



March 2, 2026

VIA ELECTRONIC FILING

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 Brinda Westbrook-Sedgwick:

Attached for filing please find Sierra Club's *Initial Comments on Pepco's 15-Year Plan*. Thank you for your attention to this matter.

Should you have any questions, please contact me at toberleiton@earthjustice.org.

Sincerely,

Timothy R. Oberleiton
Senior Attorney
D.C. Bar No. 1617107
Earthjustice
1001 G St. NW, Ste. 1000
Washington, D.C. 20001
(202) 667-4500
toberleiton@earthjustice.org

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE DISTRICT OF COLUMBIA**

IN THE MATTER OF)	
THE IMPLEMENTATION OF ELECTRIC)	
AND NATURAL GAS CLIMATE)	Formal Case No. 1167
CHANGE PROPOSALS)	

**SIERRA CLUB’S COMMENTS ON
PEPCO’S 15-YEAR PLAN**

Pursuant to Order No. 22791 by the Public Service Commission of the District of Columbia (“Commission” or “PSC”) ¹ Rules of Practice and Procedure, Sierra Club respectfully submits its comments on Pepco’s 15-year Plan.

I. COMMENTS

Sierra Club appreciates the opportunity to comment on Pepco’s 15-year Climate Solutions Plan (“CSP”) and Electrification Impact Study (“EIS”).² Pepco is, and will continue to be, a critical partner in effectuating the District’s legally-binding emissions reduction mandates and furthering District government’s ongoing policy path to achieve those reductions by transitioning away from gas. Sierra Club also appreciates Pepco engaging Sierra Club and other intervenors prior to making this filing.³

It is well-established that reducing emissions requires rapidly scaling back utilization of methane gas—that can no longer be in debate. Electrification across the economic spectrum is the widely acknowledged method of reducing methane emissions, and utilizes technologies that exist today and have already proven their efficacy and affordability. The resulting challenge for Pepco

¹ *Formal Case No. 1167, In the Matter of the Implementation of Electric and Natural Gas Climate Change Proposals* (“*Formal Case No. 1167*”), Order No. 22791 at ¶ 5, rel. February 13, 2026.

² *Formal Case No. 1167, Pepco CSP & EIS*, filed October 31, 2025.

³ CSP at 17.

is how best to ensure that the transition to an electric economy is managed in an affordable and equitable manner. DC's electric grid must be prepared for this mass transition. Indeed, urban environments like DC are ideally positioned to electrify.

Sierra Club does not pretend that this will happen overnight—while prompt and aggressive action is needed in the short term, the transition will necessarily take time as we move along the timeline contemplated in the DC Climate Commitment Amendment Act and in compliance with DC's myriad other supportive law and polices.⁴ Now is the time for the Commission to take action to ensure that Pepco acts swiftly to put the District on track to comply with its climate mandates. Moving forward with the integrated electric distribution system planning ("IDSP") process will provide that opportunity. And action can be taken in the short term—Pepco's EIS shows how existing infrastructure provides ample capacity for short- to mid-term electrification. There should be no delay in implementing concrete programs that incentivize this transition, and do so in an affordable and equitable manner. Sierra Club looks forward to engaging in the IDSP docket, as well as other dockets where specific programs are being proposed and reviewed by the Commissions.

As for Pepco's instant CSP, however, Sierra Club is disappointed with Pepco's proposed pace for supporting electrification, and observes slow action on building electrification in particular—despite Pepco identifying that 72% of emissions in the District are from buildings. The Commission should require Pepco to prioritize immediate programmatic support for building electrification, and coordinate with District government in doing so, as this is a prime opportunity to accelerate the District's progress on meeting its climate laws. Further, Sierra Club encourages

⁴ See CSP at 3-4. Pepco portrays the field of relevant District law and policy. For the sake of brevity, Sierra Club will not repeat that list.

Pepco to continue facilitating vehicle electrification, including implementation of robust programs for both time-of-use charging and actively managed charging.

A. While Pepco’s “Guiding Principles” and “Strategic Portfolios” are largely aligned with the District’s climate laws, Pepco should prioritize direct building electrification in the short term and beyond

Section 2 of the CSP explains Pepco’s “Guiding Principles,” which “represent the broad outcomes which Pepco seeks to promote in selecting programs, informed by District and Commission directives.”⁵ Pepco goes on to indicate how those principles inform its four core “Strategic Portfolios”: (1) Electrifying Transportation; (2) Decarbonizing Buildings; (3) Activating the Local Ecosystem; and (4) Enhancing Infrastructure for Climate Solutions. Pepco conceptualizes its role as a connector, stating that “residential and commercial customers may need to deeply retrofit homes and businesses, which Pepco can advance through programs that offer performance incentives for reduced demand, audits and technical resources.”⁶ Sierra Club contends that Pepco can—and must—do more than just facilitate electrification. Pepco should *accelerate* and *catalyze* DC’s transition to electrification, by providing targeted and immediate programs in its Decarbonizing Building portfolio.

Indeed, Pepco acknowledges the opportunities of building electrification. The EIS concludes that the DC electric distribution has “significant capacity headroom for load growth, especially in the winter,” and that “[m]ost parts of the system can support electrification loads through 2040 without additional upgrades.”⁷ Pepco’s EIS remarks that relative to other jurisdictions with deep electrification goals, the portion of Pepco’s system requiring upgrades is

⁵ CSP at ii.

⁶ CSP at 15.

⁷ EIS at 31.

modest. This is supported by DOE's April 2023 electrification study, which found significant winter capacity headroom on Pepco's system to moderate electrification-driven grid needs.⁸

Building electrification will also result in further savings for consumers on the end-use side. Pepco estimates electrification will result in \$3.1 billion in terms of avoided costs of fossil fuel appliance replacement, as well as additional avoided costs of replacing cooling appliances, as heat pumps provide both heating and cooling.⁹

Despite these opportunities, Pepco does not propose providing full appliance electrification incentives until the beginning of the 10-year period.¹⁰ Pepco characterizes this program as "designed to accelerate the transition to fully electric homes and buildings by reducing the upfront cost barriers of clean electric technologies."¹¹ However, Pepco should prioritize providing rebates, incentives, and supportive programming in the first 5-year period in order to meaningfully accelerate DC's emissions reductions. Likewise, Pepco proposes deeper incentives for LMI customers in its "Dedicated LMI Electrification" program, but those do not begin until five years into the 15-year period. Sierra Club wholeheartedly agrees that LMI customers "often face greater structural and financial barriers to electrification, including older building infrastructure, outdated mechanical systems, and limited access to sufficient capital for more costly full appliance replacements."¹² Therefore, this program too should be prioritized in the first 5-year period, with

⁸ EIS at 28, *citing Formal Case No. 1167*, DOE, The Strategic Electrification Roadmap for Buildings and Transportation in the District of Columbia, filed April 5, 2023.

⁹ EIS at 29.

¹⁰ CSP at 109.

¹¹ *Id.*

¹² CSP at 110.

resources being allocated for this program as a priority amongst Pepco's other electrification efforts.

B. Even if electrification requires upgrades to the electric distribution network, the resultant avoided gas purchases and gas infrastructure costs will ease ratepayer burden

In the medium to long term, it may be necessary for Pepco to install additional or upgraded electric grid infrastructure. Pepco's EIS concludes that \$665 million in capacity investments is needed over the next 15 years to support load growth due to electrification.¹³ This amounts to about \$44 million a year. While Sierra Club does not take a position on the reasonableness of the \$665 million estimate at this time, the Commission should ultimately ensure these grid upgrades are prudent and necessary to support electrification. In doing so, the Commission should bear in mind the relatively lower costs of investing in new electric infrastructure as compared to the capital investments WGL has sought and continues to seek for the gas system. For PROJECTpipes 3, WGL originally sought to recover nearly \$672 million for only five years of predictive, wholesale replacements of distribution pipelines in DC, amounting to \$134.4 million a year. In its September 24, 2024 revised filing,¹⁴ WGL proposed \$215 million for PIPES 3.1 activity over only a three-year period, which still amounts to nearly \$72 million a year.¹⁵

¹³ EIS at 16.

¹⁴ WGL references their PROJECTpipes 3 revised application using the acronym "SAFE," where Sierra Club submits it is anything but. In these comments, Sierra Club will refer to WGL's proposals for business-as-usual pipeline replacements as PIPES 3.1.

¹⁵ *Formal Case No. 1179, WGL's Revised Application for Approval of the District Strategic Accelerated Facility Enhancement Plan*, filed September 27, 2024.

Figure 1

Pepco’s proposed capital spending per year to support electrification load growth	\$43 million
WGL’s proposed capital spending per year under PIPES 3	\$134.4 million
WGL’s proposed capital spending per year under PIPES 3.1	\$72 million

Pepco’s estimated spending to ensure its system supports the District’s electrified future is far less than WGL’s requested spending on activity that—as multiple intervenors have shown across several dockets—is clearly contrary to District law and policy. Pepco aptly notes that “electrifying customers would avoid the cost of fossil fuel purchases and any associated delivery or infrastructure costs,” and that “[t]he costs and benefits of specific electrification technologies have been extensively studied in the District and elsewhere.”¹⁶ Not only are the capital expenditures required for electrification cheaper than those for gas, but electrification will also result in avoided spending on gas infrastructure, which will mean tangible avoided costs on ratepayers’ bills.¹⁷ This is on top of the documented avoided healthcare costs resulting from electrification. For instance, a recent report from Rewiring America estimates that household electrification of space heaters, water heaters, and dryers would lead to \$40 billion dollars’ worth of health benefits, including 1,300 fewer hospital admissions, 220,000 fewer asthma attacks, and 3,400 fewer premature deaths annually.¹⁸

¹⁶ EIS at 29.

¹⁷ See e.g. Garibay-Rodriguez, J., Edwards, M.R., Fink, A.F. *et al.* Effects of uncoordinated electrification on energy burdens for natural gas customers. *Sci Rep* 15, 27337 (2025) <https://www.nature.com/articles/s41598-025-09543-5>.

¹⁸ Rewiring America, Breathe Easy, December 2024, available at <https://a->

The Commission should closely monitor Pepco’s proposals for grid upgrades to support electrification. The Commission should also continue soliciting intervenor and public input to ensure that Pepco is prioritizing making upgrades that will support electrification for low- to moderate-income ratepayers and overburdened DC neighborhoods.

C. Maximizing the facilitation of DERs is necessary to achieve the District’s climate goals

Sierra Club is supportive of Pepco’s proposed development of microgrids in the District, as microgrids leverage distributed energy resources (“DERs”) like solar and geothermal power,¹⁹ as well as battery storage, while eschewing fossil fuel generation. Clean microgrid projects have a host of benefits, including (1) making use of on-site energy that would otherwise not enter the transmission and distribution systems; (2) providing resilience benefits to the overall grid in extreme weather or cyber threats; (3) creating opportunities for improved power supply and demand, deferring overall system upgrade costs; (4) reducing costs for participants in the microgrid, which is another example of affordable electrification; and (5) last but not least, facilitating the deployment of zero-emission electric sources, and thereby reducing the District’s greenhouse gas impact. Indeed, the District has a goal of reaching 15% solar generation by 2041. However, Sierra Club is concerned that Pepco’s proposed Rider S Tariff changes will reduce or eliminate the incentive for microgrid development, as Pepco’s proposals appear to under-value the benefits that microgrids and their resources bring to the grid.

us.storyblok.com/f/1021068/x/3c121cf7ec/breathe-easy-health-benefits-from-electrification.pdf

¹⁹ Hyunjun Oh, Jonathan Ho, Eric Bonnema, Saeed Salehi, Runar Nygaard, *The value of integrating a geothermal district heating system into a microgrid*, Energy Conversion and Management, Volume 348, Part B, available at <https://www.sciencedirect.com/science/article/pii/S0196890425012518>

D. Time of Use Rates

Pepco indicates that it is in process of developing time-of-use rates, including a “Residential EV TOU Rate,” with parties through the Rate Design Working Group in Formal Case No. 1176. The Commission should authorize Pepco to employ an EV time-of-use rate, as well as other types of time-of-use rates, for both residential and commercial customers. Charging vehicles and powering buildings during non-peak hours is a powerful tool for reducing rates by making more efficient use of existing grid resources. Accordingly, Pepco should employ time-of-use rates in both the transportation and building electrification contexts.

The Commission should also authorize Pepco’s development of an active managed charging program for its DC customers with electric vehicles that is similar to its Smart Charge Management program in Maryland, in order to minimize the strain charging poses on the grid to the maximum extent possible. In the same vein, Pepco should ensure its grid can handle bidirectional power flows, such as chargers with vehicle-to-grid (“V2G”) or vehicle-to-everything (“V2X”) capabilities. Sierra Club appreciates Pepco’s discussion of the potential for managed charging and V2G capabilities, but urges the Commission to approve—and Pepco to implement—these programs in the near future, during the first five-year period of Pepco’s Climate Plan.

E. Pepco must be proactive in planning for large new projects and renovations in the District to ensure grid-related barriers to electrification are as low as possible

Large development and renovation projects in the District present significant opportunities to electrify and reinforce the need for Pepco to proactively engage with its customers and enable those projects to effectuate the District’s emissions reduction mandates and electrification policy. Pepco should proactively communicate with customers that are planning these large projects, assess the loads they will bring to the grid and whether any grid upgrades are necessary for

accommodating these loads, and incorporate this analysis into its grid planning process.. However, Pepco has not meaningfully engaged with such customers in recent history. For example, the Capital One Arena developers applied to the Green Building Advisory Council (“GBAC”) for an exemption to the District’s requirements, amongst others, prohibiting on-site combustion. During the October 1, 2026 meeting, the GBAC raised serious concerns over the inadequate amount of coordination and collaboration between the Capital One developers and Pepco; if they had coordinated properly, that could have obviated the developers’ need for an exemption in the first place. In other words, if Pepco had engaged with this developer and discussed its construction plans, it could have enabled a major new construction project to be electric rather than burning fossil fuel on-site. Situations like this are avoidable and would be alleviated by Pepco’s proactive and coordinated involvement.

II. CONCLUSION

WHEREFORE, for the foregoing reasons, Sierra Club submits respectfully requests that the Commission consider Sierra Club’s comments on Pepco’s 15-year Climate Solutions Plan and Electrification Impact Study.

Dated: March 2, 2026

Respectfully submitted,



Timothy R. Oberleiton
Senior Attorney
D.C. Bar No. 1617107
Earthjustice
1001 G St. NW, Ste. 1000
Washington, D.C. 20001
(202) 667-4500
toberleiton@earthjustice.org

Counsel for Sierra Club

CERTIFICATE OF SERVICE

I hereby certify that on this March 2nd, 2026, a copy of the foregoing was served on the following parties by electronic mail:

Brinda Westbrook-Sedgwick
Lara Walt
Public Service Commission
of the District of Columbia
1325 G Street, NW, Suite 800
Washington, DC 20005
bwestbrook@psc.dc.gov
lwalt@psc.dc.gov

Brian Caldwell
Shilpa Sadhasivam
District of Columbia Office of the Attorney
General
441 Fourth Street, NW,
Suite 450-N,
Washington, DC 20001
Brian.Caldwell@dc.gov
Shilpa.Sadhasivam@dc.gov

Frann Francis, Esq.
Apartment & Office Building Association of
Metropolitan Washington
1050 17th Street, NW,
Suite 300,
Washington, DC 20036
ffrancis@aoba-metro.org

John Dodge
Washington Gas Light Company
1000 Maine Avenue, SW
Washington, DC 20024
jdodge@washgas.com

D.C. Climate Action
John Macgregor
Nina Dodge
Beamup2@gmail.com
Ndodge432@gmail.com

Adam Carlesco
Office of the People's Counsel
for the District of Columbia
1133 15th Street, N.W., Suite 500
Washington, D.C. 20005
acarlesco@opc-dc.gov

/s/ Timothy R. Oberleiton
Timothy R. Oberleiton
Earthjustice