

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

ORDER

August 5, 2025

**FORMAL CASE NO. 1142, IN THE MATTER OF THE MERGER OF ALTAGAS LTD.
AND WGL HOLDINGS, INC. Order No. 22695**

I. INTRODUCTION

1. By this Order, the Public Service Commission of the District of Columbia (“Commission”) finds that AltaGas, Ltd. (“AltaGas”) has fulfilled its obligations under Term No. 5 of the *Formal Case No. 1142* Settlement Agreement as of March 14, 2025.¹ Consistent with Term No. 9 of the Consent Decree,² the Commission also directs AltaGas to pay \$109,500 into the District Department of Energy and Environment (“DOEE”) Renewable Energy Development Fund (“REDF”) within fifteen (15) days of the date of this Order.

II. BACKGROUND

2. On June 29, 2018, the Commission approved a Settlement Agreement regarding a proposed merger between AltaGas and WGL Holdings, Inc. (the parent company of the Washington Gas Light Company (“WGL”).³ In approving the Settlement Agreement, which contained eighty-five (85) commitments, the Commission specifically considered the extent to which the proposed merger produced “a direct and tangible benefit to ratepayers.”⁴ One of those benefits was the commitment under Term No. 5 that AltaGas’ shareholders would be responsible for developing or causing to be developed 10 MW of electric grid energy storage or Tier one renewable resources within five (5) years after the close of the merger.⁵

3. The phrase “develops or causes to be developed” became the subject of a dispute between the parties when AltaGas applied it to a financial arrangement that had never been previously considered by the parties. Ultimately, the Commission determined that the Settlement Agreement allows AltaGas to utilize its financial arrangement and thereby receive credit for

¹ *Formal Case No. 1142, In the Matter of the Merger of AltaGas Ltd. and WGL Holdings, Inc.* (“*Formal Case No. 1142*”), Consent Motion to Reopen the Record in Formal Case No. 1142 to Allow for Consideration of Unanimous Full Settlement Agreement and Stipulation, and to Waive Hearing on Proposed Settlement, filed May 8, 2018.

² *Formal Case No. 1142*, Joint Motion to Approve Merger Order Term No. 5 Consent Decree (“Consent Decree”), filed October 8, 2024.

³ *Formal Case No. 1142*, Order No. 19396, rel. June 29, 2018 (“Order No. 19396”).

⁴ Order No. 19396, ¶ 28.

⁵ Order No. 19396, ¶ 30.

developing 2.4 MW but determined that AltaGas had breached the Settlement Agreement regarding the remaining 7.6 MW.⁶ The Commission directed the parties to attempt to settle the penalty amount that should be assessed for the breach, which resulted in a Consent Decree approved by Order No. 22322.⁷

4. Order No. 22322 determined that AltaGas' Second Solar Renewable Energy Credit ("SREC") agreement complied with Term No. 5 and directed AltaGas to continue reporting on its fulfillment of the Term No. 5 obligations specified in the Consent Decree.⁸ In Order No. 22392, the Commission directed AltaGas and the District of Columbia Government ("DCG") to meet with Commission Staff to determine the types of information that would be needed for AltaGas to show compliance with Term No. 5.⁹ In Order No. 22413, the Commission approved the list of information to be provided in AltaGas' May 15, 2025 Compliance Report.¹⁰ On May 15, 2025, AltaGas filed its Compliance Report.¹¹ On June 16, 2025, DCG filed a Response indicating that it had no objections to the projects in the Compliance Report.¹² Also on June 16, 2025, AltaGas filed a formal request for the Commission to determine that AltaGas has met its Term No. 5 obligation.¹³

III. DISCUSSION

5. In its Compliance Filing, AltaGas includes a narrative description of its efforts to complete its Term No. 5 obligation. To demonstrate compliance AltaGas includes: a copy of the SREC Agreement and Parental Guaranty; an Excel spreadsheet of all projects developed under the SREC Agreement; copies of the Authorization to Install ("ATI") and Authorization to Operate ("ATO") for forty (40) residential projects selected by DCG; a sworn declaration from the project installer for projects installed between October 19, 2024 and November 20, 2024 verifying that the projects were installed and commenced operation after their ATIs; for the commercial projects,

⁶ *Formal Case No. 1142*, Order No. 21890, ¶ 4, rel. August 9, 2023 ("Order No. 21890").

⁷ *Formal Case No. 1142*, Order No. 22322, rel. November 6, 2024 ("Order No. 22322"). As provided for in the Consent Decree, if AltaGas does not complete its obligations by December 31, 2024, then AltaGas will be responsible for a daily \$1,500 payment for each day that it does not fulfill its obligations between December 31, 2024, and March 31, 2025. If the obligation is still not fulfilled by March 31, 2025, then AltaGas will be responsible for a daily \$3,800 payment until the obligation is fulfilled.

⁸ Order No. 22322, ¶ 1, rel. November 6, 2024.

⁹ *Formal Case No. 1142*, Order No. 22392, rel. March 27, 2025 ("Order No. 22392").

¹⁰ *Formal Case No. 1142*, Order No. 22413, rel. May 7, 2025 ("Order No. 22413").

¹¹ *Formal Case No. 1142*, AltaGas Compliance Report, filed May 15, 2025.

¹² *Formal Case No. 1142*, Letter to Brinda Westbrook-Sedgwick, Commission Secretary, from Brian R. Caldwell, Senior Assistant Attorney General ("DCG Response"), filed June 16, 2025.

¹³ *Formal Case No. 1142*, Letter to Brinda Westbrook-Sedgwick, Commission Secretary, from Katherine Wright Morrone, Counsel for AltaGas, Ltd. ("AltaGas Request"), filed June 16, 2025.

a sworn statement from the project installer verifying construction start date and ATO; and additional information on tax equity partnerships.¹⁴

6. In its Response, DCG indicates that it has reviewed the Compliance Filing and has no objections to the residential and commercial projects included in the Compliance Filing.¹⁵

7. In its Request, AltaGas seeks a determination by the Commission that AltaGas has satisfied its Term No. 5 obligation. AltaGas argues that its Request is supported by the Compliance Filing and DCG's Response.¹⁶

8. The Commission finds that AltaGas has completed the remaining 7.6 MW of its Term No. 5 obligation. The Commission finds that AltaGas has fulfilled the Term No. 5 obligation in full.

9. Pursuant to paragraph 9 of the Consent Decree, AltaGas is responsible for payments equaling \$1,500 a day for each day between January 1, 2025, and March 31, 2025, before AltaGas completed its obligation.¹⁷ AltaGas contends that it completed the Term No. 5 obligation on March 14, 2025. DCG does not dispute that completion date. Neither does the Commission. Thus, AltaGas is responsible for a \$109,500 payment to DOEE's REDF. This payment is to be made within fifteen (15) days of the date of this Order.

THEREFORE, IT IS ORDERED THAT:

10. AltaGas, Ltd. has completed the obligations contained in Term No. 5 of the *Formal Case No. 1142* Settlement Agreement as of March 14, 2025; and

11. Pursuant to Term No. 9 of the Consent Decree, AltaGas, Ltd. shall pay \$109,500 to the District Department of Energy and Environment's Renewable Energy Development Fund within fifteen (15) days of the date of this Order.

A TRUE COPY:

BY DIRECTION OF THE COMMISSION:



CHIEF CLERK:

**BRINDA WESTBROOK-SEDGWICK
COMMISSION SECRETARY**

¹⁴ Compliance Filing at 5-7.

¹⁵ DCG Response at 1.

¹⁶ AltaGas Request at 1-2.

¹⁷ Consent Decree, Term No. 9.

COMMISSION ACTION

FORMAL CASE NO. 1142, IN THE MATTER OF THE MERGER OF ALTAGAS LTD. AND WGL HOLDINGS, INC.

Date 8/5/25 Formal Case No. 1142 Tariff No. _____ Order No. 22695

	Approve Initial & Date	Disapprove Initial & Date	Abstain Initial & Date
Chairman Emile Thompson	<u>ET/JP 8/5/25</u>	_____	_____
Commissioner Richard A. Beverly	<u>RB/JP 8/5/25</u>	_____	_____
Commissioner Ted Trabue	<u>TT/JP 8/5/25</u>	_____	_____

Certification of Action

Jamond D. Perry
General/Deputy General Counsel

Lara Walt
OGC Counsel/Staff