



February 9, 2021

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

**Re: Formal Case No. 1167, In the Matter of the Implementation of Electric and Natural Gas Climate Change Proposals**

Dear Ms. Westbrook-Sedgwick:

Enclosed for filing in the above-referenced proceeding, please find Environmental Defense Fund's petition to intervene. If there are any questions regarding this matter, please contact me at 202-572-3525.

Sincerely,

Erin Murphy  
Environmental Defense Fund  
1875 Connecticut Ave. NW, Suite 600  
Washington, DC 20009  
202-572-3525  
emurphy@edf.org

Enclosure

cc: Parties of Record  
Formal Case No. 1167

**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF THE DISTRICT OF COLUMBIA**

<b>IN THE MATTER OF THE</b>	)	
<b>IMPLEMENTATION OF ELECTRIC</b>	)	<b>Formal Case No. 1167</b>
<b>AND NATURAL GAS CLIMATE CHANGE</b>	)	
<b>PROPOSALS</b>	)	

**PETITION TO INTERVENE  
OF ENVIRONMENTAL DEFENSE FUND**

1. Pursuant to Rule 106.1 of the Public Service Commission of the District of Columbia’s (“Commission”) Rules of Practice and Procedure, 15 D.C.M.R. § 106.1, Environmental Defense Fund (“EDF”) hereby petitions to intervene as a party to the above-captioned case. EDF has a substantial interest in this proceeding and has experience in climate policy and long-term utility planning that will contribute to the development of a more complete record for the Commission’s consideration in this proceeding. The Commission “has considerable discretion to grant or deny” a petition to intervene, and “has historically been very liberal in granting intervention.”<sup>1</sup> EDF’s interests are not adequately represented by any other party and granting EDF’s intervention will not prejudice other parties or cause undue delay. For these reasons and as detailed below, the Commission should grant EDF’s petition to intervene in the proceeding, *In the Matter of the Implementation of Electric and Natural Gas Climate Change Proposals*, which was opened by Commission Order No. 20662 on November 18, 2020.<sup>2</sup>

---

<sup>1</sup> *In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices*, Formal Case No. 945, and *In the Matter of the Application of Potomac Electric Power Company for Authorization to Establish a Demand Side Management Surcharge and an Advance Metering Infrastructure Surcharge and to Establish a DSM Collaborative and an AMI Advisory Group*, Formal Case No. (“FC”) 1056, Order 14568 at 8 (Oct. 12, 2007).

<sup>2</sup> *See In the Matter of the Implementation of Electric and Natural Gas Climate Change Proposals*, FC 1167, Order No. 20662 (Nov. 18, 2020); FC 1167, Erratum Order No. 20664 (Nov. 20, 2020).

## Procedural Background

1. The District of Columbia government has adopted bold commitments to tackle climate change. In 2016, DC Government issued the Sustainable DC Plan, committing to reduce greenhouse gas emissions at least 50% by 2032 (below 2006 levels).<sup>3</sup> In December 2017, Mayor Muriel Bowser committed the District to achieve carbon neutrality by 2050 and honor the 1.5-degree objective of the Paris Climate Accord.<sup>4</sup> In August 2018, the D.C. Department of Energy and Environment issued the Clean Energy DC Plan.<sup>5</sup>

2. In 2018, approximately 23% of the District's GHG emissions came from the use of natural gas in residential and non-residential buildings, as well as fugitive emissions from the natural gas system, while approximately 50% of the District's GHG emissions came from electric generation.<sup>6</sup> DC Government recognizes that homes, buildings, and electric generation will need to be decarbonized, stating in the Clean Energy DC Plan that reaching the GHG reduction target will require "nothing short of a total transformation in how energy is bought, consumed, and generated."<sup>7</sup> The Plan states that "[t]he District will not meet its GHG target

---

<sup>3</sup> DC Government, Sustainable DC Plan (2016), [https://sustainable.dc.gov/sites/default/files/dc/sites/sustainable/page\\_content/attachments/SDC-Summary-Document-2016.pdf](https://sustainable.dc.gov/sites/default/files/dc/sites/sustainable/page_content/attachments/SDC-Summary-Document-2016.pdf).

<sup>4</sup> Office of the Mayor of DC, Press Release: Mayor Bowser Commits to Make Washington, DC Carbon-Neutral and Climate Resilient by 2050 (Dec. 4, 2017), <https://mayor.dc.gov/release/mayor-bowser-commits-make-washington-dc-carbon-neutral-and-climate-resilient-2050>.

<sup>5</sup> Clean Energy DC, The District of Columbia Climate and Energy Action Plan, at Executive Summary page v (Aug. 2018), [https://doee.dc.gov/sites/default/files/dc/sites/ddoe/page\\_content/attachments/Clean%20Energy%20DC%20-%20Full%20Report\\_0.pdf](https://doee.dc.gov/sites/default/files/dc/sites/ddoe/page_content/attachments/Clean%20Energy%20DC%20-%20Full%20Report_0.pdf)

<sup>6</sup> District of Columbia Department of Energy & Environment, Greenhouse Gas Inventories, available at <https://doee.dc.gov/service/greenhouse-gas-inventories>.

<sup>7</sup> Clean Energy DC, The District of Columbia Climate and Energy Action Plan, at page viii.

unless it makes the most of every available policy lever to address buildings, energy supply, and transportation.”<sup>8</sup>

3. In June 2018, the Commission approved the merger application of AltaGas Ltd. (“AltaGas”) and Washington Gas Light Company (“WGL” or “Company”) and the joint settlement agreement submitted by parties to the merger proceeding, Formal Case No. (“FC”) 1142.<sup>9</sup> The settlement includes Merger Commitment 79 in which AltaGas and WGL commit to file with the Commission a Climate Business Plan, defined as “a long-term business plan on how [the Company] can evolve its business model to support and serve the District’s 2050 climate goals.”<sup>10</sup> The settlement also includes Merger Commitment 6, a commitment by AltaGas to “fund a study to assess the development of renewable (bio) gas facilities in the Greater Washington, D.C. metropolitan area.”<sup>11</sup>

4. The Clean Energy DC Omnibus Amendment Act of 2018 (“Clean Energy DC Act”) took effect in March 2019, after it was approved by the D.C. Council and signed by Mayor Bowser.<sup>12</sup> The Clean Energy DC Act solidified a legal framework for achieving the climate commitments, as well as increasing the renewable energy standard to a target of 100% renewable electricity by 2032. It requires that the Commission consider “the preservation of environmental

---

<sup>8</sup> Clean Energy DC, The District of Columbia Climate and Energy Action Plan, at page viii.

<sup>9</sup> *In the Matter of the Merger of AltaGas Ltd. and WGL Holdings, Inc.*, FC 1142, Order No. 19396 (June 29, 2018).

<sup>10</sup> FC 1142, Order No. 19396, Appendix A at 29 (June 29, 2018). The Commission granted WGL’s request for an extension to submit the Climate Business Plan by March 16, 2020. FC 1142, Order No. 20276 (Dec. 19, 2019).

<sup>11</sup> FC 1142, Order No. 19396, Appendix A at 3-4.

<sup>12</sup> D.C. Law 22-257, CleanEnergy DC Omnibus Amendment Act of 2018 (effective date Mar. 22, 2019), <https://code.dccouncil.us/dc/council/laws/22-257.html>.

quality, including effects on global climate change and the District’s public climate commitments” in “supervising and regulating utility or energy companies.”<sup>13</sup>

5. AltaGas and WGL filed the Climate Business Plan on March 16, 2020 in Formal Case 1142. Stakeholders, including EDF, filed comments and reply comments on the Climate Business Plan. In initial comments, EDF observed that “[t]here is an outstanding need to harmonize the District’s ambitious climate goals with its natural gas policies, planning, and programs.”<sup>14</sup> EDF further recommended that the Commission “initiate a District-wide long-term planning proceeding that allows for comprehensive consideration of all the tools available to retail gas and electric utilities to reduce GHG emissions across their systems and achieve compliance with the District’s climate goals.”<sup>15</sup> In reply comments, EDF detailed how multiple commenters emphasized the need for a comprehensive climate planning proceeding, including D.C. Government, Office of the People’s Counsel, the Apartment and Office Building Association of Metropolitan Washington, and Sierra Club.<sup>16</sup>

6. On November 18, 2020, the Commission issued Order No. 20662 opening this proceeding.<sup>17</sup> In the Order, the Commission concluded that WGL had fulfilled its initial<sup>18</sup> obligations under Merger Commitments 79 and 6 because the Climate Business Plan and biogas study were filed in compliance with the merger agreement. The Commission stated that, based

---

<sup>13</sup> *Id.* § 103 (amending D.C. Code § 34-808.02).

<sup>14</sup> FC 1142, Comments of Environmental Defense Fund at 4 (filed June 26, 2020).

<sup>15</sup> *Id.*

<sup>16</sup> FC 1142, Reply Comments of Environmental Defense Fund (filed September 25, 2020).

<sup>17</sup> FC 1167, Order No. 20662 (Nov. 18, 2020); FC 1167, Erratum Order No. 20664 (Nov. 20, 2020).

<sup>18</sup> Merger Commitment 79 also requires that WGL continue to “hold bi-annual public meetings to report on and discuss its progress on the business plan.” Merger Commitment 79, at Order No. 19396, Appendix A at 29, *In the Matter of the Merger of AltaGas Ltd. and WGL Holdings, Inc.*, FC 1142 (June 29, 2018).

on the Merger Agreement and Order 19396 approving the merger, Commission approval of the Climate Business Plan was not required and the Commission would not “approve or reject” the Plan.<sup>19</sup> However, the Commission recognized the need for further groundwork to ensure alignment between utility operations and the District’s climate goals, stating: “[T]he Commission has an obligation to develop a plan that furthers the purposes of the Clean Energy Act and aligns with the targets established by Clean Energy DC and Sustainable DC.”<sup>20</sup>

7. The Commission explained that the purpose of this proceeding is “to consider whether and to what extent utility or energy companies under the Commission’s purview are meeting and advancing the District of Columbia to achieve its energy and climate goals” and directed that regulated utilities file any proposals “that would assist the District in meeting and advancing its climate goals” in this proceeding. The Commission stated that as part of this proceeding it may “take action, where necessary, to guide the companies in the right direction” and that it will conduct review of proposals filed in this proceeding. The Commission also stated that this proceeding “could include the development of a comprehensive plan for how utility or energy companies can help the District achieve its 2032/2050 goals and satisfy the directives of the Clean Energy Act.”

8. Since opening this proceeding, the Commission has not established substantive requirements or a procedural schedule to develop a plan for aligning the operations of WGL or the District’s electric utility, the Potomac Electric Power Company (“Pepco”), with DC climate goals. The Commission did not establish a deadline by which parties must seek intervention.

---

<sup>19</sup> FC 1167, Order No. 20662 at ¶10 (Nov. 18, 2020).

<sup>20</sup> *Id.* at ¶11 n.19.

## **Interests of EDF**

9. EDF is a nonprofit membership organization whose mission is to preserve the natural systems on which all life depends. EDF has 8,000 members and activists residing in the District of Columbia, and EDF maintains a large D.C. office with over 100 employees. Guided by science and economics, EDF seeks practical solutions to resolve environmental problems. EDF uses the power of markets to speed the transition to clean energy resources, and consistent with its organizational purpose is engaged in activities to facilitate cost-effective and efficient energy market designs that encourage investment to modernize the energy grid so that it can support the ongoing deployment of renewable energy resources and energy efficiency.

10. Specific to this proceeding, EDF has a substantial interest in harmonizing gas policy, utility rates, programs, and practices, with ambitious climate goals. EDF's perspective is that gas utilities have a critical role to play in ensuring that climate goals are met and that coordinated planning between gas and electric utilities is needed to achieve climate targets. EDF has argued that meeting the appropriately ambitious climate goals established by governments and regulators requires reexamination of outdated assumptions, policies, and practices related to utility regulation, ratemaking, and operations, including through new planning mechanisms.

11. EDF is active in proceedings considering the future of the gas system and the consistency of utility regulation with climate goals in a number of states, including New York, California, and Massachusetts. In New York, EDF has advocated in gas utility rate proceedings for increased integration of non-pipeline alternatives into utility planning, improvements to the gas supply planning process based on state climate goals, and consideration of modification to traditional rate recovery mechanisms, including creative financing mechanisms such as

accelerated depreciation.<sup>21</sup> EDF is active in a proceeding before the New York Public Service Commission regarding Gas Planning Procedures.<sup>22</sup> EDF released a report in 2019 highlighting the importance of long-term planning to avoid stranded gas asset risk.<sup>23</sup> In California, EDF is active in the proceeding on Long-Term Gas System Planning established by the California Public Utilities Commission on January 16, 2020.<sup>24</sup> In Massachusetts, EDF supported the Attorney General’s request that the Massachusetts Department of Public Utilities (“DPU”) open an investigation into the role of gas utilities as Massachusetts achieves its climate goals, and EDF has subsequently filed comments in the proceeding opened by the DPU.<sup>25</sup>

12. Before this Commission, EDF has advocated for—and proposed a potential structure for—a proceeding to examine long-term utility planning procedures for consistency with the District’s climate goals.<sup>26</sup> In comments on the Climate Business Plan, EDF explained

---

<sup>21</sup> See, e.g., *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation d/b/a Niagara Mohawk for Gas Service*, NYPSC Case 17-G-0239, Comments of the Environmental Defense Fund; Joint Proposal at Section 13.8.1, 13.8.6; *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company for Gas Service*, NYPSC Case No. 19-G-0066, Direct Testimony of Gregory Lander on Behalf of Environmental Defense Fund; Joint Proposal at page 113, Section P.1.

<sup>22</sup> See *Proceeding on Motion of the Commission in Regard to Gas Planning Procedures*, NYPSC Case 20-G-0131, EDF Letter (filed January 29, 2021).

<sup>23</sup> Environmental Defense Fund, *Managing the Transition – Proactive Solutions for Stranded Gas Asset Risk in California* (2019), [https://www.edf.org/sites/default/files/documents/Managing\\_the\\_Transition\\_new.pdf](https://www.edf.org/sites/default/files/documents/Managing_the_Transition_new.pdf).

<sup>24</sup> *Rulemaking to Establish Policies, Processes, and Rules to Ensure Safe and Reliable Gas Systems in California and perform Long-Term Gas System Planning*, CPUC Rulemaking 20-01-007, Environmental Defense Fund Opening Comments (filed February 26, 2020).

<sup>25</sup> *Investigation by the Department of Public Utilities on its own Motion into the role of gas local distribution companies as the Commonwealth achieves its target 2050 climate goals*, Comments of Environmental Defense Fund (filed September 7, 2020); Response of Environmental Defense Fund to The Office of the Attorney General’s Motion for Clarification (filed November 24, 2020).

<sup>26</sup> See *In the Matter of the Application of Washington Gas Light Company for Authority to Increase Existing Rates and Charges for Gas Service*, FC1162, Testimony of Gregory Lander on behalf of EDF (July 31, 2020) (presenting suggestions to integrate WGL’s planning with Pepco in order to best meet the District’s climate objectives).



that the Commission should “refine its existing gas supply planning procedures and institute a new proceeding to consider, holistically, a long-term planning process for both the District’s electric and gas systems.”<sup>27</sup> EDF also expressed the need for a benchmarking and quantification approach in comments filed with this Commission in Docket GD2019-04-M, which stated: “In order to begin assessing what effect a utility proposal would have on climate change—and thus on the District’s achievement of its climate commitments—the Commission will need a comprehensive current baseline of GHG emissions in each regulated utility service territory.”<sup>28</sup>

### **EDF’s Participation as a Party Will Enhance, Not Hinder, This Proceeding**

13. As demonstrated by the fact-based, comprehensive advocacy detailed above, EDF has a substantial interest in Formal Case 1167. EDF has significant experience in several proceedings focused on the consistency between local gas distribution utilities’ planning and operations and their local jurisdiction’s climate targets. EDF has expertise in working collaboratively with gas utilities, regulators, and other interested parties to harmonize gas policies, including utility ratemaking and programs, with ambitious climate goals, such as those in the District. EDF has developed tools and policies to better align gas utility rates and policies with climate goals and successfully advocated for the inclusion of those tools and policies in settlements and their approval by regulatory bodies. EDF’s expertise will assist the Commission

---

<sup>27</sup> FC 1142, Comments of Environmental Defense Fund on WGL’s Climate Business Plan at p11 (June 26, 2020).

<sup>28</sup> *In the Matter of the Implementation of the 2019 Clean Energy DC Omnibus Act Compliance Requirements*, DC PSC Docket GD2019-04-M, Comment of Environmental Defense Fund at 2 (Jan. 13, 2020).

in developing a long-term approach to ensure that the utility companies it regulates will contribute to achieving the District's climate goals.<sup>29</sup>

14. For these reasons, EDF and its members have a direct and substantial interest in the issues raised in this proceeding and will be directly affected by the outcome. EDF's substantial interests are not adequately represented by any other party and no other party can advance EDF's unique set of interests. Through this petition, EDF seeks to be fully accorded the rights of a party to this proceeding.

15. Granting EDF's petition will not delay this proceeding or prejudice other parties. The proceeding is in its beginning stages: The Commission has not yet proposed or finalized a procedural schedule, and thus the record upon which substantive matters will be decided is still under development. Because EDF is filing this petition at an early stage in the proceeding, granting this petition to intervene will not cause undue delay or prejudice the other parties.<sup>30</sup>

16. As the District strives to meet its climate goals, traditional regulatory and utility oversight structures—as embodied in the setting of rates—must be updated. The New York State Public Service Commission detailed these challenges, stating:

Gas utilities will need to maintain safe and reliable service, accommodate economic development, and improve affordability, all while carbon emissions are dramatically reduced, sales of fossil fuels decline over the longer term, and traditional infrastructure solutions become infeasible. These challenges will

---

<sup>29</sup> See D.C. Law 22-257, CleanEnergy DC Omnibus Amendment Act of 2018, Section 103 (effective date Mar. 22, 2019) (amending D.C. Code § 34-808.02) (“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”).

<sup>30</sup> See *supra* n.1, Order 14568 at 8 (granting three parties' late petitions to intervene and concluding that so doing “would neither prejudice any party nor unduly the proceeding”).

certainly occupy the Commission for years to come, as decarbonization policies move forward.<sup>31</sup>

As EDF has done in the past, EDF seeks to bring creative solutions and a collaborative approach to assist the Commission in its decision-making on the important issues in this proceeding.

### **Conclusion**

17. EDF has a substantial interest in this proceeding that is not adequately represented by the existing parties and EDF's participation as a party will create a more complete record for the Commission's consideration in this case. EDF respectfully requests that the Commission grant this petition to intervene and allow EDF to become a party to this proceeding.

Dated: February 9, 2021

Respectfully,

/s/ Erin Murphy

Erin Murphy

Attorney, Energy Markets and Utility Regulation

Environmental Defense Fund

1875 Connecticut Ave. NW Suite 600

Washington, DC 20009

202-572-3525

emurphy@edf.org

Natalie Karas

Senior Director and Lead Counsel, Energy

Environmental Defense Fund

1875 Connecticut Ave. NW Suite 600

Washington, DC 20009

202-572-3389

nkaras@edf.org

---

<sup>31</sup> *Petition of Consolidated Edison Company of New York, Inc. for Approval of the Smart Solutions for Natural Gas Customers Program*, NYPSC Case 17-G-0606, Order Approving with Modification the Non-Pipeline Solutions Portfolio at page 35 (Feb. 7, 2019).

## CERTIFICATE OF SERVICE

I hereby certify that on this 9th day of February 2021, copies of the foregoing were electronically delivered to the following parties:

Brinda Westbrook-Sedgwick  
Commission Secretary  
D.C. Public Service Commission  
1325 G Street NW, Suite 800  
Washington, DC 20005  
[bwestbrook@psc.dc.gov](mailto:bwestbrook@psc.dc.gov)

Christopher Lipscombe  
Lara Walt  
D.C. Public Service Commission  
1325 G Street, NW, Suite 800  
Washington, DC 20005  
[clipscombe@psc.dc.gov](mailto:clipscombe@psc.dc.gov)  
[lwalt@psc.dc.gov](mailto:lwalt@psc.dc.gov)

Anjali G. Patel  
Timothy R. Oberleiton  
Office of the People's Counsel  
1133 15th Street NW, Suite 500  
Washington, DC 20005  
[Apatel@opc-dc.gov](mailto:Apatel@opc-dc.gov)  
[TOberleiton@opc-dc.gov](mailto:TOberleiton@opc-dc.gov)

Cathy Thurston-Seignious  
Washington Gas Light Company  
1000 Maine Avenue SW, Suite 700  
Washington, DC 20024  
[Cthurston-seignious@washgas.com](mailto:Cthurston-seignious@washgas.com)

Moxila A. Upadhyaya  
Venable LLP  
600 Massachusetts Avenue, N.W.  
Washington, D.C. 20001  
[MAUpadhyaya@venable.com](mailto:MAUpadhyaya@venable.com)

J. Joseph Curran, III  
Venable LLP  
750 East Pratt Street, 7th Floor  
Baltimore, MD 21202  
[JCurran@venable.com](mailto:JCurran@venable.com)

Denis Jarnouneau  
Pepco  
701 Ninth Street NW  
Washington, DC 20068  
[djamouneau@pepcoholdings.com](mailto:djamouneau@pepcoholdings.com)

Susan Stevens Miller  
Earthjustice  
1625 Massachusetts Ave. NW, Suite 702  
Washington, DC 20036  
[smiller@earthjustice.org](mailto:smiller@earthjustice.org)

/s/ Erin Murphy  
ERIN MURPHY