GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL

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ELECTRONIC FILING

October 23, 2020

Ms. Brinda Westbrook-Sedgwick
Public Service Commission
Of the District of Columbia Secretary
1325 G Street, NW, Suite 800
Washington, DC 20005

Re: Formal Case No. 1154 – In the Matter of Washington Gas Light Company's Project Pipes 2 Application

Dear Ms. Westbrook-Sedgwick:

On behalf of the District of Columbia Government (DCG), please DCG's Final Brief in the above-captioned proceeding. If you have any questions regarding this filing, please do not hesitate to contact the undersigned.

Respectfully submitted,

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BEFORE THE
PUBLIC SERVICE COMMISSION
OF THE DISTRICT OF COLUMBIA

IN THE MATTER OF APPLICATION OF WASHINGTON GAS LIGHT COMPANY FOR APPROVAL OF PROJECTPIPES 2 PLAN	)	Formal Case No. 1154

FINAL BRIEF OF THE DISTRICT OF COLUMBIA GOVERNMENT

Pursuant to Public Service Commission of the District of Columbia (Commission) Order No. 20639[1], the District of Columbia Government (DCG or the District), through the Office of the Attorney General, hereby submits its final brief in the above-captioned proceeding.

I. INTRODUCTION

"In supervising and regulating utility or energy companies, the Commission shall consider the public safety, the economy of the District, the conservation of natural resources, and the preservation of environmental quality, including effects on global climate change and the District's public climate commitments."[2] Unquestionably, public safety dictates that Washington Gas Light Company (WGL or the Company) undertake measures to preserve the integrity of its natural gas distribution system such that instances of hazardous gas leaks are kept to an absolute minimum. Unfortunately, due to the flawed methodology WGL utilizes, its Pipes 2 Application will not accomplish this result. Moreover, the District of Columbia's economy will not benefit from directing ratepayer funds towards the replacement of WGL's aging gas infrastructure

[1] *Rel.* October 1, 2020.

[2] D.C. Code § 34-80-02.

system when the use of natural gas as a heating source will be environmentally impractical at the end of the 40-year timeframe contemplated by ProjectPipes. Finally, WGL's Pipes 2 Application utterly fails to account for (1) the impact of WGL's leaking natural gas system on climate change and (2) the District's public climate commitments to, among other thing, achieve carbon neutrality by 2050. For these reasons, discussed in more detail below, the Commission should not approve WGL's Pipes 2 Application as currently proposed. Rather, the Commission should adopt several recommendations contained herein.

II. ARGUMENT

A. WGL's Pipes 2 Application Will Not Advance Public Safety Because its Methodology is Flawed.

While ProjectPipes was conceived primarily as a public safety initiative, WGL's Pipes 2 Application fails to advance public safety sufficiently. The impetus to accelerate the replacement of aging pipes (and accelerate cost recovery to the Company for pipe replacement) to mitigate potential future leaks was, in part, the disastrous explosion of a transmission pipeline in San Bruno, CA. in 2010, followed by another explosion in Allentown, PA. in 2011. Indeed, natural gas leaks continue to cause deadly explosions. In 2019, active natural gas leaks caused explosions in Philadelphia, PA. and Columbia, MD. with many more recorded by the Federal Pipeline and Hazardous Materials Safety Administration (PHMSA).[3] As this Commission stated in 2013, when it indicated originally that it would consider approving an accelerated pipeline

[3] https://www.washingtonpost.com/local/baltimore-gas-and-electric-faulted-for-2019-gas-explosion-in-columbia/2020/08/12/2409b7c8-dcca-11ea-8051-d5f887d73381_story.html; https://www.inquirer.com/news/south-philly-explosion-fire-cause-gas-main-leak-crack-20200116.html

replacement program, "the Commission is focused on making certain that the pipeline system in the District, as a densely populated high consequence area, is both safe and reliable."[4]

Unfortunately, WGL's Pipes 2 Application contains insufficient measures to realize the public safety goals of ProjectPipes. Despite the threat to public safety that gas leaks pose, WGL's Pipes 2 Application emphasizes that the Company will select pipes for replacement based not on actual, current leaks, but by estimating potential leaks based on a statistical analysis that considers records of pipeline type, diameter, pressure, and historical leak data, to make educated guesses regarding which pipes are more likely to leak in the future.[5] There are a number of inherent shortcomings in WGL's use of statistical models to identify pipes for replacement, including changing conditions and a host of factors outside of the Company's control.[6]

Moreover, WGL Witness Price clarified that the leaks per quad methodology used in WGL's Pipes 2 Application does not consider emission flow rate nor does it incorporate data from direct assessment of leaks.[7] This response highlights significant deficiencies in WGL's approach to leak detection. Environmental Defense Fund (EDF) Witness Palacios further

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[4] Formal Case No. 1093, Order No. 17132, ¶ 254 (*rel.* May 15, 2013).

[5] *See* Exh. WGL (A) 5:20-23 (Jacas) (explaining that in Pipes 1, the Company replaced "the relatively higher risk facilities."). See also, DCG-8 (WGL response to Office of the People's Counsel ((OPC)) Data Request 8-6-3: WGL Witness Jacas states that PROJECT*pipes* "does not require an active leak to be eligible for replacement.")

[6] *See* DCG-19 (WGL response to Apartment and Office Building Association ((AOBA)) Data Request 1-15, WGL Witness Jacas: "The Company utilizes its risk-based model annually to prioritize the replacement of PROJECTpipes projects. The risk model considers as many as 82 factors . . . that can change from year to year. In addition to the risk-based model, the risk profiles also consider operational issues and direct field assessments. These can change from year to year, thus requiring the Company to be adaptive to any risk profile changes . . . Additionally, the risk-based model does not consider factors outside of the Company's control, such as conflicting utility work in the area, moratorium roadways, and additional restrictions placed on Washington Gas by outside agencies, or in most recent events, a pandemic.")

[7] *See* DCG-5 (WGL Response to DC Climate Action ((DCCA)) Data Request 1-3)

testified that traditional leak detection technologies used by WGL "are not capable of estimating leak flow rates."[8] The result of WGL's over-reliance on statistical models is that WGL may be missing pipes that are actually leaking and causing a threat to public safety, while simultaneously replacing pipes that may not be leaking, or be at risk of leaking in the future.

However, even these "educated guesses" as to pipeline replacement decisions have become increasingly haphazard, based arbitrarily on proximity to third-party construction projects, such as District Department of Transportation road work and Pepco DC PLUG and Capitol Grid construction.[9] As demonstrated by WGL's failure to meet its merger Commitment to reduce PHMSA-reported Grade 2 leaks in 2019 by 2% below 2017 levels, WGL's methodology of determining which pipes to replace is failing to accomplish the fundamental purpose of ProjectPipes to enhance public safety.[10]

Recommended Methodology.

Rather than relying on statistical models to replace pipes that are not actually leaking, or targeting pipes in proximity to third-party construction projects, WGL's Pipes 2 Application would be served better if it more aggressively incorporated so-called Advanced Leak Detection (ALD) technology to target for replacement those pipes that are currently leaking and posing a threat to public safety. In January 2014, an independent team of scientists from Duke University,

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[8] Exh. EDF (A) 10:8-9 (Palacios).

[9] *See* DCG-16 (WGL response to OPC Data Request 7-21, WGL Witness Jacas: "This high volume of third-party work [Pepco DC PLUG and DDOT paving] in areas of eligible main *would limit the amount of risk-based work the Company would complete* due to the necessity to perform these PIPES 2-eligible projects. Currently, the Company's approved PIPES 1 Year 5 (April 1, 2019 –September 30, 2019) Extension List includes 12 District of Columbia Department of Transportation Advance of Paving projects that account for 40% of the total services, 57% of the total main install, and 45% of the total Project List costs [emphasis added].")

[10] *See* Formal Case No. 1142, Order No 19396, Appendix A, ¶ 73 (*rel.* June 29, 2018) & F.C. No. 1142 WGL Commitment No. 73 Compliance Filing, May 15, 2020.

Stanford University, Boston University, and Gas Safety, Inc., published their research findings concerning the frequency and extent of natural gas leaks actually occurring in the District of Columbia based on a field survey of 1500 road miles.[11] Using ALD over a two-month period in 2013, the team located 5,893 active gas leaks, including 12 locations with previously unreported Grade 1 leaks. By contrast, WGL reported only 1,542 gas leaks to PHMSA over the entire 2013 calendar year.[12]

As this survey demonstrates, ALD technology is capable of detecting far more leaks than statistical models based on outdated data, which in turn, leads to more accurate risk-based pipeline replacement prioritization.[13] However, WGL's Pipes 2 Application proposes only limited incorporation of ALD technology on a pilot basis over the 5-year duration of Pipes 2.[14] Indeed, the proposed $2 million budget to acquire ALD technology and operate it over the 5-year Pipes 2 period represent roughly one-half of one percent of the $374 million overall budget WGL proposes for Pipes 2.[15] While the District understands and appreciates that there will need to be a transition period in which the Company learns how to best incorporate ALD technology into its pipe replacement operations, given the demonstrated success of ALD in other

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[11] *Natural Gas Pipeline Leaks Across Washington, D.C.,* Environmental Science and Technology, January 16, 2014. https://jacksonlab.stanford.edu/sites/g/files/sbiybj15141/f/est2014.pdf

[12] https://www.phmsa.dot.gov/data-and-statistics/pipeline/gas-distribution-gas-gathering-gas-transmission-hazardous-liquids

[13] *See* DCG-1, Attachments 1, 2 & 3 (EDF Response to WGL Data Request 1-4, EDF Witness Palacios "Pipeline replacement prioritizations that do not consider the full population of leaks-or at least the full population of findable leaks-are neglecting data relevant to a risk-based prioritization. Because ALD+ finds more leaks than traditional technologies alone, pipeline replacement prioritization that includes both traditional and ALD+ datasets will be more accurate than historical datasets alone. Numerous studies have found that ALD+ finds many more leaks than traditional technologies alone.") *See also*, DCG-2 (EDF Response to DCCA Data Request 1-1(B), EDF Witness Palacios: "CenterPoint Energy conducted pilots using ALD+ in Texas and Minnesota reporting 'more than 5x improvements in leak find rate and about a 20% boost in productivity.'")

[14] Exhibit WGL (D) at 6:18-24 through 7:1-2 (Price).

[15] See DCG-17 (WGL Response to OPC Data Request 7-51) and DCG-15 (WGL Response to OPC DR 7-13).

jurisdictions, the District believes that 5 years, in contrast to the less than 2-month period it took for the 2013 survey of actual leaks, is simply too long to wait before District of Columbia ratepayers can reap the safety benefits that a larger roll out of ALD technology can provide. Therefore, the Commission should approve WGL's ALD pilot program proposal, but shorten the length of the pilot program to no more than 18 months at which time WGL should report back its findings to the Commission on whether the ALD program should be expanded and used as a basis for prioritizing pipe replacement.

B. WGL's Pipes 2 Application Will Not Advance the Economy of the District of Columbia.

The economic toll from the COVID pandemic on ratepayers' budgets, including the District's, is (and will continue to be) widespread and severe. Now, more than ever, ratepayer funds must be prudently invested. However, as discussed below, WGL's Pipes 2 Application represents an economically imprudent and environmentally impractical investment in long-term fossil fuel use.

Pipes 2 is the second 5-year program towards full implementation of ProjectPipes; the full project is currently planned to span a total of 40 years. The polyethylene pipes that WGL uses to replace existing service and main pipes have an estimated service life of 100 years or more.[16] That means the pipe WGL is putting in the ground now, will still be useful well into the next century. As discussed in greater detail below, the District has committed publicly to meeting targets set in the 2015 Paris Climate Accord through achievement of carbon neutrality by 2050. Most leading authorities agree that the only way for municipalities like the District of Columbia to achieve carbon neutrality requires dramatic reductions in fossil fuel use with an

[16] See WGL Response to DCG Data Requests 1-3 and 1-10.

attendant shift towards heating and appliance electrification.[17] Therefore, it is economically impractical to continue to spend ratepayer funds on long-term investments in the natural gas distribution system, when said system will, by environmental necessity, become a stranded asset.

Moreover, there are important issues of equity to consider. If ratepayers are required to continue funding investments in WGL's distribution system, a troubling consequence could be a so-called "utility death spiral." As customers shift to building electrification, the Company will continue to lose customers. As the Company loses customers, gas distribution charges will increase on those customers that remain on WGL's system. This in turn could accelerate the migration, as higher gas distribution charges cause more customers to leave the gas system by electrifying their homes and businesses. In such a scenario, it is usually those who can least afford to defect—low income customers who cannot afford to electrify their homes or do not own their own homes—that remain as gas customers to pay an ever-increasing, unaffordable share of WGL's distribution costs. This outcome could be dire in terms of the economic well-being of these customers. A full pursuit of ProjectPipes, including Pipes 2, invites these negative economic consequences. For these reasons, Pipes 2 is an imprudent investment.

C. WGL's Pipes 2 Application Will Not Help Combat Climate Change or Advance the District's Public Climate Commitments.

As set forth in Direct Testimony of District Witness Edward P. Yim, the District is committed to doing its part to meet the challenge, as described in the 2015 Paris Climate Accord

[17] See, Intergovernmental Panel on Climate Change (or IPCC) Reports (5th Assessment, 1.5oC Special Report): https://www.ipcc.ch/site/assets/uploads/sites/2/2019/06/SR15_Full_Report_High_Res.pdf ; The Deep Decarbonization Pathway Project (or DDPP) (a U.N. initiative led by the Institute of Sustainable Development and International Relations): http://deepdecarbonization.org/wp-conntent/uploads/2015/11/US_Deep_Decarbonization_Technical_Report_Exec_Summary.pdf; The Obama Administration's 2016 U.S. Mid-Century Strategy for Deep Decarbonization (or MCS) https://obamawhitehouse.archives.gov/sites/default/files/docs/mid_century_strategy_report-final.pdf; as well as New Jersey's 2019 Energy Master Plan: https://www.nj.gov/emp/docs/pdf/2020_NJBPU_EMP.pdf.

(Accord), of keeping the rise of global warming to well below 2° C from pre-industrial levels and to pursue efforts to limit the increase to 1.5° C.[18] After the United States announced its intent to withdraw from the Accord under the Trump administration, 20 individual U.S. states and 80 major U.S. cities, including the District of Columbia, committed publicly to abide by the Accord which is critical.[19] The District, for its part, has received international recognition for being a leader in fighting climate change.[20]

The District has introduced a roadmap for making the District of Columbia a truly sustainable community. The District's Sustainable DC Plan 2.0 (Plan) sets forth a goal of drastically cutting Greenhouse Gas (GHG) emissions from the District of Columbia below 2006 levels – 50% by 2032 and carbon neutrality by 2050.[21] With respect to renewable energy, the Plan calls for 50% of the District of Columbia's electricity carrying renewable energy certificates from eligible generation sources by 2032, with 5% of the total electricity having these renewable energy certificates generated by solar systems located within the District of Columbia.[22] With respect to energy efficiency, the Plan calls for reducing energy consumption in 2032 by 50% from 2006 levels on a per-capita basis. The Plan also details the need for stringent energy

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[18] Exhibit DCG (A): pgs. 4-6.

[19] Exhibit JA-S-2, page 3 ("Mayor Bowser announced that the District will do the following to support the Paris Agreement:

- develop a pathway to achieve GHG emissions neutrality by 2050;
- demonstrate how the District of Columbia will adapt and improve its resilience to climate hazards that may impact the city now and in future climate change scenarios; and
- outline the wider social, environmental, and economic benefits derived from implementing the plan, as well as how the District will approach implementation of the plan.")

[20] https://dc.gov/release/district-columbia-receives-c40-cities-award-global-leadership-climate-change

[21] https://www.sustainabledc.org/in-dc/sdc2/

[22] Exhibit DCG (A), 4:14-17.

efficiency programs for existing buildings and establishing net-zero energy building codes for new buildings.

Building off of the Plan, the 2018 Clean Energy DC Omnibus Amendment Act (the Act) establishes further targets and enhances the Plan's 2032 targets for renewable energy certificates (100% by 2032, instead of 50%) as well as total electricity generated by solar systems located within the District of Columbia (10% by 2040). In addition, the Act subjects all buildings larger than 10,000 square feet, representing about 65% of the total building square footage in the District of Columbia, to an energy efficiency standard called the Building Energy Performance Standards, which mandates better efficiency performance from inefficient buildings.[23] The Act also requires all public buses to be zero-emission vehicles by 2045.[24]

The Clean Energy D.C. Plan establishes additional targets for the building sector to phase out the use of fossil fuel in buildings and to adopt a net zero energy building code for the residential sector by 2022 and for the commercial sector by 2026.[25] Net-zero energy in this context means that the amount of energy a building consumes will be equal to the amount of renewable energy that the building will generate onsite or procure from nearby sites. The U.S. Department of Energy defines a net zero energy building as "an energy-efficient building where, on a source energy basis, the actual annual delivered energy is less than or equal to the on-site renewable exported energy."[26] Currently, the District is progressively moving toward adopting a

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[23] D.C. Code § 8-1772.31.

[24] D.C. Code § 50-741.

[25] Exhibit JA-S-17.

[26] https://www.energy.gov/sites/prod/files/2015/09/f26/A%20Common%20Definition%20for%20Zero%20Energy%20Buildings.pdf

net zero energy code as the Clean Energy D.C. Plan recommends. The District recently adopted a "net-zero ready" code, preparing the pathway to move toward the adoption of the net zero energy code in the next code cycle -- about 5 years from now -- which is expected to prohibit the onsite combustion of fossil fuels for residential and commercial buildings in most cases. Indeed, under the current code, a voluntary pathway for compliance with the net zero energy standard prohibits onsite combustion of fossil fuels.

Noteworthy is that, even without the prospect of net zero energy codes, most new buildings have been and are being built for electricity only, rather than a dual supply of electricity and natural gas. The Department of Energy and Environment's (DOEE) benchmarking data confirms this trend over the past several years, especially in the office building sector. This is in part because the upfront installation cost for electricity is cheaper than for natural gas. DOEE's expectation is that most future new buildings will not use natural gas.

Most significantly, in December 2018, Mayor Bowser adopted the goal of carbon neutrality by 2050 for the District of Columbia. As currently interpreted by DOEE, carbon neutrality means achieving net-zero GHG emissions from buildings, industry, energy supply, transportation, and waste generated in the District of Columbia on an annual basis. DOEE is in the process of finalizing a set of carbon neutrality policy measures, which prioritize the reduction of GHG-related consumption first, followed by the electrification of systems currently running on fossil fuels, and ultimately the purchase of electricity from 100% renewable sources. Any remaining GHG emissions associated with the District of Columbia (e.g., waste and any remaining fossil fuel content in electricity supplied by the PJM wholesale market) can be offset through local carbon sequestration strategies or carbon offsets.

ProjectPipes in general, and WGL's Pipes 2 Application in particular, does not align with the District's clean energy laws and policies intended to implement the District's public climate commitments. In its Climate Business Plan, WGL's parent company AltaGas Ltd. touts WGL's Pipes 2 Application as a GHG reduction program that will help the District achieve carbon neutrality by 2050.[27] However, even under AltaGas' rosy assessment, only 4% of the total GHG reductions needed to bring WGL's operations to carbon neutrality can be attributed to ProjectPipes *over the 40-year span of the program.*[28] Moreover, this 4% reduction assumes that ProjectPipes will incorporate ALD response and effective programs to prevent third party damage to WGL's system. Such a high price for minor levels of GHG reductions further highlight the imprudence of approving WGL's Pipes 2 Application.

In its Pipes 2 Application, WGL also touts the GHG reduction benefits of Pipes 2 estimating that its pipeline replacement activities will result in 1,134,197 metric tons of carbon dioxide being removed from the atmosphere.[29] However, the climate change benefits of Pipes 2 are insignificant when put in the context of the $374 million budget proposed for the 5-year program. Indeed, viewing Pipes 2 solely as a carbon removal program would make Pipes 2 one of the costliest GHG reduction programs.[30] The District's forthcoming carbon neutrality policy measures contemplates avoiding these costs by identifying where certain leaky pipes can be decommissioned due to strategic electrification.

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[27] *See* Exh. JA-S-15, p. 28 ("POLICY – TRANSMISSION AND DISTRIBUTION: In addition to programs currently in place, there are other policies that policymakers and the DC PSC can pursue to facilitate GHG emissions reduction during the transmission and delivery of natural gas, including: 1. Approval for PROJECTpipes 2 (currently under consideration).")

[28] *Id*. at p. 4.

[29] Exh. WGL (A), 23:13 (Jacas).

[30] Claimed reduction of 1.134 million tons of CO_2 removed for $374 million = about $326 per ton of CO2.

Importantly, WGL claims CO_2 reduction benefits from Pipes 2 that are somewhat misleading as they ignore the impacts to the atmosphere from fugitive methane emissions associated with leaks on WGL's gas distribution system. Methane is a powerful global warming agent that, despite its shorter life span in the atmosphere relative to carbon dioxide, has a global warming potential that is 83 times greater than carbon dioxide.[31] Indeed, minimizing or eliminating methane emissions from natural gas will be key to avoiding the worst consequences of climate change.

As WGL testified, ProjectPipes was developed in response to PHMSA's "Call to Action" in March 2011 to replace aging pipes.[32] In issuing this Call, PHMSA did not consider the deleterious effects of methane emissions on global warming. It also did not foresee the trend towards electrification of buildings for heating purposes. In particular, PHMSA did not foresee the advent of lower-cost, high efficiency heat pumps as a viable substitute for natural gas heating. Therefore, the fundamental orientation of the ProjectPipes program needs to be adjusted so that it is consistent with the Commission's new mandate under the Act to consider the effects on global climate change and the District's public climate commitments when regulating utilities. In this context, Pipes 2 represents a "business-as-usual" approach, the approval of which would be incompatible with the District's efforts to enhance public safety and to decarbonize the building sector.

[31] Exh. JA-S-2, at 2.

[32] Exh. WGL (A), 2:24 – 3:4 (Jacas).

Recommended Methodology.

WGL's pipe replacement approach should include an alternatives analysis, in which WGL should consider the cost-effectiveness of electrification of its customers served by leaky pipes and determine the feasibility of decommissioning those pipes, and offer a choice to those customers.[33] Where the customers are willing, and the cost of electrification is less than pipe replacement, WGL should avoid pipe replacement and enable the customer's building electrification.[34] Avoiding pipe replacement through electrification meets multiple policy goals: it will enhance safety by removing the risk of gas leaks and explosions, reducing emissions by avoiding the use of natural gas, and helping—instead of stymieing--the District to achieve its carbon neutrality goal by managing the transition to a clean energy system. Such an approach is most consistent with supporting the District's clean energy laws and policies meant to implement the District's public climate commitments.

The District's approach is also supported by Sierra Club Witness Dr. Hausman who recommended that ProjectPipes be deferred until cross-planning can be developed that considers both electrification and leak repair. Dr. Hausman further elaborated:

> Dr. Hausman recommends that the deferral period last only as long as necessary for the Commission to approve guidelines for infrastructure planning that are consistent with the District's climate commitments. While the timeline for such a proceeding would be at the discretion of the Commission, Dr. Hausman recognizes that such a process would likely take a year or more to complete. Dr. Hausman also recommends that the Commission give the Company and other stakeholders specific direction regarding some

[33] WGL estimates that: (1) 61,437 residential service lines will be replaced over the entire duration of ProjectPipes (WGL's Response to DCG Data Request 1-2); (2) 987 service line replacements to group-metered buildings over the entire duration of ProjectPipes (WGL's Response to DCG Data Request 1-4); and (3) 3,787 service line replacements to commercial / industrial buildings over the entire duration of ProjectPipes (WGL's Response to DCG Data Request 1-6).

[34] Exh. WGL (C)-1, pg 2 (Lawson) WGL originally estimated that $1,569,012 would be expended each month from October 2019 through December 2020 from its Pipes 2 proposed budget to replace distribution service lines WGL estimates these funds would be used to replace 1,137 service lines transfer service to 335 buildings. (WGL's Response to DCG Data Request 1-1).

> of the issues which parties should address in any guideline proposal which is ultimately submitted to the Commission. Among other issues, stakeholders should address: (1) the implementation of advance leak detection ("ALD") to facilitate the efficient location of existing leaks and develop a citywide leak inventory; and (2) electrification as an alternative to pipeline repair and replacement. During the interim period, there will be a need for an ongoing leak detection and repair program both to protect public safety and to reduce emissions of methane, a powerful greenhouse gas. During this interim period, Dr. Hausman recommends that the Commission require the Company to repair only those existing leaks that present an imminent or anticipated threat to public safety or human health, or that are environmentally significant. To the extent possible consistent with public safety, Dr. Hausman recommends that the Company be directed to evaluate options for retiring the affected infrastructure in favor of non-pipes solutions such as energy efficiency and electrification before leak repair. Dr. Hausman notes that the Massachusetts Department of Public Utilities recently developed regulations for characterizing hazardous and environmentally significant leaks (codified at 220 CMR 114.01–114.09) that could serve as a template for such a targeted repair approach.[35]

The District agrees with the approach outlined by Dr. Hausman above. The Commission should defer consideration of WGL's Pipes 2 Application until such time as the Commission can implement a deliberate form of infrastructure planning that is consistent with the District's climate commitments.

III. CONCLUSION

For the reasons discussed herein, the District urges this Commission to reject WLG's Pipes 2 Application as currently proposed. The Commission should defer consideration of any future accelerated pipeline replacement program until it establishes guidelines for infrastructure planning that accounts for the cost-effectiveness of replacing leaking pipe with new pipe versus retiring leaking pipe in favor of electrification and energy efficiency measures. Further, the Commission should approve WGL's ALD proposal on an 18-month pilot basis to study and report back its findings, whereupon the Commission can determine whether to approve an accelerated pipe replacement program based upon ALD prioritization. In the meantime, the

[35] Exh. DCG-21 (Sierra Club Response to PSC Staff Data Request 1-1).

Commission should direct WGL to make all repairs and replacements to its system as public safety requires, the costs for which may be recovered in a future base rate proceeding.

Respectfully submitted,

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October 23, 2020

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CERTIFICATE OF SERVICE

I certify that on October 23rd, 2020, a copy of DCG's Final Brief was served via electronic mail on the following parties:

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