways must, however, be supported by rigorous analysis evidence and account for operating realities while still adhering to legal and regulatory principles that natural gas LDCs have the obligation to serve. The Company is proud of and stands by its record of delivering safe and reliable natural gas to meet customer energy demands at costs deemed reasonable by this Commission while protecting the natural environment and being an advocate for our customers and our community.

CERTIFICATE OF SERVICE

I hereby certify that, on this 10th day of May, 2022, a copy of the foregoing was served on the following parties by electronic mail:

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