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Washington Gas
A WGL Company

1000 Maine Avenue, SW
Suite 700
Washington, DC 20024
www.washingtongas.com
Direct Dial (202) 624-6066
rcain@washgas.com

July 7, 2020

VIA ELECTRONIC FILING

Brinda Westbrook-Sedgwick
Commission Secretary
Public Service Commission
of the District of Columbia
1325 "G" Street, N.W., 8th Floor
Washington, D.C. 20005

Re: Formal Case No. 1157
[Washington Gas's Updated Implementation Plan]

Dear Ms. Westbrook-Sedgwick:

Pursuant to the Public Service Commission of the District of Columbia's Staff's June 2020 Request for an Updated Implementation Plan in the above-referenced proceeding, Washington Gas Light Company hereby submits for filing its Updated Implementation Plan that updates the Plan the Company filed on August 30, 2019.

Please feel free to contact me, if you have questions regarding this matter.

Sincerely,

Robert C. Cain, II
Associate General Counsel

cc: Per Certificate of Service

BEFORE THE
PUBLIC SERVICE COMMISSION
OF THE DISTRICT OF COLUMBIA

IN THE MATTER OF THE INVESTIGATION INTO WASHINGTON GAS LIGHT COMPANY'S COMPLIANCE WITH THE RECOMMENDATIONS OF THE NATIONAL TRANSPORTATION SAFETY BOARD	)	Formal Case No. 1157

WASHINGTON GAS LIGHT COMPANY'S UPDATED IMPLEMENTATION PLAN

Pursuant to the Public Service Commission of the District of Columbia's ("Commission") Staff Request on June 16, 2020, Washington Gas Light Company's ("Washington Gas" or "Company") hereby submits an Update to its Implementation Plan filed on August 30, 2019 in response to the Commission's directives in the Order. The original Implementation Plan (or, "Plan") was filed according to Order No. 19982 as a result of the National Transportation Safety Board's ("NTSB") recommendations resulting from its investigation of the August 2016 accident in Silver Spring, Maryland.

Washington Gas is acting on the safety recommendations announced at the NTSB hearing even though, as the Company has previously communicated, it does not agree with the NTSB's announced findings and probable cause determination.

***Recommendation 1* – Throughout the Washington Gas network, implement an audit program to verify the data on the service forms used to determine the location and condition of mercury service regulators to ensure the accuracy of this safety-critical data.**

Washington Gas can document the presence of a mercury regulator within its work management system through a completion screen within the work order. The completion screen has been updated to reduce any perceived ambiguity between the field observation and the selectable options. Specifically, the options for mercury regulator observations are being updated as follows:

Mercury Regulator

Existing language	**Change to**
1 – Yes	Found mercury reg. but did not change
2 – No	No mercury reg. at premise
3 – Inaccessible	Meter build up not accessible
4 – Changed	Changed mercury reg. (Use mercury reg change completion code)
5 - Not Applicable	N/A – Low pressure service or not applicable

Following the incident, changes were made to multiple sections of the Operations and Maintenance ("O&M") Manual to further clarify the circumstances under which indoor service regulators feeding single meters, and regulators on multi-meter banks, should undergo routine tests to validate and document the device's pressure regulation functions.

Specifically, two (2) sections of the O&M manual were revised to further clarify regulator testing policy. Regulator testing refers to the "function test" that regulators undergo to confirm that they deliver the correct pressure and effectively "lock-up" when gas is no longer demanded from the customer.

- June 24, 2018: Washington Gas issued Revision 3 of O&M Section 5121, "Testing and Adjusting Service Regulators" Revision 3. This revision explains that "Each service regulator serving an individual meter must be tested and, if necessary, adjusted any time the meter is set, reset, or changed." This

- language clarifies that a regulator serving a meter bank is not required to be tested if meter work was performed.
- June 24, 2018: Washington Gas issued Revision 1 of O&M Section 5131, "Meter Banks". This revision explains what information is required to be collected at a meter bank when a meter is set, reset, or changed. Also, a sentence was added about testing vent lines when a meter bank regulator is taken out of service. New language follows:

  TESTING REGULATORS AND VENT LINES

  Record the pressure at the meter connection any time a meter is set, reset, or changed within a meter bank. If recorded pressure falls outside acceptable ranges listed within Table 5121-1, adjust, repair, or replace regulator(s), as applicable. Vent line(s) must be pump tested each time a meter bank regulator is taken out of service.

The O&M sections noted above are included for more information.

Beyond the changes in Washington Gas's work management system and O&M Manual, the Company is implementing an additional check by Supervisors to audit a subset of completed work orders for completeness and accuracy. Supervisors will be expected to audit a sampling of completed work orders for the following:

1.) Order status was updated correctly in real-time (en route, on-site, complete)

2.) Detailed and accurate notes

3.) Order completed properly, including proper use of codes, referrals, completion screen

<u>Recommendation 2</u> – Revise your procedures and field forms to require technicians to verify the integrity of vent lines following the testing of indoor service regulators throughout the Washington Gas network.

The requirement to verify the integrity of the vent line when performing the testing of indoor service regulators was already a part of the O&M Manual sections outlined in response to Recommendation 1. Additionally, the ability to capture the condition of the vent line and associated outlet termination fitting ("screen ell") upon completion of these

service regulator tests in accordance with the O&M Manual sections is currently provided for in the Company's system of record.

The O&M Manual lists specific deficiencies that must be recognized and corrected during visual inspection of vent lines. This section of the manual is being expanded and clarified to include a vent line connection check. Similar updates will be made to the training materials that reflect the changes in the O&M Manual. To further enhance the system of record, the Company is making the following changes to its work management system:

1.) The following item is to be added to the completion screen on service orders as a required field:

    a. Vent Connection Check

Vent line connected
Vent line not connected upon arrival, connected to clear abnormal operating conditions ("AOC")
No vent line required at premise

2.) The following item is to be completed during a service regulator test as a required field:

    a. Vent Connection Check

Vent line connected
Vent line not connected upon arrival, connected to clear AOC
No vent line required at premise

In addition to the changes outlined above, the Company will add the verification of a connected vent line to the Company's 5-year inside group meter surveys.

<u>Recommendation 3</u> – Establish a time frame with specific dates and milestones for the replacement of mercury service regulators throughout the Washington Gas network that recognizes the need to expedite this program and that prioritizes

***multifamily dwellings where mercury service regulators are located inside the property*.**

Washington Gas has been proactively replacing mercury regulators through an ongoing replacement program when conducting other work, such as a service line replacement. The Company also replaces these regulators when specific conditions in the O&M Manual are present, including when connected piping is being replaced or when the regulator is identified as in need of replacement through routine maintenance work. Currently, the Company is targeting a replacement rate of 2,500 per year across its three jurisdictions for mercury regulators that fit the above criteria. Washington Gas's focus in replacing mercury regulators is for environmental reasons, due to the possibility of mishandling by third parties rather than for operational reasons. It is important to emphasize that mercury regulators perform safely and reliably, as do all the regulator models that the Company installs today.

In response to NTSB's third recommendation, Washington Gas is proposing the following expedited mercury regulator replacement program that "prioritizes multifamily dwellings where mercury service regulators are located inside the property." Washington Gas will continue the existing practice of replacing every mercury regulator encountered during the replacement of a customer's gas service line, including all service line replacements associated with PROJECT*pipes*, the Company's accelerated pipe replacement program in the District of Columbia.

As the Company indicated in its August 30, 2019, filing ("August 2019 filing") start dates, milestones and cost estimates for the mercury regulator replacements are subject to refinement, as they are based on as the Company's understanding at a point in time of the number of mercury regulators, contractor pricing, removal practices, assumptions

related to mercury disposal, as well as the scope of the procurement process for the additional resources that would be needed for the project. The information provided in this update similarly reflects the Company's continued good faith efforts to analyze and enhance available data and processes regarding mercury regulators, in order to refine project milestones and cost estimates for the project. As is the nature of large projects, the planning process is iterative. The Company is hopeful this process will produce enhanced accuracy in the coming months.

In its August 2019 filing, Washington Gas noted that it would issue Request for Proposals ("RFPs") to obtain additional qualified resources for:

- Increased survey requirements
- Increased mercury regulator replacement requirements
- Increased mercury handling, transporting and disposal services
- Environmental, Health and Safety oversight and monitoring programs
- The development and qualification of additional resources due to increased equipment replacement requirements
- The development and implementation of enhancements to the Company's work management system to capture and manage the survey information gathered in the field, as well as the ongoing tracking of and reporting on the replacement of the regulators

At this time, this procurement process is still underway. Therefore, the Company cannot provide an update on the costs and milestones included in the RFP. Washington Gas expects to have a more comprehensive understanding of the overall project once RFPs to complete the work had been received and reviewed. Specifically, the Company expects that more detailed information on the number of mercury regulators in the Company's system will be available when the survey that is defined in the RFP (to determine the total population of mercury regulators) is completed. In addition to this procurement effort, Washington Gas has focused additional resources on understanding

the data that has been compiled and shared with the NTSB and the Company's local regulators, including data for system facilities and customer premises. Further, the Company is continuously updating and verifying its records based on on-going mercury replacement activity. Washington Gas confirms that during the procurement process, the Company continues to replace mercury regulators as part of planned replacements, across the District of Columbia, Maryland and Virginia. The collective information on the number of mercury regulators will, in turn, be used to provide a more data-driven scoping of the project, including identifying milestones and refined timelines, and to provide more robust cost estimates. Thus, at this time, without the full results of the yet-to-be completed procurement process, the Company cannot update previously provided project milestones and cost estimates project timelines (except for the minor revisions below).

Washington Gas assures the Commission that the Company is actively working towards a path forward on mercury regulator replacement and commits to providing the Commission with updates on the number of mercury regulators, as well as associated project milestones, timetables and estimated costs, once the RFP process has been completed.

Determining the Potential Population of Mercury Regulator

The Company used the process outlined below for the estimate of the number of gas service lines / customer premises that could *potentially* utilize a mercury regulator.

- All services installed between 1938 – 1967 excluding:
    - Those where the longest segment (service replacement) is newer than 1990;
    - Those connected to the low-pressure system; and
    - Those with records indicating a mercury regulator replacement already has occurred.

These estimates of mercury regulators are referenced in the sections below, and have not been changed for this update. However, since the August 2019 filing, in an effort to refine our estimates and to maintain a conservative approach in identifying any candidates for replacement, the Company has conducted additional analysis of records and other sources of data to ascertain whether they include information on mercury regulators. A preliminary review suggests an upward trend in the number of potential locations of mercury regulators. The working estimates undoubtedly will fluctuate (either upwards or downwards) over the course of the planning process and is subject to change as actual survey results and more data refinement become available. This estimating process is expected to continue until completion of the RFP-identified survey and the above-described on-going replacement activity.

Also, as noted in the August 2019 filing, it is important to recognize that this process does not provide an estimate of how many mercury service regulators actually remain in service. The Company does *not* expect to find mercury regulators at each of these locations, and the estimated number of potential locations may change as more data is gathered.

The updated timelines in the sections below reflect the Company's recent decision to accelerate the Mercury Regulator Replacement Program ("MRRP").[1]

[1] See Washington Gas's Reply Comments to Office of People's Counsel's Comments and Modification of Implementation Plan, filed in this proceeding on March 12, 2020, at 3-4.

Multi-Family Dwellings

Washington Gas will target to survey all accessible and identified multi-family dwellings ("multi-family" according to the tax assessor's record of Building Type) that may utilize a mercury regulator in the District of Columbia, currently estimated at approximately 830 potential locations, within one (1) year after the start of the Mercury Regulator Replacement Program ("MRRP").[2] As mercury regulators are identified, they will be scheduled for replacement. The MRRP includes the replacement of every mercury regulator found at a multi-family location. As many of these regulator replacements will involve more complex procedures and specialized crews, the plan will target the replacement of all identified mercury regulators in multi-family dwellings within three (3) years from the start of the MRRP.[3] Washington Gas will need to procure additional qualified resources to complete the survey work and the replacement of the regulators.

Residential / Non- Multi-Family Dwellings

In addition, Washington Gas will concurrently run a program for replacement of all accessible internal and external mercury regulators *not captured in the multi-family program*. The Company will target completion of the replacement of all identified mercury regulators in these non-multi-family dwellings within 5 (five) years of the start of the MRRP.[4] Washington Gas will need to procure additional qualified external resources to complete all aspects of this component of the replacement program.

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[2] In its August 2019 filing, Washington Gas had indicated that mercury regulators at a multi-family location would be surveyed within 3 years of the start of the MRRP.

[3] In its August 2019, Washington Gas had indicated that mercury regulators at a multi-family location would be replaced within 5 years of the start date of the MRRP.

[4] In the August 2019 filing, this replacement timeline was expected to be 10 years of the start of the MRRP.

Applying the criteria identified above, the Company estimates that approximately 8,780 residential dwellings (non-multi-family) in the District of Columbia may potentially have mercury regulators. These dwellings are targeted to be surveyed over a 3- to 5-year period to determine whether mercury regulators are present.[5] However, Washington Gas currently expects to replace mercury regulators found at these locations either through the MRRP or PROJECT*pipes* over the next 5 (five) years.[6] As the timeline for replacement has been shortened from 10 years, the Company is not able, with a sufficient degree of confidence, to estimate the portion of replacements that will occur through PROJECT*pipes,* but can confirm that the mercury regulators at these dwellings will be replaced under one of the two programs over a 5-year period.

All mercury regulator verification surveys completed will include a leak survey, an AOC inspection, a photo of the regulator and meter set, as well as regulator identification. The Company anticipates some challenges to completing this survey within the 3-year period due to access issues, as it is estimated that the majority of these dwellings have inside meters and regulators, and therefore proposes the extended period of up to five (5) years. As part of the program, the Company will have a prescriptive plan for gaining access to premises (mailing three (3) letters, notification that the Company is unable to get access to the premises, certified letter, door hanger, etc.).

Project Milestones

In its August 2019, filing, the Company provided a list of milestones for the project that would be further developed as the Project Plan progressed. The table below provides an update on these milestones.

[5] This timeframe is unchanged from the August 2019 filing.
[6] In the August 2019 filing, this replacement timeline was expected to be 10 years of the start of the MRRP.

Item	Description	Target date identified in August 30, 2019	July 2020 Update
1.	Develop Project Plan	Complete by January 2020	√
2.	Submit/receive RFP for resources	Complete by May 2020	√
3.	Complete development of resources for replacement	Complete by July 2020	The procurement process has not been completed.
4.	Begin survey and replacement program	August 2020	*
5.	Indoor multi-family survey	Complete September 2023	*
6.	Indoor multi-family replacement	Complete September 2025	*
7.	Residential/non-indoor multi-family survey	Complete September 2025	*
8.	Residential/non-indoor multi-family replacement	Complete September 2030	*

* The Company expects to refine and develop project milestones and timelines based on information (including the number of mercury regulators) derived from the survey, on-going mercury replacement activity, as well as the Company's efforts to review additional sources of data that might include information on potential mercury regulator locations. Project milestones after Item 3 will thus be contingent upon completion of the RFP process and the Company's replacement and data review activities and will be developed based on the results of these processes.

Tracking and Reporting

Once the project is underway, all surveys and replacements will be captured in the Company's work management system. Washington Gas will provide the Commission with quarterly reports of progress that outline total possible population, total surveyed, the outcomes of those surveys, and total replaced. Commission staff will have the ability to review data via extracts of Washington Gas's work management system provided by the Company. In addition, Commission staff will be apprised of replacement activities via daily planned work location sheets from contractors conducting the work.

A Note about the Safe Handling of Mercury

It is also important to note the removal and disposal of these regulators require specialized technicians, trained and qualified for handling and disposal of mercury regulators, as well as key procedures to safely handle and dispose of mercury. Washington Gas currently uses several contractors who specialize in meter and regulator work that are also qualified to perform the replacement of mercury regulators. These contractors are trained in the safe handling of mercury-containing regulators and are equipped with mercury vapor analyzers to detect any mercury vapors that may be present in the work area. During removal, care is taken to ensure that all mercury is contained within the regulator unit. After removal, the regulators are immediately bagged and placed into dedicated, labeled plastic buckets with tight-fitting locking caps. These secured buckets will be transported to designated storage facilities where they will be processed for proper disposal.

<u>Recommendation 4</u> – Install all new service regulators outside occupied structures.

The decision to move a meter from the inside to outside is normally made during the replacement of a service line. Final meter locations are governed by the Company Operations and Maintenance Manual Section 5111, "Meter Location and Clearance Requirements". Since 2002, the policy has addressed inside meter locations as follows:

- In 2002, OM-5111 revision 1 informed meter installers that "if possible, gas meters should be located outside".
- In 2003, OM-5111 revision 2 was updated to state "locate meters and regulators outside unless there are no practical outside locations".
- In 2018, OM-5111 revision 6 was updated to include a more detailed set of requirements for meter locations:

Locate meters and regulators in accordance with the following:

- New, single-family residential meter and regulator installations must be located outside.
- During service replacements, legacy installations must be considered on a case-by-case basis; meter and regulator installations must be located outside unless an outside location would result in non-compliance with governing code(s)/law(s).

  Factors which may prevent outdoor locations include:
  - Americans with Disabilities Act non-compliance
  - Installations which result in an underground houseline
  - Installations requiring guards for protection from vehicles or other external forces, where guards would violate traffic laws or interfere with the public right-of-way
- Commercial meter set assemblies smaller than a 1.5M must be located in accordance with the legacy installation criteria above.
- Large load meter and regulator facilities must be located in accordance with OM-5133, “Large Load Meter and Regulator Facilities”.
- Meter banks must be located in accordance with OM-5131, “Meter Banks”; OM-5132, “Meter Bank Regulator Installation”; and OM-5315, “Distributed Meter Room Design and Installation”.

- In 2020, OM-5111 revision 7 was updated to clarify the decision to move a meter set from inside to outside during a service replacement:

▶ Legacy service replacements: Outside, unless:

▷ An outside location would result in non-compliance with governing code or law

OR

▷ There is a compelling basis to overcome the enhanced safety and improved access afforded by an outside location.

<u>Recommendation 5</u> – Relocate existing interior service regulators outside occupied structures whenever the gas service line, meter, or regulator is replaced. In addition, multifamily structures should be prioritized over single-family dwellings.

It is a current practice of Washington Gas to relocate inside meters and/or regulators outside when replacing a service line where feasible, and this practice will continue. It is not practicable to move interior regulators outside during routine regulator or meter replacements, as that would require construction crews to install new risers outside of the buildings in addition to extensive pipe work. Therefore, Washington Gas does not plan to create such a program.

CERTIFICATE OF SERVICE

I, the undersigned counsel, hereby certify that on this 7th day of July 2020, I caused copies of the foregoing to be hand-delivered, mailed, postage-prepaid, or electronically delivered to the following:

Christopher Lipscombe, General Counsel
Milena Yordanova, Esq.
Public Service Commission
of the District of Columbia
1325 "G" Street, NW, 8th Floor
Washington, DC 20005
clipscombe@psc.dc.gov
Milena.Yordanova@dc.gov

Sandra Mattavous-Frye, People's Counsel
Barbara Burton, Esq.
Office of the People's Counsel
of the District of Columbia
1133 - 15th Street, NW, Suite 500
Washington, DC 20005
smfrye@opc-dc.gov
bburton@opc-dc.gov

Robert C. Cain, II
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