

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

**ORDER**

**March 4, 2026**

**FORMAL CASE NO. 1187, IN THE MATTER OF THE INVESTIGATION INTO  
THE IMPLEMENTATION OF INTEGRATED NATURAL GAS DISTRIBUTION  
SYSTEM PLANNING, Order No. 22799**

**I. INTRODUCTION**

1. By this Order, the Public Service Commission of the District of Columbia (“Commission”) opens this proceeding to investigate Integrated Natural Gas Distribution System Planning (“INGDSP”) in the District of Columbia (“District”). The process for this proceeding will generally follow the Clean Energy Cohort Roadmap (“Roadmap”) developed by the National Association of Regulatory Utility Commissioners (“NARUC”) as part of its Task Force on Natural Gas Resource Planning (“NARUC Task Force”),<sup>1</sup> which is included with this Order as Attachment A. The Commission directs Staff to convene an Integrated Natural Gas Distribution System Planning Working Group (“INGDSP Working Group”), which will, as a first task, complete Step 1 of the Roadmap (“Step 1”). In preparation for the INGDSP Working Group meetings, interested stakeholders shall file comments on the questions identified in paragraphs 32-37 within forty-five (45) days of the date of this Order. Staff shall convene the INGDSP Working Group within seventy-five (75) days of the date of this Order and the INGDSP Working Group shall file a Joint Report regarding Step 1 within one hundred and eighty (180) days of the date of this Order. The Commission also adds the list of documents in Attachment B to the docket of this proceeding.

**II. BACKGROUND**

2. In Order No. 22339,<sup>2</sup> the Commission directed the parties in *Formal Case No. 1167* to file comments on the feasibility and scope of an INGDSP proceeding, noting that the Commission had opened an Integrated Distribution System Planning (“IDSP”) proceeding for electric utilities in *Formal Case No. 1182*.<sup>3</sup> The Washington Gas Light Company (“WGL”),<sup>4</sup> the

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<sup>1</sup> NARUC Task Force on Natural Gas Resource Planning, Clean Energy Cohort Roadmap, December 2025.

<sup>2</sup> *Formal Case No. 1167, In the Matter of the Implementation of the Business Climate Plan* (“*Formal Case No. 1167*”), Order No. 22339, rel. December 10, 2024.

<sup>3</sup> *Formal Case No. 1182, In the Matter of the Investigation into the Implementation of Integrated Distribution System Planning for Electric Utilities* (“*Formal Case No. 1182*”), Notice of Inquiry, rel. November 27, 2024.

<sup>4</sup> *Formal Case No. 1167, Washington Gas Light Company’s Comments On Establishing A Thermal Planning Proceeding*, filed April 28, 2025 (“WGL Comments”).

People’s Counsel for the District of Columbia (“OPC”),<sup>5</sup> the District of Columbia Government (“DCG”),<sup>6</sup> and Sierra Club, Chesapeake Climate Action Network, Grid 2.0, and DC Climate Action<sup>7</sup> filed comments, while WGL<sup>8</sup> and Sierra Club<sup>9</sup> filed reply comments on June 26, 2025. Additionally, on its own, DCG filed a Whitepaper on Non-Pipe Alternatives (“NPA Whitepaper”) for consideration by the Commission in *Formal Case No. 1167* on June 10, 2025.<sup>10</sup> Additionally, DCG filed a Whitepaper entitled *Evolving the District of Columbia's Gas Distribution System for a Cost-Effective Clean Energy Transition: A Framework for Long-Term Gas Utility Planning* (“GDS Whitepaper”) on February 12, 2026.<sup>11</sup>

### III. DISCUSSION

#### A. *Formal Case No. 1167* Comments on INGDSP

##### 1. WGL

3. WGL is supportive of a combined integrated distribution management proceeding for both electric and gas utilities. WGL argues that a proceeding focused solely on integrated distribution management for natural gas without consideration of electric distribution management would be inefficient, since any decrease in natural gas distribution would place a greater load on electric distribution.<sup>12</sup> WGL notes that PJM has acknowledged the interrelationship between natural gas and electric distribution planning and recommended coordination between gas and electric utilities.<sup>13</sup> WGL argues that the planning process in the District should include evaluation of varying mixes of electric and gas capacity.<sup>14</sup> WGL contends that any INGDSP proceeding in

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<sup>5</sup> *Formal Case No. 1167*, Office of the People’s Counsel for the District of Columbia’s Response to Order No. 22339 Regarding a Gas Distribution Planning Proceeding, filed April 25, 2025 (“OPC Comments”).

<sup>6</sup> *Formal Case No. 1167*, Initial Comments of the District of Columbia Government, filed April 28, 2025 (“DCG Comments”).

<sup>7</sup> *Formal Case No. 1167*, Sierra Club, Chesapeake Climate Action Network, GRID 2.0 and DC Climate Action (the Parties) Comments on a Thermal Planning Proceeding in DC, filed April 28, 2025 (“Sierra Club Comments”).

<sup>8</sup> *Formal Case No. 1167*, Washington Gas Light Company’s Reply Comments On Establishing A Thermal Planning Proceeding, filed June 26, 2025 (“WGL Reply Comments”).

<sup>9</sup> *Formal Case No. 1167*, Sierra Club, Chesapeake Climate Action Network, GRID 2.0 and DC Climate Action (NPO) Reply Comments on a Thermal Planning Proceeding in DC, filed June 26, 2025 (“Sierra Club Reply Comments”).

<sup>10</sup> *Formal Case No. 1167*, Alternative Approaches to Increasing Gas System Safety in the District of Columbia, filed June 10, 2025 (“NPA Whitepaper”).

<sup>11</sup> *Formal Case No. 1167*, *Evolving the District of Columbia's Gas Distribution System for a Cost-Effective Clean Energy Transition: A Framework for Long-Term Gas Utility Planning*, filed February 12, 2026.

<sup>12</sup> WGL Comments at 4.

<sup>13</sup> WGL Comments at 4-5.

<sup>14</sup> WGL Comments at 5.

the District needs to consider the uncertainties in expanding electric distribution. Such a proceeding must also evaluate the possible effects of electrification on cost inflation, affordability, renewable capacity, and energy storage.<sup>15</sup>

4. WGL stresses the existence of its Federal Charter to provide natural gas distribution service and argues that the Commission is required to ensure that WGL continues to provide safe and adequate service.<sup>16</sup> WGL argues that it has a duty to provide safe natural gas to customers that desire natural gas.<sup>17</sup> WGL asserts that the Commission has acknowledged its limits on prohibiting the sale of WGL natural gas.<sup>18</sup> WGL argues that both gas and electric utilities play a role in the delivery of reliable and affordable service while complying with the District's climate policies.<sup>19</sup>

5. WGL includes a list of questions that should be addressed in any integrated distribution proceeding.<sup>20</sup> WGL also recommends inviting PJM and ReliabilityFirst representatives to participate.<sup>21</sup>

## 2. OPC

6. OPC encourages the creation of an INGDSP proceeding. Such a docket should focus on WGL's long-term plans for pipeline infrastructure, phaseout of underutilized assets, and integration of building electrification efforts, OPC asserts.<sup>22</sup> OPC contends that 13 states have opened INGDSP proceedings. OPC asserts that other proceedings have focused on emissions reduction, alternative technologies, clean heat standards, and infrastructure and cost concerns.<sup>23</sup> OPC contends that these proceedings have included stakeholder engagement, created innovative regulatory mechanisms, and focused on priority populations.<sup>24</sup> Without such a proceeding, OPC contends that the risk of WGL stranded assets increases.<sup>25</sup> OPC argues that findings from several

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<sup>15</sup> WGL Comments at 6.

<sup>16</sup> WGL Comments at 6.

<sup>17</sup> WGL Comments at 9.

<sup>18</sup> WGL Comments at 9-10.

<sup>19</sup> WGL Comments at 6-7, 10.

<sup>20</sup> WGL Comments at 7-8.

<sup>21</sup> WGL Comments at 8-9.

<sup>22</sup> OPC Comments at 8.

<sup>23</sup> OPC Comments at 9-11.

<sup>24</sup> OPC Comments at 12-14.

<sup>25</sup> OPC Comments at 14.

open Commission dockets can be included in the INGDSP proceeding.<sup>26</sup> OPC includes a list of topics and processes that should be included in any integrated gas distribution proceeding.<sup>27</sup> OPC also stresses the need for stakeholder input.<sup>28</sup> In OPC's view, the Commission should develop clear metrics and benchmarks for WGL to measure emissions reduction, permit short-term projects to proceed, and prioritize least cost solutions to reduce Greenhouse Gas ("GHG") emissions.<sup>29</sup>

7. However, OPC also contends that electric and natural gas distribution issues will need to be integrated at some point, perhaps in *Formal Case No. 1167*.<sup>30</sup> Without such integrated planning, OPC argues that it is less likely that the District will meet its emissions targets. OPC recommends that the timelines for *Formal Case No. 1182* (the integrated electric distribution proceeding) and the INGDSP proceeding should be coordinated. Coordinated electric and gas planning could occur in *Formal Case No. 1167*, with all three cases sharing timelines. The Benefit Cost Analysis ("BCA") from *GD-2019-04-M* should also be integrated into these dockets.<sup>31</sup>

### 3. DCG

8. DCG supports the establishment of an INGDSP proceeding to coordinate issues that are in several Commission dockets<sup>32</sup> and end the investigation into the Climate Business Plan and the new 15-Year Plan.<sup>33</sup> DCG notes that many state commissions and NARUC have opened proceedings or convened task forces to investigate issues related to gas planning. DCG also argues that DOEE can also offer its expertise.<sup>34</sup> DCG proposes a process for this new proceeding.<sup>35</sup> DCG also attaches a list of critical issues that it presented to WGL in the context of pipe replacement and a Synapse report filed in New York regarding integrated gas distribution planning.<sup>36</sup>

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<sup>26</sup> OPC Comments at 15.

<sup>27</sup> OPC Comments at 20-21.

<sup>28</sup> OPC Comments at 21-22.

<sup>29</sup> OPC Comments at 23.

<sup>30</sup> OPC Comments at 1-2.

<sup>31</sup> OPC Comments at 21-22.

<sup>32</sup> DCG Comments at 2-3.

<sup>33</sup> DCG Comments at 7.

<sup>34</sup> DCG Comments at 5-6.

<sup>35</sup> DCG Comments at 8-9.

<sup>36</sup> DCG Comments, Attachments.

#### 4. Sierra Club

9. Sierra Club believes that a separate INGDSP proceeding is necessary to ensure that gas regulation is reformed to be consistent with the District's climate mandates. Currently, Sierra Club argues these issues are included in several different dockets, facilitating inconsistency and increasing administrative burdens.<sup>37</sup> Sierra Club contends that the Commission's statutory obligation to ensure just and reasonable rates requires the Commission to align thermal planning and infrastructure investments with the District's climate laws. Sierra Club claims that several states have opened similar proceedings,<sup>38</sup> including Massachusetts,<sup>39</sup> New York, New Jersey, Illinois, Colorado, California, and Maryland.<sup>40</sup> If the Commission opens such a proceeding, Sierra Club argues that the Commission should attempt to avoid having WGL, the gas utility, control the proceeding, as Sierra Club alleges has happened in other jurisdictions.<sup>41</sup>

10. Sierra Club argues that a proceeding focusing on medium- to long-range gas planning is necessary to assist in meeting the 2045 carbon neutrality goal.<sup>42</sup> Sierra Club argues that an INGDSP proceeding is the best way to reconcile WGL's future spending with District climate laws.<sup>43</sup> Such a proceeding can study the effects of declining gas usage and continuing gas expenditures to minimize stranded assets, as is happening in Maryland, Sierra Club posits.<sup>44</sup> Sierra Club lists several objectives for the new proceeding.<sup>45</sup>

11. Sierra Club argues that a INGDSP proceeding would be able to focus on several issues: gas procurement; extension of WGL service lines; WGL's advertising practices; WGL's incentives for gas appliances; revisions to depreciation lives; and decommissioning portions of the gas distribution system.<sup>46</sup> Regarding gas procurement, Sierra Club contends that an INGDSP proceeding would account for decline in gas demand, incentivize WGL to plan for decreased gas demand, and prohibit WGL from pursuing Certified Natural Gas ("CNG") or Renewable Natural Gas ("RNG"). A holistic proceeding would allow evaluation of gas procurement policies as they align with WGL's large scale gas planning process.<sup>47</sup> Sierra Club contends that an INGDSP

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<sup>37</sup> Sierra Club Comments at 1.

<sup>38</sup> Sierra Club Comments at 2.

<sup>39</sup> Sierra Club identifies the Massachusetts docket as Docket No. 20-80-B. Sierra Club Comments at 19-21.

<sup>40</sup> Sierra Club Comments at 7, 18.

<sup>41</sup> Sierra Club Comments at 21-22.

<sup>42</sup> Sierra Club Comments at 6.

<sup>43</sup> Sierra Club Comments at 8.

<sup>44</sup> Sierra Club Comments at 9.

<sup>45</sup> Sierra Club Comments at 2-3.

<sup>46</sup> Sierra Club Comments at 10-18.

<sup>47</sup> Sierra Club Comments at 10.

proceeding would also permit examination of WGL's customer incentive structures and ratepayer funding of these costs.<sup>48</sup> Additional issues to investigate are WGL's climate advertising, which Sierra Club claims is false and misleading<sup>49</sup> and WGL's gas appliance incentives, which Sierra Club contends lock customers into long-term gas usage.<sup>50</sup>

12. Sierra Club argues that the INGDSP proceeding should focus on winding down WGL's gas distribution business in the District. Sierra Club contends that the Commission's goals for this proceeding should include ensuring that District ratepayers have access to energy, affordable rates and bills, customer equity, and energy justice.<sup>51</sup> While the Climate Commitment Act of 2022 established long-term emission reduction goals, it did not set short-or medium-term emission reduction goals for gas systems, Sierra Club asserts. Since the Commission has asserted that it has the authority to limit WGL's GHG emissions, Sierra Club contends that the Commission should use the INGDSP proceeding to limit WGL's GHG emissions to comply with District law.<sup>52</sup>

13. Sierra Club also argues that this thermal gas proceeding should require WGL to develop electrification and Non-Pipe Alternatives ("NPA"). Additionally, this proceeding should be coordinated with *Formal Case No. 1182*.<sup>53</sup> Sierra Club also argues that an independent third-party consultant should be selected by the Commission to facilitate the proceeding. Sierra Club contends that the Commission should rely on findings in other jurisdictions, tailoring them to meet the unanswered questions for the District. Sierra Club asserts that neutral third parties should be selected to undertake studies, and stakeholders should have sufficient time to review the studies and otherwise participate in the proceeding.<sup>54</sup>

## **B. Reply Comments**

### **1. WGL**

14. WGL notes that all commenters support an INGDSP proceeding of some kind. However, WGL differs from some of the other parties in the scope of such a proceeding. Additionally, WGL argues that the Commission can only direct WGL to pursue emissions-reducing measures that WGL can implement. WGL argues that it cannot electrify customers.<sup>55</sup> While Sierra

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<sup>48</sup> Sierra Club Comments at 14.

<sup>49</sup> Sierra Club Comments at 14-15.

<sup>50</sup> Sierra Club Comments at 15-16.

<sup>51</sup> Sierra Club Comments at 16.

<sup>52</sup> Sierra Club Comments at 17.

<sup>53</sup> Sierra Club Comments at 18.

<sup>54</sup> Sierra Club Comments at 22-24.

<sup>55</sup> WGL Reply Comments at 1, 4.

Club posits a rapid decline in the use of gas as the premise of many of its recommendations, WGL argues that Sierra Club presents no evidence to support such a decline. WGL argues that the Commission should not base a proceeding on projections that gas use will decline.<sup>56</sup> WGL also argues that proceedings in other jurisdictions are of limited assistance in the District, since these proceedings often involve utilities that have both a gas and an electric component, do not deal with a multi-jurisdictional utility like WGL, and do not take into account the District's unique national security issues. WGL contends that proceedings in other jurisdictions have not led to a substantial decline in gas usage or envision the shutdown of the gas distribution system.<sup>57</sup> WGL argues that some states have re-examined electrification efforts, citing affordability and quantifiable GHG emissions reduction concerns.<sup>58</sup>

15. WGL argues that it is unclear whether electrification is a customer choice, is cost-effective, and is emissions-reducing.<sup>59</sup> WGL also asserts that the Department of Energy and Environment's ("DOEE") cost estimate for electrifying 30,000 households in the District by December 31, 2040, would be \$900 million.<sup>60</sup> WGL also asserts that electrification may not lead to GHG emissions reduction, since fossil fuels are used to generate electricity.<sup>61</sup>

16. Should the Commission decide to open such a proceeding, WGL suggests that a first step should be a series of workshops open to all stakeholders focusing on the questions that WGL raised in its Comments.<sup>62</sup> WGL suggests that the Commission should establish frameworks for the burden of proof and standard of review for analyzing premises presented in this proceeding.<sup>63</sup> WGL contends that the proceeding should focus on ways to reduce GHG emissions through integrated planning. In WGL's view, the scope of the proceeding should not be expanded to review other issues, such as WGL's lobbying, governmental affairs, and litigation costs.<sup>64</sup> WGL also argues that such a proceeding should be coordinated with integrated electric distribution planning, since the Potomac Electric Power Company ("Pepco") is in a better position to provide information on electrification.<sup>65</sup>

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<sup>56</sup> WGL Reply Comments at 2, 7.

<sup>57</sup> WGL Reply Comments at 1-2, 8-10.

<sup>58</sup> WGL Reply Comments at 11.

<sup>59</sup> WGL Reply Comments at 1-2.

<sup>60</sup> WGL Reply Comments at 12.

<sup>61</sup> WGL Reply Comments at 12-14.

<sup>62</sup> WGL Reply Comments at 2.

<sup>63</sup> WGL Reply comments at 14.

<sup>64</sup> WGL Reply Comments at 15.

<sup>65</sup> WGL Reply Comments at 3.

17. WGL notes that Sierra Club seeks the creation of an electrification fund in this new proceeding. However, WGL argues that such a fund already exists in the form of the funds provided to the DC Sustainable Energy Utility, which currently provides no funding for emissions-reducing gas programs. In WGL's view, another fund is not necessary.<sup>66</sup>

18. WGL argues that it has a specific statutory obligation to provide reliable gas service in the District. WGL contends that this obligation cannot be overridden by non-statutory statements and even general statutory provisions regarding emissions reduction. WGL claims that the emissions reduction targets in the Climate Commitment Amendment Act of 2022 do not create any binding obligations on WGL. While the Commission has a statutory obligation to consider climate effects in its decisions, WGL contends that this obligation is one of several statutory obligations, not an overriding obligation.<sup>67</sup>

## 2. Sierra Club

19. Sierra Club summarizes the recent developments in the Maryland integrated gas distribution proceeding, attaching the most recent order. Sierra Club notes that the Maryland Public Service Commission ("MD PSC") is ending subsidies for gas line extensions, arguing that the Commission should follow the MD PSC example.<sup>68</sup> Sierra Club also contends that the Commission should investigate WGL lobbying, governmental affairs, and litigation costs to ensure that none of these costs are funding efforts to contest the District's climate laws and policies.<sup>69</sup>

20. While Sierra Club is encouraged that WGL also agrees that an integrated gas distribution planning proceeding is necessary, Sierra Club argues that it disagrees with the parameters of WGL's proposed proceeding. Sierra Club argues that WGL contends that the Commission cannot limit WGL's ability to sell natural gas due to the WGL Federal Charter. Sierra Club objects to that interpretation, arguing that while the Commission has recognized the Federal Charter, the Commission has also stated that it has authority to regulate GHG emissions. Sierra Club also argues that WGL has overstated the barriers to electrification and provided no support for its claims.<sup>70</sup>

## C. DCG NPA Whitepaper

21. On its own, DCG filed an NPA Whitepaper for the Commission's consideration in *Formal Case No. 1167*. The NPA Whitepaper studies the WGL's pipe replacement program and presents alternatives to this program for remediating leak-prone pipe. The NPA Whitepaper argues

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<sup>66</sup> WGL Reply Comments at 5.

<sup>67</sup> WGL Reply Comments at 5-6.

<sup>68</sup> Sierra Club Reply Comments at 2-3.

<sup>69</sup> Sierra Club Reply Comments at 3.

<sup>70</sup> Sierra Club Reply Comments at 3-5.

that WGL's preferred replacement approach leads to higher rates, less safety, and higher investor risk than the alternatives presented in the NPA Whitepaper.<sup>71</sup>

22. The NPA Whitepaper discusses goals of "repair, replace, retire," which accelerates repair, minimizes replacement, and retires gas facilities so that electrification can occur. The NPA Whitepaper discusses three alternatives: Neighborhood Electrification; Neighborhood Electrification with accelerated depreciation; and Scattered Electrification.

23. Neighborhood Electrification targets certain areas for retirement of mains and services, resulting in electrification in the entire area. The NPA Whitepaper prefers Neighborhood electrification, arguing that it reduces stranded asset risk, reduces a greater number of leaks, and is more cost-effective. The NPA Whitepaper proposes to increase spending on proactive leak detection reports and rapid leak repair, to reduce spending on other pipe replacement.<sup>72</sup>

24. Another approach proposed by the NPA Whitepaper is to combine the Neighborhood Electrification scenario with accelerated depreciation. This approach would raise rates in the short term but reduce rates and stranded asset risk in the long term.<sup>73</sup>

25. Scattered Electrification retires services and mains in a less systematic way, based more on the condition of the mains and services and customer choice. Costs from increased leak detection and repair increase.<sup>74</sup>

#### IV. DECISION

##### A. **Legal Framework for an INGDSP Proceeding**

26. The Commission notes that all of the stakeholders that commented on commencing an INGDSP proceeding agreed that such a proceeding would be beneficial. The Commission also notes that it has the statutory authority to undertake such a proceeding. In 2008, the Council of the District of Columbia ("Council") promulgated L22-257, the CleanEnergy DC Omnibus Amendment Act, which *inter alia*, created a general mandate for the Commission to consider "the conservation of natural resources and the preservation of environmental quality, including effects on global climate change and the District's public climate commitments" when regulating utilities and energy companies.<sup>75</sup> The Omnibus Act also affirmed the District's goal to achieve its short- and long-term climate commitments, including reducing GHG emissions by 50% by 2032 and carbon neutrality by 2050.<sup>76</sup> In 2018, the Mayor committed the District to the Clean Energy DC

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<sup>71</sup> NPA Whitepaper at 6, 10.

<sup>72</sup> NPA Whitepaper at 3-4.

<sup>73</sup> NPA Whitepaper at 5.

<sup>74</sup> NPA Whitepaper at 25.

<sup>75</sup> D.C. Code § 34-808.02.

<sup>76</sup> D.C. Code § 34-808.02.

Plan, which is a comprehensive strategy to reduce GHG emissions by 50% (relative to 2006) by 2032 and to carbon neutrality by 2050.<sup>77</sup> The goal of the Clean Energy DC Plan is to make the “energy system more sustainable, resilient, and equitable.”<sup>78</sup> DOEE also developed its Sustainable DC 2.0 Plan, encompassing a discussion of the environmental, social, and economic needs of the District.<sup>79</sup> In 2022, the Council enacted the Climate Commitment Amendment Act of 2022, which requires the Mayor to adopt policies to reduce GHG emissions from both public and private sources by 60% by 2030 and to achieve carbon neutrality by 2045.<sup>80</sup> Also in 2022, the Council passed the Clean Energy DC Building Code Amendment Act of 2022, which requires the Mayor to adopt a building code for new constructions and substantial renovations that prohibits on-site fuel combustion by December 31, 2026.<sup>81</sup>

27. The law assigns the Commission a critical regulatory role that requires that in all cases we, and the utilities we regulate, take into account meaningful steps to achieve the District’s energy and climate change commitments while ensuring affordable, reliable, and secure natural gas distribution service for all customers. These recent directives from the District government mandate that the Commission consider how utilities will work towards the District’s clean energy goals. The Commission believes that this proceeding will serve those goals in relation to natural gas distribution planning.

## **B. Procedural Framework**

28. In their comments, the stakeholders present different ideas concerning the issues to be addressed in this proceeding and the procedural framework for this proceeding. The Commission appreciates the wide range of ideas presented. Between 2023 and 2025, NARUC provided a forum for members to envision and articulate ideal process approaches for considering natural gas distribution resource planning in their states. Following a series of scoping meetings and learning sessions, Task Force members divided themselves into four cohorts based on the challenges facing their states. The Clean Energy Cohort members coalesced around a set of parameters, many of which closely aligned with the District. A few examples include the state has a cold climate with significant winter heating needs, the state is not a gas producer, the gas distribution system has aging and often leak-prone gas pipes, an ongoing leak-prone replacement program, electrification is the primary driver of load growth on the electric system, the electric system is decarbonizing through adoption of renewable and is currently summer peaking, the state provides some incentives for electric heat pumps, the state has gas-only utilities, rates are trending upwards leading to affordability concerns, rates are mostly volumetric and significant number of low income customers in urban areas. Cohort members included Chair Emile C. Thompson from

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<sup>77</sup> Clean Energy DC One Pager, August 2018.

<sup>78</sup> Clean Energy DC One Pager, August 2018.

<sup>79</sup> DOEE, *Sustainable DC 2.0 Plan*, [https://doee.dc.gov/sites/default/files/dc/sites/ddoe/service\\_content/attachments/sdc%202.0%20Edits%20V2.4.pdf](https://doee.dc.gov/sites/default/files/dc/sites/ddoe/service_content/attachments/sdc%202.0%20Edits%20V2.4.pdf)

<sup>80</sup> D.C. Law 24-176, Climate Commitment Amendment Act of 2022, September 21, 2022.

<sup>81</sup> Clean Energy DC Building Code Amendment Act of 2021, DC Law 24-0177.

the District of Columbia, former Chair James Van Nostrand from Massachusetts, Commissioner Audrey Partridge from Minnesota, Commissioner Milt Doumit from Washington as well as Courtney Eichorst from National Grid, Dean Murphy from the Brattle Group, Ruth Checknoff from the Renewable Thermal Collaborative, Brad Cebulko from Current Energy Group and Tory Clark from E3.

29. After approximately two years, the Clean Energy Cohort of the NARUC Task Force developed a detailed, seven-step Roadmap to assist in developing a comprehensive clean energy plan. The seven steps are: Establishing a Planning Scope; Characterizing the Existing System and Forecasting Future Needs; Identifying Planning Criteria; Developing Options and Strategies; Performing Analysis and Modeling; Comparing Alternatives; and Approving a Plan. For each step in the Roadmap, the Roadmap identifies the information needed, the process to be followed and the participants, and the preferred outputs.<sup>82</sup> Given the robustness of this framework, as well as its flexibility, the Commission adopts this Roadmap to guide the District INGDSP.

30. The Commission has reviewed the strawman proposal included in the GDS Whitepaper but has concerns regarding some of the underlying assumptions of the proposal. Specifically, the proposal does not appear to recognize WGL's unique Federal Charter to sell natural gas in the District and its implications. For instance, the GDS Whitepaper states “[a]t a minimum, WGL must provide a service line replacement program offering customers incentives to fully electrify rather than having their service line replaced.”<sup>83</sup> This concept, requiring WGL to pay for electrification projects, is a legal threshold issue that must be resolved prior to adopting a proposal. Therefore, the Commission determines that the NARUC Roadmap is more appropriate; its structured, seven-step process allows for these complex legal and policy determinations to be evaluated based upon an evidentiary record. This creates a planning scope that is both legally sound and technically feasible. However, as indicated below, we seek comment on the GDS Whitepaper.

31. For Step 1, Establishing the Planning Scope, the Roadmap anticipates that the information needed will include state policy requirements, Commission and utility resources available, and stakeholder priorities. The Roadmap expects that the Commission will establish specific goals, parameters, and expectations for all stakeholders. Identifying goals includes identifying Commission jurisdiction, statutory mandates, aspirational policy goals, and any statutory or policy limitations on action. Another factor to be considered is the most effective planning horizon, and whether the Commission should establish a long-term planning horizon with shorter-term plans that provide greater detail. The Roadmap also envisions the determination of how risk or uncertainty should be addressed in the process, whether through multiple scenarios, risk quantification, or ranges of values to address uncertainty. The inputs, metrics, uncertainties, analysis, alternatives including the frequency of iterations should also be established.<sup>83</sup> The scope of the plan should be established in Step 1.<sup>84</sup> The Commission should also develop a process for

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<sup>82</sup> NARUC, Clean Energy Cohort Roadmap at 4.

<sup>83</sup> GDS Whitepaper at 24.

<sup>84</sup> Clean Energy Cohort Roadmap at 5-6.

stakeholder engagement, determine the venue for the discussions and the leadership of the process, the availability of Commission resources, and the level of transparency needed.<sup>85</sup>

32. The Commission recognizes that it already has some of the information to be sought in Step 1 but seeks comments from stakeholders regarding whether additional information is needed. For example, as articulated above, the Commission has substantial information regarding the Council's legislative mandates and the District's climate policies. The Council has passed extensive legislation establishing the District's climate goals and DOEE has developed several policy documents outlining plans to comply with this legislation. However, these legislative mandates are not unlimited in scope; the Commission has also recognized that it may not end the sale of natural gas in the District, since WGL has a Federal Charter to deliver gas service.<sup>86</sup> The Commission must act within the scope of its authority as granted by Congress and the Council in this proceeding to promote the District's climate mandates without ending the sale of natural gas. While the Commission believes that it has sufficient information to establish the legal scope of this proceeding, stakeholders may disagree. We direct stakeholders to opine on the Commission's ability to compel WGL to pay for electrification projects and any other additional legal parameters for this proceeding within forty-five (45) days of the date of this Order.

33. The Commission also has extensive information filed in the *Formal Case No. 1167* docket regarding WGL's Climate Business Plan and its revised 15-Year Plan as well as stakeholders' comments in response to the Plan. The 15-Year Plan has a time horizon, while WGL presents several options to help mitigate risk. DCG has also filed its NPA Whitepaper and its GDS Whitepaper. The Commission moves all of these documents into the docket of this proceeding, so that they can provide guidance in Step 1. The Commission also seeks comments on whether additional information is needed to establish the planning horizon, approaches to risk, and iterations included in Step 1 within forty-five (45) days of the date of this Order.

34. Regarding the scope of this proceeding as outlined in Step 1 of the Roadmap, the Commission also notes that WGL, OPC, DCG, and Sierra Club have each presented issues that they believe should be addressed in this proceeding. These lists, included as Attachment C, present different ideas for the scope of the proceeding. Some of the issues in the lists may be appropriate for discussion in Step 1, while other issues may be more appropriate in discussion of later Steps. The Commission seeks comments identifying the issues on the issues lists that should be discussed in Step 1 within forty-five (45) days of the date of this Order. In particular, the Commission invites written comments on the following foundational items:

1. Scope of Emissions Targets (Ref: OPC 1 / DCG 7a)

How shall the planning process explicitly examine how the decarbonization of gas systems aids in meeting emissions reduction targets? What mandatory performance benchmarks must be included in the utility's initial Greenhouse Gas Reduction Plan?

2. Parameters of Demand Projections & Scenarios (Ref: WGL 3 / DCG 3b)

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<sup>85</sup> Clean Energy Cohort Roadmap at 6.

<sup>86</sup> *Formal Case No. 1167*, Order No. 21593, rel. April 6, 2023.

What specific planning horizons and mandatory scenarios must the utility be required to model for future gas and electric demand projections?

3. Framework for System Coordination (Ref: WGL 8 / DCG 3a)

What are the necessary jurisdictional boundaries and coordination requirements between WGL, Pepco, and District agencies to ensure comprehensive INGDSP planning?

4. Rules for Data Transparency & Inventory (Ref: DCG 1a)

What protocols for gas system mapping and pipe characteristic data sharing must be established as a prerequisite for this process? What are the high-level data needed for the initial filing?

5. Criteria for Equitable Engagement (Ref: OPC 5 / 7)

What parameters define the representative stakeholder engagement and the specific protections for priority populations (low-income and marginalized communities) within this initial planning scope?

35. The Roadmap stresses the importance of determining the process and participants, including determining the types of stakeholder participation and engagement, the ways to solicit stakeholder input (technical conferences, working groups, community hearings), the venue for soliciting such input, and means of ensuring transparency.<sup>87</sup> The Commission seeks comments on these questions within forty-five (45) days of the date of this Order.

36. While the Roadmap assumes that the gas utility will be leading the plan development with oversight from the Commission and participation by stakeholders,<sup>88</sup> the Commission determines that WGL will be a participant in the INGDSP process. The Commission seeks identification of any lead entity and input on whether a third-party facilitator would be helpful in this proceeding to lead the development of the plan within forty-five (45) days of the date of this Order.

37. The Commission welcomes comments on whether any other specific stakeholder questions have immediate scoping implications for Step 1. However, the primary focus of this initial stage remains the establishment of the filing requirements and the underlying planning framework required to launch a disciplined and transparent process.

38. To discuss the issues addressed in the comments, the Commission directs Staff to convene an INGDSP Working Group within seventy-five (75) days of the date of this Order. The Commission directs the INGDSP Working Group to discuss the comments and file a joint WG report regarding Step 1 of the Roadmap within one hundred and eighty (180) days of the date of this Order. Upon receipt of the joint INGDSP Working Group report, the Commission will issue an Order determining the parameters of this proceeding as outlined in Step 1.

39. The Commission recognizes that many of the questions raised by WGL and the parties included in Attachment C are interconnected. The Commission finds that the foundational parameters established in Step 1 are the necessary prerequisites for addressing the more detailed

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<sup>87</sup> Clean Energy Cohort Roadmap at 6.

<sup>88</sup> Clean Energy Cohort Roadmap at 7.

technical and financial inquiries raised by the parties. As the planning process evolves through the subsequent stages of the NARUC Roadmap, the Commission will formally identify and solicit input on relevant sub-questions—such as risk modeling, infrastructure alternatives, and ratemaking mechanisms—at the specific point where the administrative record and foundational data are sufficient to support an informed decision. This approach ensures that every concern is addressed at the point where the necessary data and foundational rules are in place to support a robust decision.

**THEREFORE, IT IS ORDERED THAT:**

40. The Commission **OPENS** this proceeding;
41. Comments on the questions included in paragraphs 32-37 are due within forty-five (45) days of the date of this Order;
42. The Commission **DIRECTS** Staff to convene an Integrated Natural Gas Distribution Planning Working Group within seventy-five (75) days of the date of this Order to discuss the questions raised in paragraphs 32-37 of this Order; and
43. The Integrated Natural Gas Distribution Planning Working Group shall file a report within one hundred and eighty (180) days of the date of this Order to address the questions raised in paragraphs 32-37 of this Order.

**A TRUE COPY:**

**BY DIRECTION OF THE COMMISSION:**



**CHIEF CLERK:**

**BRINDA WESTBROOK-SEDGWICK  
COMMISSION SECRETARY**



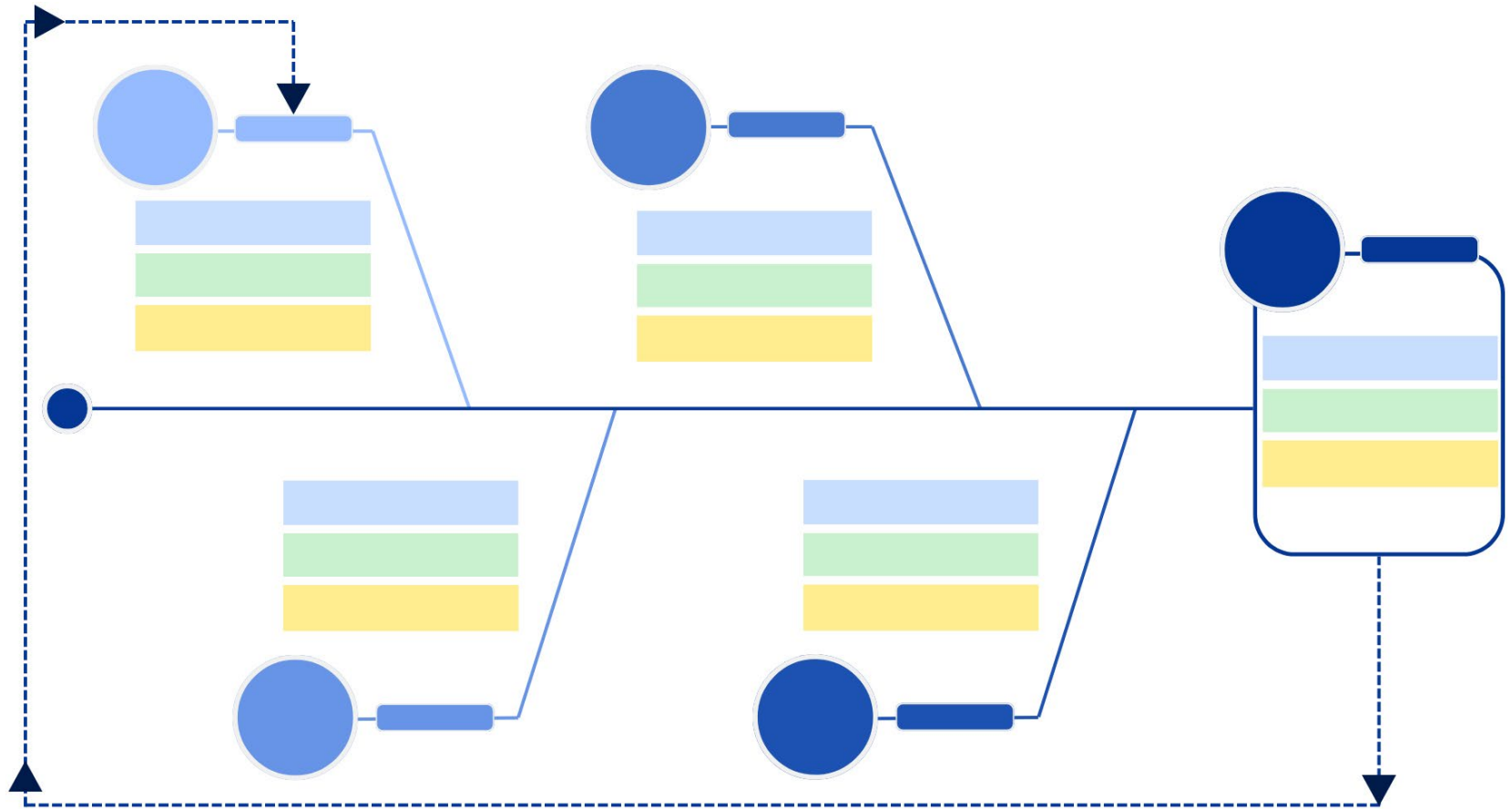
# Attachment A

## NARUC

National Association of Regulatory Utility Commissioners

# Clean Energy Cohort Roadmap

NARUC Task Force on Natural Gas Resource Planning



December 2025

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## Introduction

This roadmap describes a vision for an idealized planning process for a natural gas distribution utility (gas LDC), from a public utility commission perspective, designed to align with state policy goals for clean energy. Developed by commissioners and commission staff members in the NARUC Task Force on Natural Gas Resource Planning Clean Energy Cohort, with input from subject matter experts, the roadmap presents a planning process that a Commission could use as a model for advancing clean energy goals into gas utility planning processes. Specifically, the roadmap identifies key planning elements that the Commission will evaluate to ensure that the gas LDC's long-term planning process supports the state's ambitious clean energy goals.

The roadmap incorporates representative data types, alternatives, analyses, and planning steps that would enable the Commission to understand and properly evaluate the LDC's plans. The roadmap includes:

- A flowchart of the entire planning process
- Descriptions and explanations of each step of the planning process
- Guidance, resources, and examples that can augment understanding and offer starting points for action

Please note that this roadmap is not intended to endorse the pursuit or adoption of any particular state goal. Commissions are not policymaking bodies and clean energy goals generally come from the executive or legislative branches. To that end, a fictional state persona was created to guide the development of this roadmap. Comparable roadmaps have been produced by other NARUC cohorts focused on the state policy goals of [affordability](#), [reliability](#), and [economic development](#). These roadmaps do not focus on electricity system planning related to gas-fired power generation;<sup>1</sup> the focus is on in-state gas distribution utilities.

## How to Read this Roadmap

This roadmap describes activities contained in an **idealized** planning process for a gas LDC located in a fictional state with ambitious clean energy goals. **Steps** are largely sequential; outputs from each step serve as inputs to subsequent steps (though iteration is expected). Many of the steps involve gathering information or data from the gas LDC or from customers, state agencies, or other stakeholders to provide evidence to support eventual regulatory decisions.

Comprehensive stakeholder engagement throughout the planning process is key to an informed, robust process that ultimately arrives at decisions that further state policy goals and the public interest. To that end, where appropriate, the descriptions of each step note when and how stakeholders can provide input or otherwise engage in the planning process.

This roadmap describes an **idealized planning process, not an actual one**. While this exact process might not be implemented in any instance and any actual process must, of course, be adapted to the particular situation at hand, some Commissions have implemented portions of this process for gas or other regulated utilities. The Cohort expects that the roadmap could offer a starting point for considering state-specific implementation, so where possible, the roadmap notes relevant resources and examples from across the U.S. that can be referenced and adapted as helpful.

Finally, the roadmap does not contain a timeline for the planning process, as timing could vary widely across states based on the particular situation.

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<sup>1</sup> Please see the NARUC Gas-Electric Alignment for Reliability (GEAR) Task Force [report](#) (November 2025) for recommendations from a diverse group of commissioners and industry stakeholders about how to improve electric and gas coordination at the wholesale level.

## About the Clean Energy Cohort's State

The fictional, representative state that the Clean Energy Cohort is supporting has some key characteristics that provide context for the cohort's vision of an ideal planning process. As with all aspects of the

idealized planning process, the divergence between this fictional state and a real state could result in deviations from the gas planning process offered as a potential starting point.

### Geography and Economy

- The population is split between urban and rural areas: densely populated urban cores and large rural tracts. The gas system is concentrated in urban and suburban areas; rural areas generally do not have gas.
- The state has a cold climate with significant winter heating needs. Winter heating drives high winter gas demand.
- Overall, the economy and the population are both growing. Specifically, the manufacturing sector is expanding.
- The state is not a gas producer.

### Infrastructure

- The gas distribution system has aging and often leak-prone gas pipes that must be mitigated.
- There is an ongoing leak-prone pipe replacement program that is 50 percent complete at this point.
- Buildings are predominantly gas heated, particularly in urban and suburban areas; delivered fuels are more common in rural areas.
- Electrification is the primary driver of load growth on the electric system; the electric system is decarbonizing through adoption of renewables. The electricity system is currently summer peaking.
- The state provides some incentives for electric heat pumps.

### Utility Demographics

- The state primarily has gas-only utilities with different territories, but there are a few dual-fuel utilities in-state as well.
- Gas utilities are required to develop integrated resource plans.
- Rates are trending upwards leading to affordability concerns.
- Wholesale commodity prices are relatively stable.
- The state is still using historic rate designs which have not been examined recently. Rates are mostly volumetric.

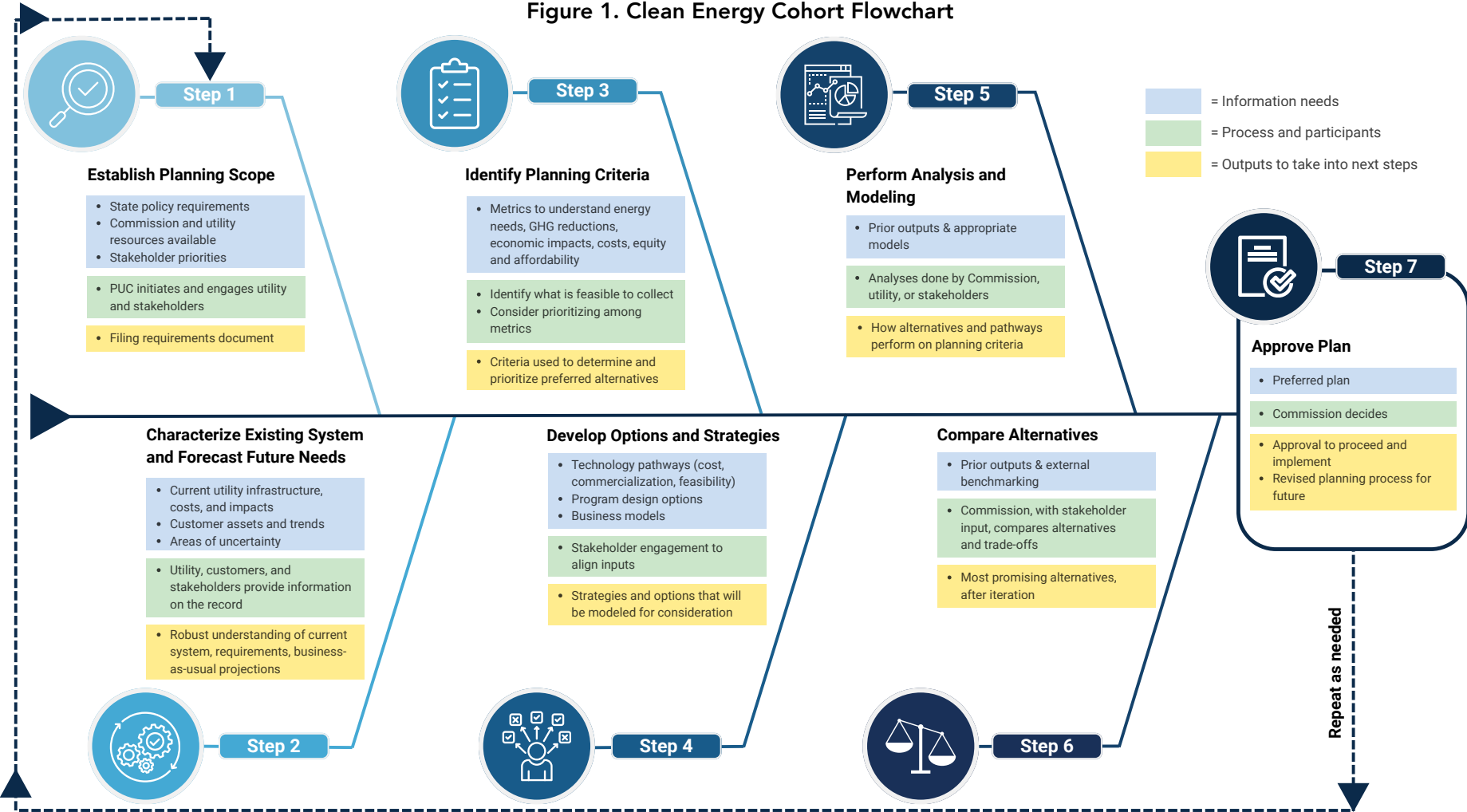
### Customer Characteristics

- The state has a mix of residential, commercial, and industrial customers.
- There are a significant number of low-income customers in particular areas (low-income gas customers are mostly in urban areas).

# Roadmap Features

The flowchart shown in **Figure 1** outlines a series of steps designed to gather and process relevant information that would aid in developing a comprehensive clean energy plan for a gas LDC. The seven steps in the Clean Energy Cohort’s roadmap are: (1) Establish Planning Scope, (2) Characterize Existing System and Forecast Future Needs, (3) Identify

Planning Criteria, (4) Develop Options and Strategies, (5) Perform Analysis and Modeling, (6) Compare Alternatives, and (7) Approve Plan. Each step is described in more detail in the following sections, which highlight information needs [in blue], processes and participants [in green], and outputs to take into the next step [in yellow] along with



relevant resources and examples. See the [NARUC Task Force on Natural Gas Resource Planning website](#) for supplementary materials such as expert presentations, data sources, and regulatory tools.

The planning process is intended to be iterative, with periodic reassessments during which utility regulators, utilities, and stakeholders identify opportunities for refinement and improvement. The plan, once completed, will be reviewed and approved or acknowledged by the utility regulator and will serve as a resource going forward for all stakeholders.

Regulatory decisions are based on state law and evidence submitted by utilities and stakeholders. During the planning cycle, the Commission may need to evaluate new tools or services to customers even in cases where available evidence is limited. Evidence will change over time as technologies and customer preferences evolve, so the completed plan and its future iterations will likely be dynamic.



### Step 1. Establish Planning Scope

The first step of the planning process establishes details related to the planning scope and process in which the utility and stakeholders can expect to be involved.

- State policy requirements
- Commission and utility resources available
- Stakeholder priorities

- PUC initiates and engages utility and stakeholders

- Filing requirements document

#### Information needs

The intention of this roadmap is to outline a planning process related to in-state gas utility service for customers (not gas-fired electricity generation) that will achieve clean energy and other state policy goals. Within the planning scope step, the Commission will establish specific goals, parameters, and expectations for all who will be involved in the planning process. The Commission will make determinations about:

- **State policy goals, requirements, and jurisdiction:** Which state policy goals or mandates are targeted for achievement? Are there milestones that must be considered (e.g., 40 percent reduction in greenhouse gas

(GHG) emissions by 2040, 80 percent reduction by 2050)? Are there additional policy goals that are aspirational (e.g., executive order, commission policy statement) and how should these be addressed (e.g., in options or strategy development, where uncertainties are considered, etc.)? Are there relevant policy requirements that will limit options (e.g., legal definition of “obligation to serve”)? What jurisdiction and authorities does the Commission have?

- **Relevant planning horizon:** What is the relevant horizon for the planning effort (e.g., based on investment / infrastructure life, number of utilities and frequency of filings, rate case cycles, opportunities to change / affect customer rates, others)? Is this effort focused on issues that require a long horizon, and within that, can or should there be shorter-term plans with greater detail?

**TIP:** Cohort members recommend longer-term planning to address clean energy policies because it may involve significant changes in long-lived infrastructure (e.g., through mid-century and beyond). Still, given the long-term direction, much attention may be focused on nearer-term (e.g., five-year) action plans and nearer-term “critical path” actions and uncertainties that put the utility on the right path initially to achieve long-term goals.

- **Approach to risk or uncertainty:** Will the planning process articulate multiple scenarios, quantify risk, provide ranges of values to capture uncertainty on inputs, or share qualitative assessments of certainty?

**TIP:** To enable thorough analysis while examining a range of possibilities, consider limiting consideration to four or five scenarios for possible futures / uncertainty planning.

- **Iteration:** What kind of iteration should be expected for inputs, metrics, uncertainties, analyses, and alternatives? Will iterations be conducted within the current planning cycle or across multiple planning cycles? Where will the feedback loops occur? Where in the iterative process will stakeholders have input?
- **Boundaries of plan:** What is in scope vs. out of scope (e.g., full gas sector, LDCs, customer infrastructure, electric utility impacts,

emergency repairs)? How does this planning process relate to other proceedings (e.g., energy efficiency programs, general rate cases, depreciation cases)?

- **Stakeholder process:** At many stages of planning, there may be opportunities to solicit stakeholder input and / or communicate interim information with stakeholders. Determine whether, when and how to engage stakeholders, considering:
  - Whether and how to engage in culturally specific access to new, key stakeholders (e.g., get access to under-represented groups via key intermediaries)
  - Whether and how to offer intervenor compensation to facilitate participation from otherwise unfunded or underfunded groups<sup>2</sup>
  - How different kinds of stakeholder input (e.g., technical vs. experiential) will be used at the various stages of the planning process (e.g., early in process vs. as plans are taking shape) and who the primary recipient will be (e.g., utility planners vs. Commission)
  - Approaches that could be used for gathering stakeholder input (e.g., technical conferences led by commissioners and / or staff, working groups co-chaired by utility and consumer advocate, listening sessions)
- **Venue for planning:** Who is the lead planning entity (e.g., the LDC plans on behalf of customers, the Commission oversees)? Where will most planning engagements take place (e.g., at the Commission, in communities, at utility offices, virtually)?
- **Commission resources available:** What level of expertise and capacity exists within the Commission and its staff? What time commitments can be made? How much funding is available for consultants? What options are there for training staff on how to interpret plans (e.g., peer support from other states)? The Commission may need to take an inventory of what efforts are currently underway and to identify resources available and examine past proceedings for leverage options.

**TIP:** The Commission will need to ensure that Commission staff and / or outside consultants have sufficient engineering and economic expertise to analyze the issues likely to arise (e.g., pipeline safety concerns, options for addressing repairs and replacements, economic modeling skills to analyze implications for rates and ratepayers, etc.).

- **Transparency:** What level of transparency will be expected by the Commission (i.e., what is the Commission’s default position on sharing information)? What are stakeholders’ expectations? What types and frequency of updates (on progress and sticking points) should be provided throughout the process and to whom? Will data sharing agreements be encouraged, developed, and / or required?

Critically, cohort members suggest that the Commission consider aligning gas and electric utility planning periods and filing deadlines to enable better informed decision making, given the interdependencies of gas and electric distribution planning for meeting clean energy goals. Because most gas and electric utilities have at least some service territory areas that overlap with unaffiliated utilities, Commission-approved data sharing agreements between (or within) gas and electric utilities might be necessary and should be initiated as early as possible because it will take time to develop those, likely in a separate process.

Under the Quebec government’s Green Economy Plan, Énergir and Hydro-Québec have a [partnership](#) (Dual-Energy or “bi-energy” solution) to reduce GHG emissions from heating in residential, commercial, and institutional buildings by switching from 100 percent natural gas heating to a system where electricity is used for about 70 percent of the heating loads and natural gas is used during cold peaks. The program offers financial assistance to help customers purchase dual-energy heating systems and specialized rates for electricity usage under this dual-energy system. To implement the program, both utilities need to exchange data on electricity and gas demand profiles for the dual-energy equipment, displaced natural gas consumption, and GHG emissions reductions, as well as other program participation and power and gas system metrics.

2 See NARUC, [State Approaches to Intervenor Compensation](#), December 2021.

## Process and participants

The Clean Energy Cohort assumes that an LDC is leading the plan development with oversight from the Commission and input from stakeholders. These and other details will need to be specified at the outset of the planning process before information gathering begins, though some iteration is possible as all parties gain a better understanding of the gas system.

- **Expectations for the LDC:** Throughout the planning process, the Commission will need to provide clear instructions and expectations for the LDC regarding planning in the context of clean energy goals. Such planning will involve planning steps, technologies, participants, etc. that go well beyond what is seen in the typical business-as-usual gas planning process and thus will be unfamiliar to both the utility and the Commission. Traditional expectations around planning practices will be the natural default assumption, so it will require proactive action by the Commission to establish a different and mutually understood set of expectations about gas planning in the context of meaningful clean energy goals.

The cohort envisions a stakeholder engagement process at this step to gather input from entities beyond the utility. Details about who will lead that process will be determined by the Commission based on numerous factors. See NARUC, [Public Utility Commission Stakeholder Engagement: A Decision-Making Framework](#), 2021, for some considerations and examples.

## Outputs

In some Commissions, the results of this step will be articulated in filing requirements for the gas LDC.



## Step 2. Characterize Existing System and Forecast Future Needs

This step establishes a baseline understanding of the existing natural gas distribution system, projects key external variables that will be inputs to the analyses undertaken later in the process, and articulates how the LDC and Commission will handle inevitable uncertainties.

### Information needs

Significant information gathering will occur during this step. Three main categories are discussed below: (A) a baseline understanding of the natural gas distribution system, (B) external data, and (C) uncertainty scenarios.

- A. Having a baseline understanding** of the natural gas distribution system helps inform the changes that will be needed in the future to achieve clean energy policy goals.

Current information and initial projections about the system that cohort members think could be necessary to receive from the gas utility are:

- Physical system attributes and condition
  - Pipe age, material, condition
  - Maps of the gas system with reasonable geographic resolution of pipes, planned pipe maintenance / replacement<sup>3</sup>
  - Interstate pipeline and storage resources

- Current utility infrastructure costs and impacts
- Customer assets and trends
- Areas of uncertainty

- Utility, customers, and stakeholders provide information on the record

- Robust understanding of current system, requirements, business-as-usual projections

<sup>3</sup> Some of these data requests could include critical energy infrastructure information, which will need to be shared in line with the Commission's data sharing guidelines. Data sharing that is allowed, encouraged, or required varies by utility and Commission along with protection strategies and data transfer protocols for different types of information. For example, relevant customer information is often aggregated and/or anonymized prior to sharing. Non-disclosure agreements are commonly used with intervenors for sharing particular sensitive information. Although originally designed for decision-making about electric data, the NARUC 2023 [Grid Data Sharing Framework](#) could provide a helpful framework for Commissions to establish expectations about scope, granularity, resolution, and audience if they do not have data access procedures already in place.

- System demand
  - Baseline throughput: Current energy usage across the year and on peak days, as well as related weather data. Include actual sales figures
  - Projected gas demand across a range of relevant scenarios, along with information about assumed drivers. Demand forecasts should extend at least through the planning horizon (acknowledging uncertainty, which can be captured with scenarios) and include extensive information about assumptions and methodologies to enable understanding by the commission and stakeholders
  - Energy efficiency programs and their results, including historical data and projections at different funding levels
- System costs
  - Existing book of gas system assets (e.g., carrying charges, current value of undepreciated rate base and how that is projected to change over time)
  - Cost of potential pipeline replacements (e.g., if needed due to risk assessment), expansions, repairs, etc. that may be considered in strategies to be developed. These may be estimates or averages (e.g., dollars per mile for main installation, replacement or repair, dollars per service for new services, etc.)
  - Current line extension tariffs
  - Commodity price (gas price) forecast

The utility will use these data to develop a range of complete forecasts and share the detailed methodology(ies) with the Commission and stakeholders.

**B.** In addition, **external data** (e.g., from the Commission, other regulated entities, state agencies, stakeholders) that could be valuable for understanding the baseline and forecasts could include:

- Electricity system capacity (from electric utilities or Commission records)

- Existing and projected capacity on the electric distribution grid (at appropriate geographic resolution) in baseline, peak, and winter to identify available headroom to accommodate electrification of gas loads
- Approved investment plans and associated capacity additions
- Cost projections or estimates for further electric system expansion
- Environmental attributes (from federal or state environmental agencies)
  - Air quality impacts from gas combustion or electricity generation (e.g., GHG emissions, criteria pollutants)

In addition, it will be important to gain insights into customer and economic characteristics such as:

- Customer demographics (from other state agencies, from utility)
  - Income level, location, environmental justice communities, etc., including geographic distribution
  - Density of customers per mile of pipe (geographic distribution if possible)
- Housing stock (from other state and federal agencies or universities)
  - Current age and condition of housing stock, including by income and geography
  - Current age of gas appliances in buildings, including by income and geography
  - Market trends / building construction projections (volume and to what extent is new construction gas and electric or all electric)
  - Customer trends in adoption of electric appliances
  - Estimates of building upgrade costs (e.g., appliances, insulation / building shell, electrical panel upgrades)
- Economic development (from other state or federal agencies)
  - Current proportions of customer types and energy uses
  - Economic development projections by type (e.g., NAICS codes)

Please refer to the modeling tools section of the [Resource Library](#) for publicly available data sets that are relevant for this step of baselining the system.

C. The cohort recognizes that there will be significant **uncertainty** with many projections (including business-as-usual). Cohort members suggest acknowledging the uncertainty in the planning process, yet recognizing that decisions must be made and actions taken nonetheless. Establishing scenarios and using sensitivity analyses (e.g., low, medium, high gas commodity prices) are considered essential and should be used throughout the planning process.

Members suggest that utilities and stakeholders identify and prioritize the key uncertainties, noting that pathways studies can help identify possible scenarios and sets of challenges and variables with each (some preliminary analysis may be necessary to identify which uncertainties are most important). Variables that could be important to project, acknowledging the uncertainties, include:

- Quantitative projections based on historical trends routinely published by a variety of sources: demand, economic growth, inflation, technology cost / performance, cost for pipeline installation, commodity prices

The New York State Public Service Commission's [long-term gas planning rules](#) require the LDCs in the state to file long-term (20-year) gas plans on a rolling three-year basis. Utilities are required to present different scenarios to evaluate ways the utility can help the state achieve the emission reduction targets set out in the state's Climate Leadership and Community Protection Act. The utilities can propose different scenarios, but one must evaluate no new traditional gas infrastructure. The utilities receive extensive feedback on their initial and revised plans from commission staff and stakeholders, which can result in additional scenarios and sensitivities to inputs and assumptions in the modeled scenarios. The utilities publish a final plan forming the basis for the utilities' actions over the next three years. They must report their progress to the commission in annual filings.

**TIP:** Experts noted that demand projections are likely to be accurate only in shorter timeframes, and that commodity prices are unlikely to be predicted accurately and should not be considered foundational.

- Qualitative and quantitative estimates for local economic and societal factors that will influence scenarios: supply chain and labor availability to scale up electrification options for customers, upfront costs to customers for electrification, customer propensity to adopt electrified technologies, customer awareness of gas alternatives, implementation friction in the transition from gas to electrified end uses

### Process and participants

The Commission will likely need to support the utility and stakeholders in limiting data requests to those most important to facilitate decision-making within the multi-step planning process. Cohort members note that valuable data will come from disparate sources and could be complicated to obtain and organize. Having a clear plan for analyzing the data requested and narrowing the scope of data requests to those necessary for analysis will make this step in the planning process more manageable.

The Cohort envisions a **stakeholder engagement** process at this step to gather data and information from entities beyond the utility and also offer feedback about utility data. Specifically, Commission staff might actively reach out to other state agencies and local governments to request data to inform the planning process. Stakeholders may be invited to provide supplemental information and / or make data requests (explaining the value / use of the requested data). To ensure the process is streamlined and efficient, the Commission may make the ultimate determination about which data requests to advance. Details about who will lead the stakeholder engagement process will be determined by the Commission based on numerous factors. See NARUC, [Public Utility Commission Stakeholder Engagement: A Decision-Making Framework](#), 2021, for some considerations and examples.

Additional data needs may arise throughout the planning process, particularly to meet the demands of operators and analysts. Commission and utility engineers, finance staff, safety staff, stakeholders, and other key decision makers at multiple levels of the organizations may be involved.

As noted, data may be available from a variety of sources: from the LDCs, independent experts, economists, public data sources, state agencies (e.g., governor's office, legislators, environmental regulators), delivered fuel providers, environmental advocates, local governments, and a range of customer types (residential, small businesses, commercial/industrial groups). Some of these inputs need only be directionally correct to be useful, while others could have a substantial impact on outcomes, which may be determined later in the planning process. The Commission may need to weigh in on the relative merits of different data sources, inputs, and assumptions now or at later stages in the planning process.

**TIP:** Depending on the LDC's infrastructure management and data practices and what data state and local entities collect and maintain, some of these data could be time consuming to obtain initially so a phased plan for providing the data could also be helpful (e.g., establishing different expectations during the first time through the new planning process vs. during the second or third time through).

### Outputs

This step results in a robust understanding of the current system and its impacts based on business-as-usual projections and specified areas of uncertainty.



### Step 3. Identify Planning Criteria

In this stage of the planning process, the Commission and utility must determine how to translate the state's policy goals and requirements into metrics and criteria that will form the basis for evaluating options and ultimately selecting investments in the final gas resource plan. For this cohort, safety, reliability, and affordability are minimum expectations with the added requirement of achieving the state's clean energy goals. Additional goals will vary by state (per Step 1).

- Metrics to understand energy needs, GHG reductions, economic impacts, costs, equity and affordability

- Identify what is feasible to collect
- Consider prioritizing among metrics

- Criteria used to determine and prioritize preferred alternatives

### Information needs

For the clean energy cohort, criteria to track and report will likely include benefits and costs of options and alternatives, particularly:

- **How energy needs** are being met for customers, inclusive of gas / electric / alternative fuels / dual fuel, to ensure safe and reliable energy delivery and support for customers still using the gas system.
- **Greenhouse gas reductions** that demonstrate progress towards clean energy goals, and which could include information on economy-wide reductions resulting from the plan, percent increase in renewable fuel use, distribution system-specific emission reductions, or other metrics. Related, what will be the definition of greenhouse gas reductions (e.g., gross emissions, per capita emissions)?
- **Understanding of costs** at multiple levels of granularity and scope to include any stranded costs, utility company lost margin, customers costs (all customer classes), plus transition costs. Transition costs will be a significant question throughout the planning process and metrics; calculations to track those must be identified and revisited at different stages in the planning process.

- **Equity and affordability impacts**, particularly for low-income customers, including avoiding disproportionate impacts, reducing overall energy burden, and identifying benefits to customers. Also, tracking which customers remain on the system, their income, housing type, appliances, and other data, to avoid an inequitable transition where those least able to afford the transition away from business-as-usual are stuck without cost-effective options.

**TIP:** As the Commission considers affordability during gas planning, it might make sure that all such dockets with interrelated issues are connected. Targeted working groups could be established to tackle different issues related to affordability with appropriate participation from consumer advocates. For example, in Pennsylvania, advocates participate in all public statement hearings and a new small business advocate group was established to ensure representation from that constituency.

- **Local economic impacts**, such as expected job impacts, the effects of selected solutions (investments) on the economy, and opportunity costs of alternative investments.

The Commission might also request that the utility and stakeholders suggest benefit-cost analysis methodologies to be used in later steps, including how qualitative inputs (non-energy benefits) will be quantified or otherwise considered and how benefits and costs will be treated symmetrically.

In New York State Department of Public Service [Case 19-G-0066](#) Consolidated Edison (New York) developed a Benefit-Cost Analysis (BCA) handbook to evaluate a broad range of resources across multiple policy contexts, such as energy efficiency and non-pipeline programs. The handbook sets out the applicable BCA methodologies, explains how to calculate individual benefits and costs for proposed solutions, and outlines the cost-effectiveness tests required for a complete analysis. It also addresses broader considerations and key issues relevant to project- and investment-benefit assessments.

## Process and participants

These criteria will be reported comparably across all scenarios and alternatives developed through future steps in the planning process and used to prioritize and select options while iterating to determine the preferred alternative among possible solutions.

Key planning criteria will often be quantitative, acknowledging that in some cases, it may be difficult to quantify outcomes and goals. For some criteria, the Commission could be seeking significant granularity about potential impacts from options and alternatives (e.g., customer class impacts).

The Commission may need to rank criteria into tiers of priority, assign differential weights, and / or determine appropriate tradeoffs when evaluating solutions. The Commission might also choose to identify thresholds for some or all of the metrics.

In Minnesota, the Public Utilities Commission articulates how plans will be evaluated, based on their ability to:

- Maintain or improve the safety, adequacy, and reliability of utility service
- Keep the customers' bills and the utility's rates as low as practicable, given regulatory and other constraints
- Minimize adverse socioeconomic effects and adverse effects upon the environment
- Enhance the utility's ability to respond to changes in the financial, social, and technological factors affecting its operations
- Limit the risk of adverse effects on the utility and its customers from financial, social, and technological factors that the utility cannot control
- Include cost-effective energy savings as the preferred energy resource

The Clean Energy Cohort expects that the utility, the Commission, and contracted subject-matter experts will determine how to quantify the Commission's goals into metrics that will be used throughout the planning analyses and as part of broader stakeholder engagement.

It will be valuable for the utility to have insight into the Commission's selection criteria for options prior to the detailed work of building strategies for meeting demand and setting up modeling. The metrics will be reported to the commission and stakeholders during Step 6.

### Outputs

During this step, criteria and metrics are being determined, but the values for these metrics will be reported for the options and alternatives being considered in Step 6.



## Step 4. Develop Options and Strategies

The key objective of this step is to develop potential options for meeting forecasted gas demand as well as clean energy goals, across a range of scenarios. These options will then be modeled and evaluated in subsequent steps of the planning process.

### Information needs

The Clean Energy Cohort suggests soliciting options and strategies that consider:

- Evolving business models of gas LDCs (e.g., provide alternative energy services)
- A variety of fuel types and delivery modes, recognizing that appropriate strategies might differ across customer classes (residential, commercial, industrial) and current fuel types (gas, propane, diesel)

- Technology pathways (cost, commercialization, feasibility)
- Program design options
- Business models

- Stakeholder engagement to align inputs

- Strategies and options that will be modeled for consideration

- Workforce transition pathways (e.g., for pipefitters, steel workers, other unions)
- Geographically targeted solutions (e.g., pruning, electrification, networked geothermal)
- Rate design options for both gas and electric customers

Key inputs will include details and projections of technology options and technology pipelines (e.g., products, their performance, and timelines), which will need to be considered specific to the jurisdiction. Establishing a common understanding of these projections will likely require state or utility-specific potential studies with adequate detail, accounting for potential competing "buyers" (from other sectors and / or geographies) that could impact availability and cost. Studies should include analyses of options including: electrification (heat pumps), renewable natural gas (RNG), hydrogen (H<sub>2</sub>), demand response (DR), energy efficiency (EE), ground-source heat pumps, networked geothermal, and perhaps other technologies across customer classes.

### Process and participants

These options will likely be developed by the LDC, though informed by input from the Commission and key stakeholders, including intervenors, local governments, customers, and others in an open process.

The complexity of scenarios and interdisciplinary nature of meeting clean energy goals for the gas system yield a significant challenge. The planning

In the Massachusetts Department of Public Utilities 20-80 [Investigation Assessing the Future of Natural Gas proceeding](#), the state utilities and their consultants hosted a series of stakeholder meetings to explain pathways modeling, scenario design, and different gas decarbonization technologies. This provided a common understanding of the analyses being performed and drove significant and meaningful input from stakeholders during the proceeding. A similar approach was followed in the Rhode Island Public Utilities Commission's [Investigation into the Future of Gas docket](#).

scope described in Step 1 will need to be referenced throughout these efforts to define what potential solutions warrant consideration; these will likely go well beyond the types of options typically considered in business-as-usual gas planning. Solution sets could range from explicit alternative projects (e.g., whether to build infrastructure project A or B) to more general approaches (e.g., whether new customer demand should be met via electrification options or low carbon fuels). Iteration will be a necessary part of the process, particularly as involved participants highlight the potential risks and uncertainties of various options.

Furthermore, coordination beyond traditional boundaries will be warranted: for example, coordinating gas system planning with electric system planning, and also perhaps across geographies (other utility territories, other states) and other parties (state agencies, alternative heat providers). Participants will need to develop a shared language for describing and understanding the (location-specific) effects on gas and electric demand resulting from the various options, and for considering ways to transition customers to

alternative energy sources. Dedicated stakeholder engagement sessions might be needed to enable this shared vocabulary.

From a process perspective, the cohort suggests an iterative process of identifying promising alternatives, comparing options to external benchmarks, soliciting input from participants, and where relevant, consideration of combining attractive aspects of several alternatives. External benchmarking (reviewing what other states, utilities, and others have done) should be a feature throughout the process as well. Readers might also want to review other [NARUC Gas Planning roadmaps](#).

Options the Cohort explored are divided into four categories shown in the deep dive: (a) new pathways for LDCs, (b) rate design strategies, (c) minimizing stranded costs, and (d) ensuring affordability. In a planning process, Commissions, utilities, and stakeholders may expand on the options outlined or look at alternative technologies or regulatory pathways to achieve clean energy policy goals.

#### **STEP 4 DEEP DIVE: Options for Consideration**

**a. New pathway options for LDCs:** Cohort members are concerned about the ultimate business model for gas LDCs with declining throughput and customers. Ideas considered in some jurisdictions that resonated with the cohort include:

- Mergers between gas and water utilities due to experience with underground pipes, monopoly utility service, rights of way, state and federal regulation
- Alter throughput in pipes: renewable natural gas, hydrogen, possibly networked geothermal
- Consider continued gas (RNG, hydrogen) supply just for industrial / commercial customers with hard-to-electrify end uses
- Leverage a smaller gas system as a resource to support peak energy needs on the coldest days with clear mechanisms for the gas LDC to be compensated (e.g., by electric utility, by customers)

**b. Rate design options that would ease the burden of transition:**

The cohort is very focused on avoiding inequities when achieving clean energy policy goals. Ideas considered in some jurisdictions that resonated with the cohort include:

- Electric heating rates with a focus on heat pumps or heat pump-specific rates
- Rates might be seasonal and /or include lower commodity charges
- Offer on-bill financing for electrified heat (air source or geothermal heat pumps)
- Rate designs offering carve-outs or discounts for low-income customers
- Reallocate more costs into fixed charges, rather than primarily volumetric rates
- In a “hybrid heating” approach, providing a “capacity credit” to the gas system for mitigating the electric system’s winter peak

- Rate designs incorporating emissions levels / emitter contribution (e.g., rate design that nudges customers who can convert to electricity to do so)
- Conduct a substitutes analysis before determining rates for industrial customers, to ensure economically viable transition options are available before subjecting these customers to rates that promote electrification.

**c. Minimizing stranded costs to support affordability:** Cohort members are seeking the most cost-effective approaches to meeting near- and long-term clean energy goals while ensuring continuous, reliable provision of energy services (not necessarily gas service) to customers.

When considering the potential for stranded assets, the cohort is focused on ways to safely minimize further capital expenditures on gas infrastructure that might not remain used and useful for the full normal life of the assets. The cohort notes that many decisions about these questions will be grounded in how much new vs. old pipe exists on the gas system and how aggressive the state's emissions goals are (which will vary across states).

Ideas to limit stranded costs considered in some jurisdictions that resonated with the cohort include:

- Limit or terminate gas line extension allowances
- Encourage accelerated depreciation of existing capital costs while the number of customers and gas volumes are still high
- Require new depreciation studies to reduce negative net salvage values
- Reduce capital expenditures by favoring repairs, relining, and non-pipeline alternatives rather than asset replacement (which may require reconsidering the business model and mechanisms for cost control)
- Target areas for prioritized electrification to enable pipeline decommissioning; focus may be on areas with low gas

concentration, those otherwise needing capital investments, and/or geographic locations where the electric system can absorb new customer loads

- Treat baseload vs. peaking gas assets differently. Focus on avoiding further capital expenditures for peak to limit stranded assets.
- Distinguish between capital spending that addresses true safety concerns (without alternative solutions) vs. other capital spending, and ensure cost containment incentives are in place
- Seek legislative / taxpayer support for a share of costs, to avoid a rising cost burden for a shrinking customer base and falling gas volumes.

**d. Ensure that the customers left on the gas system aren't those least able to afford it:**

The cohort is very focused on avoiding inequities when pursuing clean energy policy goals. Most likely, affordability and equity assessments for gas will need a parallel process on the electric side and then a separate assessment when considering changes to the two systems. Ideas considered in some jurisdictions that resonated with the cohort include encouraging utilities or other program administrators to:

- Electrify low- and moderate-income customers first, with generous incentives; potentially offer full cost of electrification and rate discounts to historically overburdened communities or customers
- Use community-level planning and partnerships with municipalities / city governments / community-based organizations to enable geographic targeting with outreach and incentives, especially for low-income customers and renters
- Unless heat pump or discounted electric rates are available for low- and moderate-income customers, consider program options for dual fuels and insulation to improve current affordability (although be cognizant of trade-offs such as the potential for fuel lock-in once these investments are made).

## Outputs

This step produces a finite number of agreed-upon strategies and options that will be modeled and evaluated for further consideration.



### Step 5. Perform Analysis and Modeling

The utility will need sophisticated modeling capabilities to conduct analyses on potential strategies for meeting the state's energy goals, leveraging the information gathered during prior steps about the baseline, forecasts, and options. The output of this step will be a review of the modeling results for all options relative to the planning criteria.

- Prior outputs & appropriate models
- Analyses done by commission, utility, or stakeholders
- How alternatives and pathways perform on planning criteria

## Information needs

All information from prior steps will be critical to inform the analysis and modeling step.

In light of the likely longer horizon of the analyses and the broad set of options considered, it will be important to consider all relevant costs, including those that may be delayed but not necessarily avoided by current actions. For example, near-term gas infrastructure investment may avoid the need (and the associated costs) to electrify customers

In Minnesota, the commission and utilities have begun a path towards gas-electric coordination in planning. The Minnesota Public Utilities Commission (PUC) [Gas IRP](#) directs CenterPoint, MERC, and Xcel to work with electric utilities in their service territories to understand, to the extent possible, the electric system impacts on resource options in the natural gas IRPs. However, the PUC is not requiring the gas utilities to engage with every electric provider in their service territory; the gas utilities have the discretion to determine the breadth and depth of their engagement.

now. But those conversion costs might not be avoided entirely, just deferred, if those customer conversions are ultimately needed to achieve clean energy goals. The deferred conversion costs should be considered in evaluating options; this is one reason a longer time horizon may be appropriate when considering clean energy policies.

In a planning approach that is not yet common, the cohort envisions that the LDC's modeling will also consider ancillary impacts to the electric system regarding supply infrastructure, cost, and workforce implications. Particularly because utility territories rarely align exactly, this effort might need to be facilitated by the Commission and / or represent a separate sub-step to be coordinated with the relevant electric utilities occurring alongside the analysis and modeling stage of the gas planning process.

## Process and participants

The Clean Energy Cohort expects that the utility will be the primary entity with sufficient system modeling capabilities and will lead the analytical exercises necessary to compare solution sets identified in the prior step. The analysis and modeling will compare all agreed-upon options across

As part of its strategic effort to align gas and electric grid investments, Eversource is adopting an [integrated approach to distribution system planning](#). This includes developing ten-year forecasts that account not only for traditional electric load growth, but also for factors such as distributed energy resource adoption, electric vehicle growth, and fuel switching (e.g., transitioning from gas heating to electric). Eversource evaluates the interdependencies between systems, such as how increased electric demand from heat pumps reduces gas usage but raises electricity needs, or how gas supply constraints may affect electric generation and heating. This work involves close coordination across Eversource's gas, electric, and regulatory teams, as well as active engagement with regulators and other key stakeholders to align forecasts, priorities, and trade-offs. By integrating gas and electric system planning, Eversource aims to lower costs, improve reliability, and support Massachusetts' clean energy transition.

the multiple dimensions of planning criteria specified in Step 3. Analysis and modeling may also involve determining how various options would respond under different scenarios and uncertainties.

The Clean Energy Cohort expects that utilities, the commission, and contracted subject-matter experts will closely coordinate the analysis and modeling, which will be examined by a broader set of stakeholders in the subsequent step of comparing across alternatives.

### Outputs

This step will provide an understanding of how various clean energy investment options perform across planning criteria identified in Step 3.



## Step 6. Compare Alternatives

The planning process has been transparently building to the point of the utility presenting to the Commission a subset of solution alternatives that are able to meet the energy needs of its customers while accomplishing state policy goals and aligning with the Commission's direction on priorities.

- Prior outputs & external benchmarking
- Commission, with stakeholder input, compares alternatives and trade-offs
- Most promising alternatives, after iteration

### Information needs

Tradeoffs among options and alternatives are inevitable, but the solution options should be well-characterized through the scenario and solution development process. The alternatives that the utility ultimately presents to the Commission will include quantitative evaluations according to the planning criteria specified in Step 3 to the extent possible (some dimensions might include qualitative metrics instead or in addition). The categories of metrics articulated in Step 3 are:

- Meet energy needs
- GHG reductions
- Local economic impact

- Understand costs
- Equity and affordability

In addition to seeing quantified planning criteria and metrics, the Commission may also want to understand how the solution alternatives relate to:

- What other states are doing (benchmarking)
- Effect on the gas LDC / options for evolving the business model
- Other state policy or regulatory requirements impacting the gas utility
- Effect of options on the electric system

### Process and participants

The cohort envisions a critical stakeholder engagement process at this step to gather input from entities beyond the utility. Details about who will lead that process will be determined by the Commission based on numerous factors. See NARUC, [Public Utility Commission Stakeholder Engagement: A Decision-Making Framework](#), 2021 for some considerations and examples.

Stakeholder engagement will be an important aspect of this stage of the planning process to support consideration and weighing of options and tradeoffs towards determining the preferred plan. It could be that the Commission, utility, and stakeholders review options and request that particular projects, programs, or investments be iterated and recombined to reduce tradeoffs and maximize benefits. The cohort expects that a wide range of stakeholders such as customers, small businesses, community groups, other state agencies, and more will want to weigh in on the solution sets offered and the proper trade-offs among criteria prior to the utility's final filing and the Commission making a decision.

### Outputs

This step will result in a preferred plan informed by utility, Commission, and stakeholder input.



## Step 7. Approve Plan

This roadmap establishes a structured process for defining the scope of the planning process, characterizing the existing system and the external environment to assess system needs, identifying and evaluating potential solutions, and selecting among them to best align utility investments with regulatory and policy objectives. It serves as the first stage of what may be a multi-year effort that will likely involve a fair amount of iteration to converge on a useful plan that evolves over time.

- Preferred plan

- PUC decides

- Approval to proceed and implement
- Revised planning process for future

### Information needs

Selection of a preferred plan happens in this step.

### Process and participants

The selection of the plan from this planning cycle will instigate a variety of next steps. Cohort members particularly note two important steps: refining and implementing rate designs that may have been selected through the planning process and exploring the possibility of taxpayer (vs. ratepayer) subsidies or incentives for customers that could be established by the legislature to support affordability.

Depending on the outcomes of initial work to establish the planning process scope and identify related proceedings, the utility might soon begin rate recovery as well. Cohort members note that historical test years will not be useful for rate recovery in this environment, and that alternative ratemaking may be required. Where possible, decoupling plus incentives, symmetrical incentives, shared savings, performance incentive mechanisms, and other tools could be valuable to support achievement of the preferred plan.

**TIP:** Performance incentive mechanisms (PIMs) can be designed to align a portion of a utility's financial returns with performance outcomes or public policy objectives, including safety, reliability, customer service, cost efficiency, and GHG emissions reduction. In the regulated monopoly model, gas utilities may face limited competitive pressure to innovate or manage costs; PIMs address this gap by linking revenues or profits directly to measurable performance metrics. PIMs have been implemented across the U.S. to incentivize utilities to develop and implement energy efficiency and other demand-side management programs. Such programs can help reduce GHG emissions even in jurisdictions without GHG emissions reduction mandates. The [RMI PIMs Database](#) includes a list of gas and electric utility PIMs.

Of course, the plan and the planning process will need to be reassessed periodically, with renewed stakeholder engagement. As technologies advance, policies shift, and new risks emerge, recurring cycles of planning will be essential to ensure that the gas system continues to serve customers well, aligning with broader public goals such as safety, reliability, affordability, and clean energy policies. Any state's planning process will be revised based on lessons learned from actual implementation experience. Regular updates to data collection, planning criteria, forecasting methodologies, and investment strategies will need to be incorporated.

By committing to an iterative approach, regulators, utilities, and stakeholders can maintain a dynamic, resilient, and forward-looking clean energy framework that protects customers and supports the state's long-term energy and environmental objectives.

### Outputs

This step provides Commission approval to the utility to proceed and implement a new gas plan with direction to the utility about where and when cost recovery will be considered, as well as a revised planning process for future use.

## Additional Resources

Below is a compiled list of additional resources and examples that may be helpful to consider when implementing a clean energy-focused natural gas distribution utility planning process. Resources are offered for: rate design and incentives, decarbonization technologies, integrated system planning, pathways modeling, and databases.

### Rate Design and Incentives

- Advanced Energy United's 2025 [Massachusetts Study on Time-Varying Rate Design to Enable Electrification](#) demonstrates how a time-varying rate design approach, coupled with energy efficiency measures, can help advance the state's electrification goals while mitigating rate increases for all homes.
- E3's 2024 [Near-Term Rate Design Study](#), with the Massachusetts Interagency Rates Working Group (IRWG), evaluates near-term rate design strategies that could be developed prior to the rollout of Advanced Metering Infrastructure (AMI) to help improve customer economics for electrification relative to existing rates. E3's 2025 [Long-Term Ratemaking Study](#) assesses the rate design strategies that may be implemented in the 2030s after the rollout of AMI.
- A 2025 Lawrence Berkeley National Laboratory (LBNL) Study on [Distribution Planning for Load Growth: Buildings](#) provides considerations and results of electrification rate designs.
- The Brattle Group's 2023 whitepaper for ESIG on [Heat Pump-Friendly Cost-Based Rate Designs](#) evaluates the role of "cost-based" and "cost-reflective" rates that may help improve heat pump economics by reducing their operating costs.

### Decarbonization Technologies

- [Several studies](#) have been published by the Renewable Thermal Collaborative addressing barriers and opportunities for adoption of different clean energy technologies including:

- [Utility Engagement Playbook for Industrial Customers: Addressing Power Sector Barriers to Electrification](#) (2024)
- [Thermal Batteries: Opportunities to Accelerate Decarbonization of Industrial Heat](#) (2023)
- [Case Study: AstraZeneca and Vanguard Renewables U.S. RNG Agreement](#) (2024)
- The Brattle Group's 2025 whitepaper for the New York State Energy Research and Development Authority on [Considerations for Low-Carbon Alternative Fuel Use in New York State](#) evaluates a wide range of low-carbon fuels, examining their end uses, production pathways, infrastructure needs, emissions impacts, and supply chain considerations.
- Building Decarbonization Coalition's 2024 study on [The Future of Heat: Thermal Energy Networks as an Evolutionary Path for Gas Utilities Toward a Safe, Equitable, Just Energy Transition](#) explores the potential of utility thermal energy networks (UTENS) for decarbonization and recommends legal and regulatory innovations to support UTEN development.

### Integrated System Planning

- Pacific Northwest National Laboratory and LBNL's 2024 study titled [Review of Literature and Utility Commission Proceedings Relevant to Integrated System Planning: Annotated Bibliography](#), prepared to support the Washington Utilities and Transportation Commission, compiles research and reports, and state examples of coordinated gas and electric planning, future of gas, and future of heat proceedings.
- [A Regulator's Blueprint for 21st Century Gas Utility Planning](#) (2023) prepared by Strategen for Advanced Energy United discusses the strengths and drawbacks of existing gas system planning frameworks.

- [Xcel CO's 2024 – 2027 Clean Heat Plan](#) is another example of system planning. The utility now earns a return on incentives as part of this plan (e.g., for heat pump incentives).

### Pathways Modeling

- E3's 2024 Report on [Decarbonization Pathways Modeling](#) discusses the role of pathways modeling in gas proceedings and provides considerations for Illinois's future of gas evaluations.
- The 2022 [Massachusetts Clean Energy and Climate Plan for 2025 and 2030](#) outlines specific strategies, policies, and implementation goals and benchmarks for the state to reduce emissions in a cost-effective and equitable manner using decarbonization pathways modeling conducted by Evolved Energy Research.

### Databases

- The National Lab of the Rockies (NLER)'s [ResStock](#) and [ComStock](#) tools are building-stock energy modeling platforms designed to represent the residential and commercial building stocks in the U.S., respectively. They provide modeled data about how the existing building stock currently uses energy and how it might use energy under various efficiency / electrification / retrofit scenarios.

- The U.S. Department of Energy's interactive [Buildings Technology Innovation Opportunities Dashboard](#) offers detailed mapping of current and projected U.S. building energy use and costs. It provides national-level and more geographically granular results by building type, building vintage, and technology type.
- The U.S. Environmental Protection Agency (EPA) [ENERGY STAR](#) program maintains a comprehensive product database that lists all products certified to meet ENERGY STAR's energy-efficiency standard. Information from the database can be used to benchmark the performance of different gas and electric appliances.
- The U.S. EPA [Air Quality System](#) program collects, standardizes, and publishes air quality measurements using a network of thousands of monitoring sites across the U.S. The database tracks criteria pollutants such as ozone, particulate matter, and lead.
- The [American Community Survey](#) conducted by the U.S. Census Bureau contains state-level information about housing stock characteristics, including heating fuel type, which can be used to develop baselines for clean energy transition pathways.
- [Argonne National Lab RNG Database](#) provides a comprehensive list of biogas projects that are upgrading gas for pipeline injection or use as vehicle fuel.

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This document was authored by staff of NARUC and The Brattle Group based on extensive discussions with members of the Clean Energy Cohort within the Task Force on Natural Gas Resource Planning. The primary authors were:

- Danielle Sass Byrnett, NARUC
- Dean Murphy, The Brattle Group

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# NARUC

National Association of Regulatory Utility Commissioners

1101 Vermont Ave, NW • Suite 401 • Washington, DC 20005

[www.naruc.org](http://www.naruc.org) • (202) 898-2200

**ATTACHMENT B – DOCUMENTS MOVED INTO *FORMAL CASE NO. 1187***

*Formal Case No. 1167*, Office of the People’s Counsel for the District of Columbia’s Response to Order No. 22339 Regarding a Gas Distribution Planning Proceeding, filed April 25, 2025.

*Formal Case No. 1167*, Washington Gas Light Company’s Comments On Establishing A Thermal Planning Proceeding, filed April 28, 2025.

*Formal Case No. 1167*, Initial Comments of the District of Columbia Government, filed April 28, 2025.

*Formal Case No. 1167*, Comments on a Thermal Planning Proceeding in DC, filed April 28, 2025.

*Formal Case No. 1167*, Washington Gas Light Company’s Reply Comments On Establishing A Thermal Planning Proceeding, filed June 26, 2025.

*Formal Case No. 1167*, Reply Comments on a Thermal Planning Proceeding in DC, filed June 26, 2025.

*Formal Case No. 1167*, Alternative Approaches to Increasing Gas System Safety in the District of Columbia, filed June 10, 2025.

*Formal Case No. 1167*, Washington Gas’s 15-Year Plan, filed June 6, 2025.

*Formal Case No. 1167*, Office of the People’s Counsel for the District of Columbia’s Comments in Response to Washington Gas Light Company’s Proposed 15-Year Plan, filed September 5, 2025.

*Formal Case No. 1167*, Sierra Club’s Comments on Washington Gas’s 15-Year Plan, filed September 5, 2025.

*Formal Case No. 1167*, Synapse Energy Economics, Inc. (Synapse), on Washington Gas Light Company’s (WGL) 15-year Plan, filed September 5, 2025.

*Formal Case No. 1167*, Washington Gas’ Reply to 15-Year Plan Comments, filed October 6, 2025.

*Formal Case No. 1167*, Evolving the District of Columbia's Gas Distribution System for a Cost-Effective Clean Energy Transition: A Framework for Long-Term Gas Utility Planning, filed February 12, 2026.

## ATTACHMENT C: ISSUES LISTS

### WGL

1. What is needed to help ensure continued reliability and affordability of energy services within the District and within the interconnected region served by Washington Gas?
2. What steps can the Commission take to further drive emissions reductions in the District while ensuring affordable, reliable energy services for District residents and businesses?
3. What are the projections for future electric and gas demand in the District and in the region?
  - a. How may the federal government's policy preferences for increased gas expansion impact these projections?
4. What is the estimated pace and location(s) for electrification in the District?
5. How will the District of Columbia Government ("DCG") address gas utility customers who refuse to electrify?
  - a. If funding under the Inflation Reduction Act is exhausted or no longer available, how does DCG plan to fund electrification retrofits for non-low-to-moderate-income housing?
  - b. How does DCG plan to address electrification retrofits for multifamily housing and for small businesses?
6. How will electrification be funded, and can such funding be implemented in a geographically thoughtful manner?
7. Will electrification result in greenhouse gas emissions reductions when compared to direct gas use based on the PJM generation stack?
  - a. How may the federal government's policy preferences for increased fossil fuel expansion and restrictions on renewable energy development impact these projections?
8. How can electric and gas planning and infrastructure projects be better coordinated?
9. How is energy planning in the District unique, compared to other jurisdictions which have instituted a gas planning proceeding?
  - a. To what extent is full electrification feasible, considering the energy needs of the federal government?
10. How should stranded assets be defined?
11. How can the risk of stranded assets be addressed?
  - a. Are other innovative regulatory mechanisms helpful in addressing stranded asset risk (e.g., decoupling, accelerated depreciation, securitization, decommissioning funds)?

## **OPC**

1. Emissions reduction goals
  - a. Examine how decarbonization of gas systems aids in meeting emissions reduction targets
2. Alternative technologies –
  - a. Assess how alternative technologies to traditional gas infrastructure can reduce the dependence on fossil fuels
3. Clean heat standards
  - a. Establish clean heat standards to ensure utilities comply with decarbonization goals
4. Infrastructure and cost concerns
  - a. Examine concerns related to aging and stranded infrastructure as states pursue decarbonization.
5. Stakeholder engagement
  - a. Ensure adequate and representative stakeholder engagement opportunities in planning
6. Regulatory mechanisms
  - a. Examine how innovative regulatory mechanisms (such as planning for no infrastructure expansion) aid in decarbonization
7. Focus on priority populations
  - a. Address concerns over potential negative impacts on low-income and marginalized communities and aims to ensure vulnerable groups are not left behind.

## **DCG**

1. Understanding Gas System Usage and Electrification Trends
  - a. Data Sharing and Gas System Mapping: WGL should coordinate with public agencies involved in electrification to facilitate shared understandings around gas distribution system usage and electrification programs. Sub-issues: Identify data needs and current data inventory (e.g. gas system mapping, pipe characteristics); understand ways to appropriately share and store data; identify information WGL needs from electrification programs administrators for its planning purposes.
  - b. Tracking Electrification: WGL should partner with District agencies and the PSC to track electrification trends as they occur. For context, DOEE has visibility into some electrification projects through programs DOEE administers. However, many building electrification projects occur without DOEE's involvement. WGL is one of the best placed organizations to understand and report on electrification trends because WGL knows the amount of gas it sells to each customer

and can identify residents and businesses that have likely electrified. That information is also necessary for WGL and the PSC to develop a better understanding of the costs and benefits of gas infrastructure investments in light of customer usage and electrification trends and for the PSC to evaluate Pepco's investments in light of electrification trends.

## 2. Maximizing Greenhouse Gas (GHG) Emissions Reductions and Incorporating Leak Surveys in the Pipe Replacement Program

a. Comprehensive Leak Detection Survey Program: WGL should ensure that it is using best practices in Advanced Leak Detection (ALD) to identify pipe segments with active or recurring leaks. WGL should incorporate the results of its leak detection surveys into the pipe replacement program, including by prioritizing replacement of specific pipes with a history of multiple leaks and avoiding replacements for pipes that have better performance as measured in leak surveys. Incorporating advanced leak detection into pipe replacement programs is necessary to both maximize greenhouse gas reductions and enhance the safety and reliability of the gas system.

b. GHG Emissions Mapping: WGL should improve its tracking, mapping, and public reporting on leaks to identify priority pipes to replace and reveal key areas for electrification that would maximize co-benefits of electrification by reducing GHG emissions from methane leaks.

c. Address Inconsistent Reporting: WGL should explain differences in its reports to the Metropolitan Washington Council of Governments (MWCOG), the PSC, and the Environmental Protection Agency with respect to therms delivered, GHG emissions, and fugitive emissions. WGL should work towards consistent reporting to streamline data request and ensure consistency and comparability over time.

## 3. Comprehensive System Planning and Coordination with Electric Utility Planning

a. Long-Term System Planning: WGL should undertake comprehensive system planning and develop a long-term system plan, overseen and approved by the PSC. This planning effort should be conducted in coordination with Pepco and District agencies involved in electrification. This planning effort would carry out the DC Council's February 7, 2024, recommendation that the PSC and District utilities undertake "comprehensive thermal energy planning consistent with the carbon neutrality goals laid out in the Climate Commitment Amendment Act of 2022." WGL's long-term plan should include a geographic analysis of the current pipeline system, gas demand, leak frequency, risk of leaks, current electrification trends, and projected electrification rates. The plan should identify where pipe replacement may be appropriate, and where other approaches, such as leak repair or Non-Pipe Alternatives (NPAs), can more cost-effectively serve customers while maintaining system reliability and safety requirements.

b. Scenario Modeling and Forecasting: WGL should model different scenarios for gas system usage, taking into consideration projections related to electrification of space heating, water heating, and cooking. WGL should coordinate with District agencies involved in electrification to identify the scenarios and key assumptions WGL will use in its forecasts. In its filings for the pipe replacement program, WGL should include a sensitivity analysis that examines the cost burdens, benefits, and need for pipe replacements under different scenarios for electrification. Sub-issues: Share current forecasting methodologies and assumptions; identify scenarios to model based on different parameters; identify potential or future policy drivers that may affect electrification and gas demand.

c. **Transparent and Evidenced-Based Risk Modeling:** WGL should demonstrate how it identifies and ranks pipeline replacement needs from highest to lowest risk using transparent and evidence-based modeling and high-quality data. The District understands that WGL is migrating to a new software platform, JANA, to assist with the evaluation of pipes for replacement. WGL should ensure that the methodology and data JANA employs are transparent and that WGL communicates detailed results and outcomes from the analysis to stakeholders and the Commission, including identifying which factors and inputs in the JANA model are responsible for the greatest amount of risk. Additionally, as explained further below, WGL’s identification of pipes to replace should allow for deviations from a pure risk-based approach due to logistical and practical constraints and other relevant considerations.

d. **Non-Pipes Alternatives (NPA):** WGL should develop an NPA framework for investments, including replacements of leak-prone pipes. The NPA framework should consider cost-effectiveness based on a societal perspective and include avoided costs of carbon emissions, methane leaks, and health impacts, among other factors. WGL should be required to screen all proposed capital investments against those criteria and develop NPAs (or outsource the development of NPAs) where cost-effective. WGL should be required to demonstrate that it has evaluated replacement against repair or NPAs and present this analysis well in advance of the need to replace or repair pipelines.

e. **Consideration of Alternatives:** WGL’s long-term plan should expand its evaluation and use of alternatives to pipeline replacement, including but not limited to pipe lining, leak repair, and strategic decommissioning. WGL should establish and apply cost-effectiveness metrics for multiple alternatives at the pipe segment or project level. WGL should include an explanation of how the cost effectiveness metrics support its plans, and the data and assumptions used to inform its decision should be transparent and reviewable.

f. **Demonstration Projects:** WGL, in concert with District partners, should identify pilot or demonstration projects that would assist with the development of alternatives to traditional pipe replacement. Examples include expanded use of pipe liners, thermal networks as an NPA, and pilot programs to improve customer awareness of options around electrification prior to repair or replacement of gas services, meters, and appliances.

#### 4. Pipe Replacement Evaluation Process

a. **Prioritization and De-Prioritization Framework:** WGL should evaluate and prioritize pipes to replace using a set of transparent and agreed-upon criteria that address system risks while advancing electrification and reducing the risk of stranded assets.

i. **Prioritization:** Pipeline replacement should be prioritized by risk, cost effectiveness, system needs, and equitable considerations.

1. Risk factors should be limited to the most impactful criteria to enable flexibility in choosing pipes to replace based on logistical and practical constraints, relative cost-effectiveness, equity, and the viability of alternatives. Risk factors should include leak history (as shown in the most recent leak surveys), age, material (e.g., unprotected steel or iron), and other select characteristics (e.g., number of customers reliant on the pipe segment).

2. WGL’s workplan should prioritize replacing the largest mains and trunk line pipes that are central to system operations and serve large numbers of customers, and only include smaller lines if they are particularly high risk.

3. Pipeline replacements should be prioritized for disadvantaged and environmental justice communities, but only after WGL has screened for alternatives and determined that pipe repairs or an NPA is not possible.

ii. De-Prioritization: Pipeline replacement should be de-prioritized for the following assets:

1. Dead-end segments and terminal branches;
2. Segments that have redundant capacity or existing alternatives for serving customers who choose to remain on the gas system;
3. Segments serving customer clusters that could be cost effectively converted to thermal energy networks;
4. Segments serving residential and commercial customers who generally have readily available technologies to replace gas appliances and equipment;
5. Locations with “headroom” (excess capacity) on the electric distribution system without needing major electric system upgrade. In conjunction, the DC Sustainable Energy Utility (DCSEU), District agencies, and Pepco should prioritize these same areas forelectrification.
6. Segments with very few gas customers, where NPAs tend to be more feasible and cost-effective;
7. Pipes with minimal history of leaks, as shown in WGL’s leak surveys;
8. Segments not recovering sufficient revenues to cover costs;

b. Alternatives Screening: For each pipe that WGL proposes to replace, WGL should demonstrate that it has evaluated replacement against repair or NPAs and present context-specific evidence showing that alternatives are not feasible or cost-effective.

c. Equitable Implementation: WGL should prioritize individual or neighborhood electrification based NPAs for disadvantaged communities and low-income customers. As noted above, where electrification or an NPA is not possible, WGL should prioritize repair and replacement in disadvantaged or environmental justice communities.

d. Communicating Planned Pipe Repairs and Replacements: WGL should share information around planned pipe repairs and replacements with sufficient time for electrification projects to be developed as an alternative. Sub-issues: Understand timeframes and methodologies for identifying specific pipe replacement needs; evaluate ways to plan for pipe repairs/replacements at relevant points of time in the future (e.g. 5, 10, and 15 years).

e. Hydraulic Feasibility Studies: WGL should partner with District agencies to understand gas system reliability issues that could arise related to electrification. Sub-issues: Understand WGL’s current process for conducting gas system reliability studies; understand whether and how electrification (managed or unmanaged) implicates system reliability; understand process and need for conducting system reliability studies in advance of potential or proposed pipe decommissioning.

## 5. Public Outreach and Stakeholder Engagement

a. Customer Education and Awareness of Options: WGL should partner with District agencies, electrification contractors and vendors, and the DCSEU to promote customer choice by providing information and assistance on electrification as alternatives to repair or replacement of gas appliances, services, or mains. Sub-issues: Understand decision points for customers around appliance repair/replacement and gas line repair/replacement, and where to engage in that process to promote customer awareness of options; identify methods for providing cost estimates for electrification, including potential electric grid upgrade needs; identify ways to connect residents to District programs and/or electrification vendors and contractors.

b. Coordination with District Agencies, Pepco, and Other Groups: WGL should explain what additional outreach to District agencies, Pepco, and other groups is necessary to improve coordination between gas system planning and electrification.

## 6. Ratemaking and Financial Incentives

a. Stranded Costs: WGL should present a comprehensive set of strategies to minimize the risk of under-utilized assets and stranded costs for ratepayers. These should include both planning strategies like those identified above to avoid unnecessary system investments and ratemaking strategies such as accelerated depreciation to reduce the risk of unmanageable costs for remaining gas customers in an era of growing electrification.

b. Treatment of Unused or Underutilized Assets: WGL should explain the current regulatory treatment of gas services and gas meters when customers discontinue service. For example, WGL should explain whether and under what circumstances WGL removes a service line or meter from the rate base is a customer discontinues service before the asset has been fully depreciated. WGL should further explain whether any changes to the current regulatory treatment of abandoned or under-utilized assets may be warranted in light of increasing electrification.

c. Accelerated Depreciation: WGL should present and analyze different methods for recovering the cost of investments through accelerated depreciation. Before conducting this analysis, WGL should solicit input from stakeholders on methods of accelerated depreciation that WGL will analyze and present to the Commission. WGL should explain how any proposal to utilize accelerated depreciation aligns with plans to retire system assets.

d. Performance Incentives: WGL should coordinate with stakeholders to develop proposals for financial performance incentives that WGL could receive related to (a) utilization of alternatives to pipe replacement and (b) facilitation of electrification.

e. Protections for Low-Income Ratepayers: WGL should analyze whether any additional protections for low-income ratepayers, including improvements to WGL's energy assistance programs, may be needed to address financial risks to low-income gas ratepayers during a period of increasing electrification.

## 7. Greenhouse Gas Reduction Plan

a. Greenhouse Gas Reduction Plan: As explained in the District's August 28, 2024 letter, WGL should present a greenhouse gas reduction plan showing how WGL will meet the targets for GHG reductions established in the Climate Commitment Act and adopted by the PSC for each utility in Order No. 21938.

## Sierra Club

1. Develop comprehensive non-pipeline alternative (“NPA”) screening frameworks.
2. Examine and implement appropriate asset lives and depreciation schedules for ratemaking purposes.
3. Disallow accelerated recovery for spending on new gas infrastructure, such as gas distribution pipeline replacements, and develop rigorous requirements for replacing gas infrastructure, such as meeting urgent safety needs, rather than undertaking large-scale pipeline replacements.
4. Update gas load forecasting practices and require WGL to engage in forward planning. Align procurement of gas with emissions reductions requirements.
5. Quantitatively account for risk due to declining gas volumes and decarbonization. Identify and obligate WGL to take specific efforts to meet the District’s phased emissions reduction targets, and the District’s stated preference for electrification.
6. Instate a requirement for reducing lost and unaccounted for gas year by year with penalties for non-compliance.
7. Weigh the merits of creating an electrification fund, which would be funded by customers of both gas and electric utilities and focused on assisting gas customers transition off gas.
8. Investigate WGL’s lobbying, advertising, and community outreach activities to ensure that WGL is not working to undermine the District’s climate laws and policies—and ensure WGL is not using ratepayer funds to do so.
9. Prohibit WGL from offering direct gas appliance incentives, as it has proposed in *Formal Case No. 1160*.
10. Examine and eliminate current WGL or ratepayer-funded subsidies for new customers.
11. Oversee and facilitate the creation and execution of a gas transition plan, taking into account the realities of declining gas use and WGL customer base over the coming decades and requiring WGL to develop a realistic plan for reducing its infrastructure investments in line with declining sales and aligning of gas procurement accordingly.
12. Determine and enforce operational practices to meet current customer needs and maintain safe and reliable service while minimizing infrastructure investments.
13. Develop alternative models for the gas utility’s long-term role, business model, ownership structure, and regulatory compact, as part of a managed transition.

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

**March 4, 2026**

**FORMAL CASE NO. 1187, IN THE MATTER OF THE INVESTIGATION INTO THE  
IMPLEMENTATION OF INTEGRATED NATURAL GAS DISTRIBUTION SYSTEM  
PLANNING,**

**PARTIAL CONCURRENCE OF COMMISSIONER BEVERLY TO ORDER NO. 22799**

I agree insofar that this Order opens a proceeding, but I have some concerns with the scope.<sup>1</sup> Although the majority has agreed to open a proceeding, they have renamed it “Integrated Natural Gas Distribution System Planning,” or “INGDSP,” which has a different connotation. Natural Gas Distribution Planning concentrates on localized methane gas infrastructure (like pipes and safety) to meet customer demand. However, integrated thermal planning, also called integrated distribution planning, “Clean Heat Plans,” and “Future of Gas” proceedings, cover a range of technologies (such as networked geothermal) to decarbonize gas systems. I think we should go beyond any possible limitations inherent in INGDSP and generic NARUC exercises and, instead, adopt DOEE’s (the agency with primary jurisdiction over the District’s decarbonization efforts) “Long-Term Gas Plan Straw Proposal”<sup>2</sup> as the basis for our integrated thermal planning proceeding.

The majority rejects following the District’s strawman proposal because the proposal doesn’t appear to recognize “WGL’s unique federal charter to sell natural gas in the District and its subsequent implications.” However, the federal charter doesn’t refer to natural gas at all because the Company used manufactured coal gas at the time of the Charter and didn’t use natural gas until 1931.<sup>3</sup> Even so, that doesn’t necessarily mean that we can force WGL to offer customers incentives to fully electrify, so it’s a fair point of discussion, but I think it makes more sense to address it within the context of the District’s strawman proposal which is tailored to the District. It doesn’t make a lot of sense to me that two agencies with interrelated responsibilities in the same city would create unnecessary inconsistencies by proceeding on different assumptions or frameworks.

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<sup>1</sup> I have continually called for an integrated thermal planning process. Partial Concurrence of Commissioner Beverly to Order No. 22311, rel. October 9, 2024. Partial Abstention of Commissioner Beverly to Order No. 22317, rel. October 24, 2024. Dissent of Commissioner Beverly to Order No. 22367, rel. February 19, 2025. I also note that in *Formal Case No. 1175*, ten Councilmembers sent the Commission a letter on February 8, 2024, stating: “[W]e recommend that the Commission begin integrated, comprehensive thermal energy planning consistent with the carbon neutrality goals laid out in the Climate Commitment Amendment Act of 2022.”

<sup>2</sup> *Formal Case No. 1167*, District of Columbia Government’s Paper by Current Energy Group, February 12, 2026. Pgs. 11-29.

<sup>3</sup> An Act to Incorporate the Washington Gas Light Company (“Federal Charter”) 9 Stat. 722-724 (1848). Section 7 of the Federal Charter defines gas “to be made of coal, oil, tar, peat, pitch, or turpentine, or other material.”

COMMISSION ACTION

FORMAL CASE NO. 1187, IN THE MATTER OF THE INVESTIGATION INTO THE IMPLEMENTATION OF INTEGRATED NATURAL GAS DISTRIBUTION SYSTEM PLANNING,

Date 3/4/26 Formal Case No. FC1187 Tariff No. \_\_\_\_\_ Order No. 22799

	Approve Initial & Date	Partially Concur Initial & Date	Abstain Initial & Date
Chairman Emile Thompson	<u>ET/DJ 3/4/26</u>	_____	_____
Commissioner Richard A. Beverly	_____	<u>RB/DJ 3/4/26</u>	_____
Commissioner Ted Trabue	<u>TT/DJ 3/4/26</u>	_____	_____

Certification of Action

*Dionne Joemah*  
General/Deputy General Counsel

Lara Walt  
OGC Counsel/Staff