

WARD 3 DEMOCRATIC COMMITTEE

RESOLUTION IN OPPOSITION TO WASHINGTON GAS'S REQUEST TO THE PUBLIC SERVICE COMMISSION FOR A RATE INCREASE TO FUND PROJECTpipes PHASE 3

PASSED BY THE WARD 3 DEMOCRATS ON APRIL 27, 2023

WHEREAS: Global warming is an existential danger and it has been obvious in recent years that it is worsening faster than expected.

A few weeks ago, the United Nations' Intergovernmental Panel on Climate Change (IPCC) released its latest synthesis report of the IPCC Sixth Assessment Report indicating that "earth is likely to cross a critical threshold for global warming within the next decade, and nations will need to make an immediate and drastic shift away from fossil fuels to prevent the planet from overheating dangerously beyond that level. . ." (New York Times, *Climate Change Is Speeding Toward Catastrophe. The Next Decade Is Crucial, U.N. Panel Says*, March 21, 2023)

The District of Columbia (DC) has been one of the jurisdictions in the forefront of fighting climate change. A few years ago, DC created Building Performance Standards requiring large existing buildings to increase their energy efficiency over time. In 2022, DC passed a law requiring that the District be "carbon neutral" by 2045. That means producing no greenhouse gas emissions that are not offset. At the same time DC passed legislation requiring that after 2026 all new "commercial" building construction and major renovations be built to net-zero standards. DC also passed legislation, subject to appropriations, requiring DC owned or funded new buildings be built to net-zero standards before then.

District residents are adopting solar power at a rate faster than expected.

Carbon neutrality means that fossil fuels in the District must be replaced with fuels that do not produce carbon emissions in the next 22 years; there are required targets for decreasing carbon emissions in the interim.

Despite the requirement to eliminate fossil fuels, Washington Gas Light Company (Washington Gas) hopes to continue its 40-year project, PROJECTpipes, started in 2014 to replace all of the gas pipes in the District.

Washington Gas currently is asking the Public Service Commission (PSC) for \$671.8 million for its PROJECTpipes Phase 3 (Pipes 3) which would cover the next five years.

This \$671.8 million would be passed on to customers in the form of rate increases in addition to expenses already included in the regular rate. These increases are expected to cost the average District ratepayer at least an additional \$300 over the next five years. Later steps of PROJECTpipes would cost ratepayers considerably more.

As more homes electrify there will be fewer ratepayers to pay for the increasing costs, increasing the financial burden on remaining ratepayers considerably.

Ever larger ratepayer gas bills will continue to fund an infrastructure much of which will be obsolete as the District moves forward with electrification.

Parts of the District's pipes system are more than 150 years old. There are some pipes with leaks small enough that they just need repairs and there is a much smaller number of pipes with leaks serious enough that the pipes need replacing. Washington Gas has the money for those fixes through their maintenance program costs already included in the gas rate.

In a recent filing with the PSC, Washington Gas admitted that much of its Pipes 3 spending is "compelled" not by any data on leaks, but instead on where Pepco is digging." Washington City Paper, *D.C. Resident's Fight to Fix Gas Leaks Amplifies Calls for Electrification: As D.C.'s gradual shift away from gas drags on, the culture war follows accordingly*, by Camila Bailey, April 5th, 2023. In other words where it is convenient and not necessary.

When Washington Gas started PROJECTpipes in 2014 overhauling the District's gas line infrastructure, Washington Gas "[pitched] it as a project to make D.C safely dependent on methane." *Id.* (Emphasis added)

Making "D.C. safely dependent on methane" is both an oxymoron and totally inconsistent with DC's carbon emission laws and its increasing move towards electrification.

Consumer quality "natural gas" burned in homes is largely methane. When methane leaks, as it does regularly from the drilling and pipe network, as well as from household appliances, it creates global warming at about 84 times the rate of carbon dioxide over a 20-year timeframe.

Gas drilling and pipelines not only harm the planet, gas powered appliances fill homes with toxic air pollutants including carbon monoxide, nitrogen oxides, formaldehyde and particulates.

Gas also causes explosions.

Putting the burden on gas ratepayers to maintain a polluting and dangerous gas system is unacceptable when DC has committed to protecting the climate and is moving towards a cleaner, safer future with electrification.

Washington Gas needs to engage in a robust planning process to redefine its business as the District weans itself off fossil fuels.

The PSC must develop a plan to phase out the use of greenhouse-gas producing fuels in coordination with the transition to clean, renewable energy.

THEREFORE: It is hereby resolved by the Ward Three Democratic Committee of the District of Columbia that the Ward Three Democratic Committee:

1. Opposes Washington Gas's request for a rate hike for PROJECTpipes;

2. Requests the PSC to direct Washington Gas to repair leaky pipes where appropriate and only replace pipes where necessary to deal with dangerous leaks;
3. Requests the PSC to proactively manage the transition from fossil fuels and assist residents to energy efficient appliances;
4. Directs the Chair of the Ward 3 Democratic Committee to share this resolution with the Mayor and the 13 members of the DC Council, and the Office of the People's Counsel; and
5. Authorizes the Chair of the Ward 3 Democratic Committee and his designees to take all reasonable actions to implement this resolution.