

COUNCIL OF THE DISTRICT OF COLUMBIA THE JOHN A. WILSON BUILDING 1350 PENNSLYVANIA AVENUE, N.W. WASHINGTON, D.C. 20004

June 26, 2020

Willie L. Phillips Chairman Public Service Commission Washington, DC 20005 Richard A. Beverly Commissioner Public Service Commission Washington, DC 20005

Dear Chairman Phillips and Commissioner Beverly,

We are writing to provide comments regarding the AltaGas/Washington Gas Climate Business Plan. The company was required to provide a plan that explains how the gas utility will achieve compliance with the District's climate commitment of carbon neutrality by 2050. Reviewing this proposal, the Public Service Commission must meet its mandate to uphold DC's public climate commitments and hold Washington Gas accountable to its commitment to achieve carbon neutrality.

DC's Climate Commitments

In 2017, after President Trump withdrew the United States from the Paris Agreement on Climate Change, the DC Council passed a resolution stating its commitment to ensure that the District fulfils the goals of the Paris Agreement."¹

Also, in 2017, Mayor Bowser committed the District to become carbon neutral and climate resilient by 2050.² Carbon neutrality means DC would emit no more carbon than DC absorbs through natural carbon sinks, such as soils, trees and other vegetation. This will require eliminating virtually all carbon emissions, which will preclude the use of fossil fuels by 2050.

After DC committed to carbon neutrality, both the Clean Energy DC plan and the Sustainable DC plan were updated, with both plans committing DC to a 50 percent reduction of GHG emissions by 2032 and carbon neutrality by 2050,³ with "progress toward this goal is measured by an annual

¹ <u>PR22-0356 - Sense of the Council Regarding the Paris Agreement on Climate Change Resolution of 2017</u>, Resolution R22-0336 Effective from Dec 15, 2017, Published in <u>DC Register</u> Vol 64 and Page 12581

² <u>Mayor Bowser Commits to Make Washington, DC Carbon-Neutral and Climate Resilient by 2050</u>, December 4, 2017

³ <u>Sustainable DC 2.0 Plan</u>, April 23, 2019; <u>Mayor Bowser Commits to Make Washington</u>, DC Carbon-Neutral and <u>Climate Resilient by 2050</u>, December 4, 2017

inventory of the city's GHGs."⁴ DC has also committed that all new buildings in DC will operate at net-zero carbon by 2030 and all existing buildings will operate at net-zero carbon by 2050.⁵ These commitments preclude the use of fossil fuel in new buildings starting in 2030 and all buildings in 2050.

The Public Service Commission & DC's Climate Commitments

In 2018, the DC Council unanimously passed the CleanEnergy DC Omnibus Amendment Act. The law changed the Commission's mandate to require that Commissioners uphold "the conservation of natural resources, and the preservation of environmental quality, including effects on global climate change and the District's public climate commitments."⁶

Also, in 2018, the Commission approved a settlement agreement in the merger of AltaGas and Washington Gas, requiring that:

By January 1, 2020, AltaGas will file with the Commission a long-term business plan on how it can evolve its business model to support and serve the District's 2050 climate goals (e.g., providing innovative and new services and products instead of relying only on selling natural gas).⁷

Washington Gas requested in December 2019, and later received from the Commission, permission to delay filing its Climate Business Plan until March 16, 2020.⁸

Washington Gas Climate Business Plan

The plan submitted on March 16 calls for a continued reliance on fossil fuels in 2050 and beyond, which seems to contradict DC's 2050 climate commitment of carbon neutrality. Page 18 of the plan states that in 2050, Washington Gas will use what it calls "low-carbon gas" from sources like animal manure and landfill waste for 58 percent of its energy, and mix in fossil fuel gas for the remaining 42 percent.⁹ The plan does not move the utility toward a focus on providing home heating from carbon neutral sources, such as heat pumps powered by renewable energy.

⁴ <u>Clean Energy DC: The District of Columbia Climate and Energy Action Plan</u>, August 2018.

⁵ C40 Cities, <u>Net Zero Carbon Building Commitment</u>, October 2019

⁶ Code of the District of Columbia § 34-808.02

⁷ DC Public Service Commission, Formal Case No. 1142, In the Matter of the Merger of Altagas Ltd. and WGL Holdings, Inc., <u>Order No. 19396</u>, June 29, 2018

⁸ DC Public Service Commission, Formal Case No. 1142, Order No. 20276, December 19, 2019.

⁹ Washington Gas "<u>Climate Business Plan</u>," March 16, 2020.

Climate Threat to DC

Methane gas supplied by Washington Gas and burned and leaked across DC accounts for almost 20 percent of DC's greenhouse gas emissions, according to official estimates.¹⁰ Research shows that in the supply chain and in DC, methane gas leakage is significantly underestimated.¹¹ Methane leaking out of pipes is 84 to 87 times more powerful as a global warming agent than the carbon produced when the gas is burned.¹²

Climate change threatens the future of the entire planet and poses a unique threat to the District. One study found a 50 percent chance that by 2040, DC will see six-foot flooding resulting from climate change that would threaten \$4.6 billion in property, including 400 homes where 1,400 people reside. If the flooding increased to 10 feet, the total would increase to \$9 billion in property and 4,833 people in 1,900 homes.¹³

Public Health & Gas Emissions

In addition to the climate threat, gas burned in homes for heating, cooking and clothes drying poses a significant health threat, especially to children. When methane gas is burned, it emits nitrogen dioxide (NO₂), which irritates the respiratory system. Even short exposure to NO₂ can aggravate respiratory diseases, particularly asthma. Children in homes with a gas stove present are 42 percent more likely to develop asthma.¹⁴ NO₂ has also been linked to diabetes, cancer and reproductive complications.¹⁵ Homes with gas-fired appliances frequently exceed the Environmental Protection Agency's outdoor air quality standards by 200 percent to 500 percent.¹⁶ The New England Journal of Medicine found that "gas is associated with health and environmental hazards and reduced social welfare at every stage of its life cycle."¹⁷

Conclusion

¹⁰ DOEE, <u>Greenhouse Gas Inventories</u>

¹¹ Methane from gas distribution pipes in DC and other East Coast cities are double official estimates (<u>Large</u> <u>Fugitive Methane Emissions From Urban Centers Along the U.S. East Coast</u>, Geophysical Research Letters, July 28, 2019); upstream emissions from gas fracking, transmission, storage, and processing are 60 percent higher than official EPA estimates (<u>Assessment of methane emissions from the U.S. oil and gas supply chain</u>, *Science*, July 13, 2018)

¹² <u>Methane Matters: Scientists Work to Quantify the Effects of a Potent Greenhouse Gas</u>, NASA Earth Observatory, March 8, 2016

¹³ Climate Central, "Washington, D.C. and the Surging Sea: A vulnerability assessment with projections for sea level rise and coastal flood risk," February 2015

¹⁴ <u>Meta-analysis of the effects of indoor nitrogen dioxide and gas cooking on asthma and wheeze in children</u>, International Journal of Epidemiology, December 2013

¹⁵ <u>Human Health Risk Assessment For Ambient Nitrogen Dioxide</u>, Health Canada, May 13, 2016

¹⁶ <u>Pollution in the Home: Kitchens Can Produce Hazardous Levels of Indoor Pollutants</u>, Lawrence Berkeley National Laboratory, July 23, 2013

¹⁷ <u>The False Promise of Natural Gas</u>, New England Journal of Medicine, January 9, 2020

As the Commission evaluates the Climate Business Plan, it must assess whether the plan moves DC to carbon neutrality by 2050. If the Commission determines the plan allows greenhouse gas emissions to continue in 2050, the Commission's needs to take the necessary steps to ensure that the District's regulated utilities achieve carbon neutrality by 2050.

The federal government has abdicated its responsibility to protect future generations from the threat of climate change. As such, it is critical that the District and other jurisdictions take the lead in protecting our climate and our future. In 2018, the Council tasked the Commission with taking on the mantle of climate leadership.

Sincerely,

Bunne K. Nadeau

Councilmember Brianne K. Nadeau (Ward 1) Council of the District of Columbia

Councilmember Mary M. Cheh (Ward 3) Council of the District of Columbia

Charles Allen, Councilmember (Ward 6) Council of the District of Columbia

Councilmember Robert C. White, Jr (At-Large) Council of the District of Columbia

Vincent C. Char

Councilmember Vincent C. Gray (Ward 7) Council of the District of Columbia

Councilmember David Grosso (At-Large) Council of the District of Columbia