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

ORDER

September 10, 2020

FORMAL CASE NO. 1115, IN THE MATTER OF WASHINGTON GAS LIGHT COMPANY'S REQUEST FOR APPROVAL OF A REVISED ACCELERATED PIPE REPLACEMENT PROGRAM.

and

FORMAL CASE NO. 1154, IN THE MATTER OF WASHINGTON GAS LIGHT COMPANY'S APPLICATION FOR APPROVAL OF PROJECTPIPES 2 PLAN, Order No. 20621

I. <u>INTRODUCTION</u>

1. By this Order, the Public Service Commission of the District of Columbia ("Commission") accepts the Joint Stipulation and Request for Admission into the Record pre-filed written testimony and accompanying exhibits.¹ Additionally, the Commission grants in part and denies in part the Office of the People's Counsel for the District of Columbia ("OPC") and Intervenors' Stipulation to Admission of Select Documents and Submissions.² Further, the Commission establishes the procedural schedule discussed in paragraph 13. Finally, the Commission extends, *sua sponte*, Washington Gas Light Company's ("WGL" or "Company") PROJECT*pipes* 1 Plan and surcharge for an additional 90 days. WGL is authorized to continue its PROJECT*pipes* 1 Plan for the 90-day extension period with a spend amount not to exceed \$6.25 million.

II. <u>BACKGROUND</u>

2. On December 7, 2018, WGL filed an Application for Approval of its PROJECT*pipes* 2 Plan ("PIPES 2 Plan").³ By Order No. 17431, the Commission approved the first five (5) years of WGL's proposed 40-year Revised Accelerated Pipe Replacement Plan

¹ Formal Case No. 1154, In the Matter of Washington Gas Light Company's Application for Approval of PROJECTpipes 2 Plan ("Formal Case No. 1154"), Washington Gas Light Company's Joint Stipulation and Request for Admission, August 4, 2020 ("Joint Stipulation and Request for Admission").

² Formal Case No. 1154, The Office of the People's Counsel for the District of Columbia and Intervenors' Stipulation to Admission of Select Documents and Submissions, August 6, 2020 ("OPC and Joint Intervenors' Request for Admission").

³ *Formal Case No. 1154*, Washington Gas Light Company's Application for Approval for PROJECT*pipes* 2 Plan, filed December 7, 2018 ("PIPES 2 Plan").

("PIPES 1 Plan").⁴ The Company requests approval of the PIPES 2 Plan and authorization to recover the costs through the surcharge mechanism approved as a part of the Commission's approval of PIPES 1 Plan. During this proceeding the Commission has twice extended the Company's PIPES 1 Plan each for a six-month period in an amount not to exceed \$12.5 million.⁵ In Order No. 20333, the Commission directed parties to file a Joint Stipulation for requesting the admittance of exhibits and evidence into the record.⁶

⁴ See Formal Case No. 1093, In the Matter of the Investigation into the Reasonableness of Washington Gas Light Company's Existing Rates and Charges for Gas Service) and Formal Case No. 1115, In the Matter of Washington Gas Light Company's Request for Approval of a Revised Accelerated Pipe Replacement Plan ("Formal Case No. 1115"), Order No. 17431, ¶ 32, rel. March 31, 2014 ("Order No. 17431"). The Commission notes that the original name of WGL's Accelerated Pipe Replacement Plan was "APRP". However, now it is referred to as "PROJECTpipes."

⁵ Formal Case No. 1115, Formal Case No. 1142, In the Matter of the Merger of AltaGas Ltd. And WGL Holdings, Inc ("Formal Case No. 1142"), Formal Case No. 1154, Order No. 20213, ¶1, rel. September 5, 2019; Formal Case No. 1115, Formal Case No. 1142, Formal Case No. 1154, and Formal Case No. 1162, In the Matter of the Application of Washington Gas Light Co. for the Authority to Increase Existing Rates and Charges for Gas Service, ("Formal Case No. 1162"), Order No. 20313, ¶1, rel. March 26, 2020.

⁶ *Formal Case No. 1142*, Order No. 20333 at ¶9.

3. Since the commencement of this proceeding parties have filed comments,⁷ submitted testimony and rebuttal testimony⁸, and conducted extensive discovery.⁹ To assist the Commission in making a determination on an evidentiary hearing, Parties were directed to meet in conference and prepare a Joint Prehearing Statement identifying the material issues of fact in dispute, if any.¹⁰ The procedural schedule was later modified through Order No. 20336, and, *inter alia*, directed parties to file their Joint Statement of Stipulation of Facts and Settlement Conference Report on August 4, 2020. On August 4, 2020, WGL filed on behalf of all parties, the Joint Stipulation and Request for Admission.¹¹ On August 6, 2020, OPC filed on behalf of the District of Columbia Government ("DCG"), the Apartment and Office Building Association of Metropolitan Washington ("AOBA"), DC Climate Action ("DCCA"), Environmental Defense Fund ("EDF"), and Sierra Club (collectively, "Joint Intervenors") a Stipulation to Admission of Select Documents and Submissions.¹² On August 10, 2020, WGL filed a Motion for leave to

⁷ Formal Case No 1154, Initial Comments of Apartment and Office Building Association of Metropolitan Washington Regarding the Washington Gas Light Company's Application for Approval for a Revised Accelerated Pipe Replacement Program, filed March 22, 2019 ("AOBA's Initial Comments"); Formal Case No. 1154, Comments by the Department of Energy and Environment, filed March 22, 2019 ("DOEE's Initial Comments"); Formal Case No. 1154, Office of the People's Counsel for the District of Columbia's Initial Comments Regarding Washington Gas Light Company's PROJECTpipes 2 Application, filed March 22, 2019 ("OPC's Initial Comments"); Formal Case No. 1154, DC Climate Action's Initial Comments, filed March 22, 2019 ("DC Climate Action's Initial Comments"); Formal Case No. 1154, Washington Gas Light Company's Reply Comments, filed April 8, 2019 ("WGL's Reply Comments"); Formal Case No. 1154, Office of the People's Counsel for the District of Columbia's Reply Comments Regarding Washington Gas Light Company's PROJECTpipes 2 Plan Application, filed April 8, 2019 ("OPC's Reply Comments").

⁸ Formal Case No. 1154, Washington Gas Light Company's Supplemental Direct Testimony, filed April 23, 2020 ("WGL's Supplemental Testimony"); Formal Case No. 1154, Apartment & Office Building Association's Direct Testimony of Bruce R. Oliver ("AOBA's Direct Testimony"), filed June 15, 2020; Formal Case No. 1154, Environmental Defense Fund's Direct Testimony of Virginia Palacios ("EDF's Direct Testimony"), filed June 15, 2020; Formal Case No. 1154, Baltimore Washington Construction and Public Employees Laborers' District Council's Direct Testimony of Steve Lanning ("BWLDC's Direct Testimony"), filed June 15, 2020; Formal Case No. 1154, Sierra Club's Direct Testimony of Dr. Ezra D. Hausman ("Sierra Club's Direct Testimony"), filed June 15, 2020; Formal Case No. 1154, DC Climate Action's Direct Testimony of Nina Dodge and John Macgregor (DCCA's Direct Testimony), filed June 15, 2020; Formal Case No. 1154, DC Climate Action's Direct Testimony of Edward P. Yim ("DGC's Direct Testimony"), filed June 16, 2020; Formal 1154, DC Climate Action's Rebuttal Testimony of John Macgregor ("DCCA's Rebuttal Testimony"), filed June 16, 2020; Formal 1154, DC Climate Action's Rebuttal Testimony of John Macgregor ("DCCA's Rebuttal Testimony"), filed June 16, 2020; Formal 1154, DC Climate Action's Rebuttal Testimony of John Macgregor ("DCCA's Rebuttal Testimony"), filed June 16, 2020; Formal 1154, DC Climate Action's Rebuttal Testimony of John Macgregor ("DCCA's Rebuttal Testimony"), filed July 14, 2020; Formal Case 1154, Sierra Club's Rebuttal Testimony of Dr. Ezra D. Hausman ("Sierra Club's Rebuttal Testimony of Dr. Ezra D. Hausman ("Sierra Club's Rebuttal Testimony of Dr. Ezra D. Hausman ("Sierra Club's Rebuttal Testimony of Dr. Ezra D. Hausman ("Sierra Club's Rebuttal Testimony"), filed July 14, 2020; Formal Case No. 1154, The Office of the People's Counsel's Rebuttal Testimony"), filed July 14, 2020.

⁹ See e.g. Docket Data Request 1154.

¹⁰ *Formal Case No. 1142*, Order No. 20333 at ¶9.

¹¹ Joint Stipulation and Request for Admission.

¹² OPC and Joint Intervenors' Request for Admission.

Reply and a Reply to Joint Parties request.¹³ By Order No. 20615, the Commission determined that an evidentiary hearing in this proceeding is not warranted.¹⁴

III. JOINT REQUESTS

A. The Joint Stipulation and Request for Admission

4. Parties have submitted a stipulation to admit the following pre-filed written testimony and accompanying exhibits into the record in this proceeding, subject to any motions to strike:

Party/Exhibit No.	Description	Date Filed
Exhibit WG (A) and (A)-1 through (A)-6	Direct Testimony of Wayne A. Jacas	December 7, 2018
Exhibit WG (B) and (B)-1	Direct Testimony of Aaron C. Stuber	December 7, 2018
Exhibit WG (B)-1	Replacement Page 8	January 4, 2019
Exhibit WG (B)-1	Replacement Page 16	November 1, 2019
Exhibit WG (C) and (C)-1 through (C)-3	Direct Testimony of R. Andrew Lawson	December 7, 2018
Exhibit WG (2A), (2A)-1 and (2A)-2	Supplemental Direct Testimony of Wayne A. Jacas	April 23, 2020
Exhibit WG (2B) and (2B)-1	Supplemental Direct Testimony of Aaron C. Stuber	April 23, 2020
Exhibit WG (2C), (2C)-1 and (2C)-2	Supplemental Direct Testimony of R. Andrew Lawson	April 23, 2020
Exhibit WG (3A)	Rebuttal Testimony of Wayne A. Jacas	July 14, 2020
Exhibit WG (3B)	Rebuttal Testimony of Aaron C. Stuber	July 14, 2020
Exhibit WG (2D)	Rebuttal Testimony of Stephen J. Price	July 14, 2020
Exhibit WG (D)	Supplemental Direct Testimony of Stephen J. Price	April 23, 2020

¹³ *Formal Case No. 1154*, Washington Gas Light Company's Request for Leave to Reply and Response to Joint List of Issues of Material Fact in Dispute and the Office of the People's Counsel for the District of Columbia and Intervenors' Joint Stipulation to Admission of Select Documents and Submissions, August 10, 2020 ("WGL's Reply").

¹⁴ *Formal Case No. 1154*, Order No. 20615, rel. August 20, 2020.

Exhibit OPC (2A) and (2A)- 1 through (2A)-29	Direct Testimony of Edward A. McGee	June 15, 2020
Exhibit OPC (3A)	Rebuttal Testimony of Edward A. McGee	July 14, 2020
Exhibit AOBA (A)	Direct Testimony of Bruce R. Oliver	June 15, 2020
Exhibit DCG (A)	Direct Testimony of Edward P. Yim	June 15, 2020
Exhibit DCCA (A)	Direct Testimony of Nina Dodge	June 15, 2020
Exhibit DCCA (A) and (A)-1	Direct Testimony of Nina Dodge-Errata	June 17, 2020
Exhibit DCCA (B)	Direct Testimony of John Macgregor	June 15, 2020
Exhibit DCCA (2B)	Rebuttal Testimony of John Macgregor	July 14, 2020
Exhibit EDF (A), (A)-1 through (A)-13	Direct Testimony of Virginia Palacios	June 15, 2020
Exhibit BWLDC (A) and (A)-1 and (A)-2	Direct Testimony of Steve Lanning	June 15, 2020
Exhibit SC (A) and EDH-1 through EDH-5	Corrected Direct Testimony of Ezra D. Hausman, Ph.D	July 14, 2020
Exhibit SC (2A) and (2A)-1	Rebuttal Testimony of Ezra D. Hausman, Ph.D	July 14, 2020

B. OPC and Joint Intervenors' Request for Admission¹⁵

5. OPC and Joint Intervenors' request the admission of the following submissions made by WGL and the Joint Intervenors in one of the three PIPES-related proceedings consolidated by Order No. 20213 and laws and policies related to the District's climate goals:¹⁶

Stipulation Exhibit No.	Document	Date Filed and Docket No.
Exhibit 140.		

¹⁵ The Commission notes that parties labeled their filing a joint stipulation. However, WGL opposes this request. As such it is not actually a joint stipulation but a proffer by some parties for admission of evidence into the record. Thus, the Commission will treat it as what it is and not what it is labeled.

¹⁶ OPC and Joint Intervenors' Request for Admission at 1.

JA-S-1	Initial Comments of the Apartment and Office Building Association Regarding the Washington Gas Light Company Application for Approval of a Revised Accelerated Pipe Replacement Program ("PROJECTpipes 2" "Plan" or "Pipes 2 Plan")	March 22, 2019 Formal Case Nos. 1115 and 1154
JA-S-2	DOEE's Initial Comments Regarding the Application of Washington Gas Light Company for Approval of PROJECTpipes 2 Plan	March 22, 2019 Formal Case No. 1154
JA-S-3	Errata to the Office of the People's Counsel for the District of Columbia's Initial Comments Regarding Washington Gas Light Company's PROJECTpipes 2 Application and Affidavit of Mr. Edward A. McGee (Exhibit (A))	March 26, 2019 Formal Case No. 1154
JA-S-4	DC Climate Action Initial Comments on WGL's Application for Approval for PIPES-2 Plan	March 22, 2019 Formal Case Nos. 1115 and 1154
JA-S-5	PROJECTpipes- Cost Benefit Analysis- Commitment No. 54, prepared by Jacobs Consultancy (<i>Confidential version</i>)	July 31, 2019 Formal Case Nos. 1142 and 1154
JA-S-6	Office of the People's Counsel for the District of Columbia's Initial Comments on PROJECTpipes Cost Benefit Analysis	August 31, 2019 Formal Case No. 1142
JA-S-7	Office of the People's Counsel for the District of Columbia's Request to Reply and Reply to WGL's Comments Addressing the PROJECTpipes Cost Benefit Analysis	September 26, 2019 Formal Case Nos. 1115, 1142, and 1154
JA-S-8	The Liberty Consulting Group's Final Report Management Audit of PROJECT <i>pipes (Confidential version)</i>	April 19, 2019 Formal Case No. 1115
JA-S-9	Initial Comments of the Office of the People's Counsel for the District of Columbia Regarding the Liberty Consulting Group's Management Audit Report.	August 8, 2019 Formal Case No. 1115

JA-S-10	AOBA Comments on the Liberty Management Audit Report	August 8, 2019
		Formal Case No. 1115
JA-S-11	BWLDC Comments on Liberty Audit Report	August 8, 2019
		Formal Case No. 1115
JA-S-12	Reply Comments of the Apartment and Office Building Association to WGL's	August 23, 2019
	Comments Regarding the Liberty Management Audit Report	Formal Case No. 1115
JA-S-13	WGL's Year 5 Completed Projects Reconciliation Report (Confidential version)	December 20, 2019
		Formal Case No. 1115
JA-S-14	Office of the People's Counsel for the District of Columbia's Initial Comments	March 30, 2020 Formal
	Regarding Washington Gas Light Company's Year 5 Completed Projects Reconciliation Report (Confidential version)	Case No. 1115
JA-S-15	Washington Gas Light Company's Reply Comments pertaining to the Company's Year 5 Completed Projects Reconciliation Report	April 30, 20218
		Formal Case No. 1115
JA-S-16	WGL's Program Implementation Plan Progress Report. (Confidential version)	July 1, 2020
		Formal Case No. 1115

JA-S-17	AltaGas Ltd.'s Climate Business Plan for Washington, D.C. Term No. 79 of the Settlement Agreement	March 16, 2020
		Formal Case No. 1142
JA-S-18	B22-0904-Signed Act - Clean Energy DC Omnibus Amendment Act of 2018 (1-18- 2019)	N/A
JA-S-19	Clean Energy DC - The District of Columbia Climate and Energy Action Plan (August 2018)	N/A

C. WGL's Reply

6. WGL requests permission to reply to parties Joint List of Material Issues of Fact in Dispute¹⁷ and reply to OPC and Joint Intervenors' Request for Admission.¹⁸ WGL argues that allowing WGL to reply will result in a more complete record for the Commission to base its decision on. By Order No. 20615, the Commission determined that an evidentiary hearing was not warranted in this proceeding. Thus, WGL's request to reply to the Joint List of Material Issues of Fact in Dispute is moot and denied. The Commission determines that WGL's response to OPC and Joint Intervenors' Request for Admission will contribute to the development of the record in this proceeding. Therefore, we grant WGL's request to reply and accept its reply.

7. WGL asserts that the Commission should deny OPC and Joint Intervenors' Request for Admission.¹⁹ WGL argues that the requested filings "have not been subject to discovery, presented with testimony to allow the opportunity to present rebuttal testimony on the merits of the content, shown to be relevant to PIPES 2 Plan or otherwise demonstrated to be true and correct".²⁰ Further, WGL argues that the Joint Intervenors' "have failed to demonstrate why these

¹⁷ See Formal Case No. 1154, The District of Columbia Government's Joint List of Issues of Material Facts in Dispute, August 4, 2020.

¹⁸ WGL's Reply at 1.

¹⁹ WGL's Reply at 3.

²⁰ WGL's Reply at 3.

documents should be admitted into evidence without adherence to the Commission's evidentiary procedures."²¹ Additionally, WGL asserts that acceptance of "select documents" does not present a full and complete record of the filings and submissions made that relate to issues in the PROJECT*pipes* proceeding.²² Alternatively, WGL asserts if the Commission grants Joint Intervenors' request then due process would require a consideration of all related comments and filings.²³ Finally, WGL argues that AltaGas' Climate Business Plan should not be included in the record for this proceeding.²⁴ WGL asserts that AltaGas' Climate Business Plan is not relevant and has not been presented by WGL in support of any part of the PIPES 2 Plan.²⁵ Thus, WGL asserts there is no legal basis to admit AltaGas' Climate Business Plan.²⁶

IV. <u>DISCUSSION</u>

A. The Stipulation and Request for Admission

8. WGL filed a Joint Stipulation and Request for Admission on behalf of all parties in this proceeding. The Joint Stipulation and Request for Admission requests the Commission to move parties' Direct testimony, Supplemental testimony, and Rebuttal testimony, along with associated exhibits, into the record. No parties have objected and moving the requested exhibits onto the record will assist the Commission in reaching a determination in this proceeding. Further, no parties will be prejudiced by admittance of the requested exhibits. Thus, the Commission grants the Joint Stipulation and Request for admission and accepts the requested exhibits into the record.

B. OPC and Intervenors' Request for Admission

9. Generally, OPC and Joint Intervenors' request for the admission of exhibits that reflect various comments on WGL's PIPES 2 Plan application, the Cost Benefit Analysis, and the Liberty Management Audit. Additionally, OPC and Joint Intervenors' request the admission of WGL's Year 5 Reconciliation, WGL's Implementation Plan Progress Reports, the AtlasGas' Climate Business Plan, and items regarding the District's climate goals. Generally, WGL objects to the admission based on three arguments. First, WGL asserts the submission of only the select documents that are proffered do not present a full and complete record of the filings. Second, the AtlasGas' Climate Business Plan has not been presented in this proceeding and is not relevant to the Commission's ultimate determination. Third, WGL has not had an opportunity to review, conduct discovery, comment, or present testimony on some of the proffered exhibits. After reviewing the Request and WGL's reply to the Request, we are not persuaded that WGL has

²¹ WGL's Reply at 3.

²² WGL's Reply at 3.

²³ WGL's Reply at 4.

²⁴ WGL's Reply at 4.

²⁵ WGL's Reply at 4.

²⁶ WGL's Reply at 4.

explained in detail why these documents are prejudicial such that they warrant exclusion. Further, the Commission is not persuaded by WGL's argument that select documents do not reflect a full and complete record at this time. WGL can request the admission of documents it believes provide a more complete record in accordance with the procedural schedule established below.

10. Accordingly, we will accept OPC and Joint Intervenors' request to admit exhibits that include comments filed on WGL's PIPES 2 Plan application, the Cost Benefit Analysis study, the Liberty Management Audit, OPC's and Joint Intervenors' comments on the Cost Benefit Analysis study and the Liberty Management Audit, the Year 5 Reconciliation filing, WGL's Implementation Plan, and the Clean Energy DC-District of Columbia's Climate Action Plan into the record.²⁷

11. The Commission rejects OPC and Joint Intervenors' request to admit the Climate Business Plan.²⁸ The Commission notes the Stipulation and Request for Admission, which WGL filed, requests that exhibit EDF (A)-13 be accepted into the record. Exhibit EDF (A)-13 is AltaGas' Climate Business Plan. Thus, the Commission finds it unnecessary to accept the exhibit a second time.

12. The Commission rejects OPC and Joint Intervenors' request to admit D.C. Code § 34-808.02 into the record.²⁹ The Commission is required to apply D.C. Code § 34-808.02 and is bound by D.C. Code § 34-808.02 with or without its admission into the record. Thus, it is not necessary to admit it as an exhibit.

C. Procedural Schedule

13. By Order No. 20615, the Commission determined there were no material issues of fact in dispute that warrant an evidentiary hearing in this proceeding. As such, parties may request to move any additional filings or data responses into the record that may warrant consideration in the Commission's final decision. Parties shall file their requests along with a short explanation to the relevance no later than September 17, 2020. Parties opposing the admission of requested filings or data request must file their opposition no later than September 24, 2020. Any request for replies shall be filed no later than September 29, 2020. Parties are invited to submit briefs no later than October 5, 2020. Reply briefs will not be permitted. The record will close on October 5, 2020, when briefs are filed.

D. Extension of WGL's PIPES 1 Plan

14. Consistent with our primary responsibility to ensure natural gas distribution system reliability and safety, we conclude that it is in the public interest to extend the PIPES 1 Plan and surcharge by an additional 90 days to December 30, 2020, or until such time as the Commission renders a decision on the Company's PIPES 2 Plan. Consistent with the spending caps established

²⁷ OPC and Joint Intervenors' Request for Admission of Exhibits JA-S-1, JA-S-2, JA-S-3, JA-S-4, JA-S-5, JA-S-6, JA-S-7, JA-S-8, JA-S-9, JA-S-10, JA-S-11, JA-S-12, JA-S-13, JA-S-14, JA-S-15, JA-S-16, and JA-S-19.

²⁸ OPC and Joint Intervenors' Request for Admission of Exhibit JA-S-17.

²⁹ OPC and Joint Intervenors' Request for Admission of Exhibit JA-S-18.

in the previous extensions, the Commission believes that a \$6.25 million spending limit is appropriate for this 90-day extension. The extension will position the Company to perform a steady flow of approved project work and continue to accelerate the replacement of high-risk material in the District of Columbia. Consistent with previous expansions of the PIPES 1 Plan, WGL is expected to continue working on Commission-approved PIPES 1 Plan projects that have not yet been completed or eligible pipe material under one of the approved PIPES 1 Plan programs within the Commission-approved spending limit.

15. Given the 90-day extension of PIPES 1 Plan projects only, WGL is hereby directed to file a PIPES 1 Plan Final Project List, by September 30, 2020, for the 90-day extension period only with the same level of detail as provided in its first two extension period Project Lists, including, but not limited to, Class 3 cost estimates.³⁰ We also remind WGL and other parties that the same Project List Timeframe and process used for submitting, reviewing, and making objections to the Project List for the first five years will be used for the 90-day extension period.³¹

16. Further, modifications to the Project List must satisfy the requirements outlined in Order Nos. 17500 and 20213. The Commission directs WGL to continue filing the Construction Drawings and make customer education efforts consistent with the directives in Order No. 17789 during the 90-day extension period. Given the 90-day extension of the PIPES 1 plan we direct WGL to file its Current Factor by September 30, 2020, for the instant extension period. We also extend the filing deadline for the financial reconciliation factor, previously directed in Order No. 20313, from December 31, 2020, to March 31, 2021. WGL is directed to include the 90-day extension period in the Completed Project Reconciliation Report previously due to be filed no later than December 31, 2020, in compliance with Order No. 20313.³² However, given the 90-day extension, we hereby extend the filing deadline for the Completed Projects Reconciliation to March 31, 2021, for all PIPES 1 Plan projects through December 31, 2020.

17. The Commission reminds the Company that the total expenditures for PIPES 1, including the 90-day extension, must not exceed \$141.25 million (i.e., \$135 million plus \$6.25 million for this 90-day extension) and that any spending in excess of the \$141.25 million spending cap is not eligible for accelerated surcharge recovery, but can be recovered as part of any future base rate request. Also, this Order does not address the prudency of actual PIPES 1 expenditures incurred thus far. Any prudency review will be reviewed in WGL's future rate cases in which the

³⁰ WGL may implement the projects on the Final Annual Project list as proposed and include them in the surcharge rate calculations to be effective October 1, 2020. By October 15, 2020, the other parties may file objections to the inclusion of any listed projects for failure to comply with requirements established by the Commission, including the Commission's criteria for PROJECT*pipes* funding as set forth in Order No. 17431, or failure to comply with the project specific requirements of the Unanimous Agreement of Stipulation and Full Settlement approved by the Commission in Order no. 17789.

³¹ See e.g. Formal Case No. 1115, Order No. 17789; Formal Case No. 1115, Formal Case No. 1142, Formal Case No. 1154, Formal Case No. 1162, Order No. 20213 ¶23.

³² Formal Case No. 1115, Formal Case No. 1142, Formal Case No. 1154, Formal Case No. 1162, Order No. 20313 ¶6.

Company seeks recovery. Additionally, WGL is reminded that this extension is subject to Merger Commitment No. 72 in *Formal Case No. 1142*.

18. To Monitor WGL's actual expenditures and rate project completion during the 90day extension period, WGL is directed to provide the Commission, within 30 days of the end of each month of the extension period, a completed project reconciliation report. The report will be in the same format the Company was directed to use in Order No. 20313.³³

THEREFORE, IT IS ORDERED THAT:

19. The Commission hereby **GRANTS IN PART AND DENIES IN PART** Washington Gas Light Company's Leave to Reply;

20. The Commission hereby **GRANTS** the Joint Stipulation and Request for Admission;

21. The Commission hereby **GRANTS IN PART AND DENIES IN PART** the Office of the People's Counsel for the District of Columbia and Intervenors' Stipulation and Request for Admission;

22. The Commission **ESTABLISHES** the procedural schedule set out in paragraph 13; and

23. The Commission **EXTENDS**, *SUA SPONTE*, WGL's PIPE 1 Plan and surcharge by 90-days consistent in an amount not to exceed \$6.25 million and subject to conditions in this order.

A TRUE COPY:

BY DIRECTION OF THE COMMISSION:

Brinde Deathart . Idquid

CHIEF CLERK:

BRINDA WESTBROOK-SEDGWICK COMMISSION SECRETARY

³³ Formal Case No. 1115, Formal Case No. 1142, Formal Case No. 1154, Formal Case No. 1162, Order No. 20313 ¶9.