

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, JANUARY 16, 2019

SCC-CLERK'S OFFICE
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2019 JAN 16 P 2:45

APPLICATION OF

WASHINGTON GAS LIGHT COMPANY

CASE NO. PUR-2018-00193

For authority to amend its natural
gas conservation and ratemaking
efficiency plan

ORDER FOR NOTICE AND COMMENT

On January 11, 2019, pursuant to Chapter 25 of Title 56 of the Code of Virginia ("Code"), §§ 56-600 *et seq.*, and 5 VAC 5-20-80 of the Rules of Practice and Procedure ("Rules of Practice") of the State Corporation Commission ("Commission"),¹ Washington Gas Light Company ("WGL" or "Company") filed a completed application ("Application") for authority to amend and extend its natural gas conservation and ratemaking efficiency plan ("Amended CARE Plan").²

In its Application, the Company proposes to revise and expand its portfolio of programs for residential, Commercial and Industrial ("C&I"), and Group Metered Apartment ("GMA") customers receiving service under Rate Schedule Nos. 1, 1A, 2, 2A, 3 and 3A.³ WGL also proposes to increase funding to provide additional weatherization projects to low-income customers.⁴

¹ 5 VAC 5-20-10 *et seq.*

² The Commission approved the Company's current CARE Plan in 2016. *See Application of Washington Gas Light Company, For authority to amend its natural gas conservation and ratemaking efficiency plan*, Case No. PUE-2015-00138, 2016 S.C.C. Ann. Rept. 338, Final Order (Apr. 29, 2016).

³ Application at 1-2.

⁴ *Id.* at 2.

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For residential customers, the Company seeks approval of the following revised programs: (1) Residential Equipment Program; (2) Online Home Energy Audit with Energy Conservation Kits Program; (3) Low-Income Weatherization Program; and (4) Behavioral Program.⁵ For eligible C&I and GMA customers, the Company seeks approval of three programs: (1) a revised Direct Installation Program; (2) a new Food Service Equipment Program; and (3) a revised Heating Equipment Program.⁶

In its Application, the Company proposes a total budget of \$8,500,000,⁷ for its Amended CARE Plan for a three-year period to be effective from the first day of the May 2019 billing cycle.⁸ The Company states that the incremental costs associated with the cost-effective conservation and energy efficiency programs proposed for the Amended CARE Plan will be recovered monthly through a CARE Cost Adjustment ("CCA") applied to customers' bills.⁹ WGL will also implement a decoupling mechanism, called the CARE Ratemaking Adjustment ("CRA").¹⁰ According to the Company, both the CCA and the CRA will be calculated and implemented using methodology previously approved by the Commission. Based on the Company's proposed expenditures, the Company's projections for the CCA for Virginia customers in the first year of the Amended CARE Plan are as follows: (i) \$4.12 for a typical residential customer using 750 therms per year; (ii) \$17.61 for a typical small C&I heating

⁵ See *Id.* at 3; Pre-Filed Direct Testimony of Sean Skulley ("Skulley Direct") at 4-23, Exhibit SDS-1.

⁶ See Application at 3; Skulley Direct at 24-29, Exhibit SDS-2.

⁷ Application at 1. The Company states that, of the total \$8,500,000 budget, approximately 78% is targeted for residential programs, and approximately 22% is targeted for commercial programs. *Id.* at 2-3.

⁸ The Company notes that the first day of the May 2019 billing cycle will be April 29, 2019. *Id.* at 1.

⁹ Application at 2, 8-9; Pre-Filed Direct Testimony of R. Andrew Lawson ("Lawson Direct") at 6.

¹⁰ Application at 8; Lawson Direct at 3.

customer using 5,672 therms per year; and (iii) \$52.18 for a typical GMA heating customer using 16,803 therms per year.¹¹

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that this matter should be docketed; WGL should provide public notice of its Application; interested persons should have an opportunity to file comments on the Application, file a notice of participation as a respondent, or request that a hearing be convened; the Commission's Staff ("Staff") should be directed to investigate the Application and present its findings and recommendations in a report ("Staff Report"); and a Hearing Examiner should be assigned to rule on any discovery matters that arise during the course of this proceeding.

Accordingly, IT IS ORDERED THAT:

(1) This matter is docketed and assigned Case No. PUR-2018-00193.

(2) As provided by § 12.1-31 of the Code and Rule 5 VAC 5-20-120, *Procedure before Hearing Examiners*, of the Commission's Rules of Practice, a Hearing Examiner is appointed to rule on any discovery matters that arise during the course of this proceeding.

(3) WGL shall make copies of its Application, as well as a copy of this Order for Notice and Comment, available to the public, who may obtain copies by submitting a written request to counsel for the Company, Meera Ahamed, Esquire, Washington Gas Light Company, 1000 Maine Avenue, SW, Washington, D.C. 20024. If acceptable to the requesting party, the Company may provide the documents by electronic means. Copies of the public version of all documents also shall be available for interested persons to review in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday,

¹¹ Application at 2, 9; Lawson Direct at Exhibit No. RAL-3, page 1.

excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/case>.

(4) On or before February 19, 2019, the Company shall cause a copy of the following notice to be published as display advertising (not classified) on one occasion in newspapers of general circulation throughout the Company's service territory within the Commonwealth of Virginia:

NOTICE TO THE PUBLIC OF AN APPLICATION
 BY WASHINGTON GAS LIGHT COMPANY,
 FOR AUTHORITY TO AMEND ITS NATURAL GAS
 CONSERVATION AND RATEMAKING EFFICIENCY PLAN
CASE NO. PUR-2018-00193

On January 11, 2019, pursuant to Chapter 25 of Title 56 of the Code of Virginia, §§ 56-600 *et seq.*, and 5 VAC 5-20-80 of the Rules of Practice and Procedure ("Rules of Practice") of the State Corporation Commission ("Commission"), Washington Gas Light Company ("WGL" or "Company") filed a completed application ("Application") for authority to amend and extend its natural gas conservation and ratemaking efficiency plan ("Amended CARE Plan").

In its Application, the Company proposes to revise and expand its portfolio of programs for residential, Commercial and Industrial ("C&I"), and Group Metered Apartment ("GMA") customers receiving service under Rate Schedule Nos. 1, 1A, 2, 2A, 3 and 3A. WGL also proposes to increase funding to provide additional weatherization projects to low-income customers.

For residential customers, the Company seeks approval of the following revised programs: (1) Residential Equipment Program; (2) Online Home Energy Audit with Energy Conservation Kits Program; (3) Low-Income Weatherization Program; and (4) Behavioral Program. For eligible C&I and GMA customers, the Company seeks approval of three programs: (1) a revised Direct Installation Program; (2) a new Food Service Equipment Program; and (3) a revised Heating Equipment Program.

In its Application, the Company proposes a total budget of \$8,500,000, for its Amended CARE Plan for a three-year period to be effective from the first day of the May 2019 billing cycle. The

Company states that the incremental costs associated with the cost-effective conservation and energy efficiency programs proposed for the Amended CARE Plan will be recovered monthly through a CARE Cost Adjustment ("CCA") applied to customers' bills. WGL will also implement a decoupling mechanism, called the CARE Ratemaking Adjustment ("CRA"). According to the Company, both the CCA and the CRA will be calculated and implemented using methodology previously approved by the Commission. Based on the Company's proposed expenditures, the Company's projections for the CCA for Virginia customers in the first year of the Amended CARE Plan are as follows: (i) \$4.12 for a typical residential customer using 750 therms per year; (ii) \$17.61 for a typical small C&I heating customer using 5,672 therms per year; and (iii) \$52.18 for a typical GMA heating customer using 16,803 therms per year.

The details of these and other proposals are set forth in the Company's Application. Interested persons are encouraged to review the Application and supporting documents for further details of the Company's proposals.

Copies of the Company's Application, as well as the Order for Notice and Comment that the Commission entered in this case, may be obtained by submitting a written request to counsel for the Company, Meera Ahamed, Esquire, Washington Gas Light Company, 1000 Maine Avenue, SW, Washington, D.C. 20024. If acceptable to the requesting party, the Company may provide the documents by electronic means.

Copies of the Application and the public version of all documents filed in this case also are available for interested persons to review in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/case>.

On or before March 12, 2019, any interested person wishing to comment on the Company's Application shall file written comments on the Application with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. Any interested person desiring to file comments electronically may do so on or before March 12, 2019, by following the instructions on the Commission's website: <http://www.scc.virginia.gov/case>.

Compact discs or any other form of electronic storage medium may not be filed with the comments. All such comments shall refer to Case No. PUR-2018-00193.

On or before March 12, 2019, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be submitted to the Clerk of the Commission at the address above. A copy of the notice of participation as a respondent also must be sent to counsel for the Company at the address set forth above. Pursuant to Rule 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2018-00193.

On or before March 12, 2019, any interested person may file a written request for a hearing. If not filed electronically, an original and fifteen (15) copies of the hearing request shall be submitted to the Clerk of the Commission at the address above, and the interested person shall simultaneously serve a copy of the hearing request on counsel to the Company at the address set forth above. All requests for a hearing shall refer to Case No. PUR-2018-00193.

All documents filed with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

The Commission's Rules of Practice may be viewed at <http://www.scc.virginia.gov/case>. A printed copy of the Commission's Rules of Practice and an official copy of the Commission's Order for Notice and Comment in this proceeding may be obtained from the Clerk of the Commission at the address above.

WASHINGTON GAS LIGHT COMPANY

(5) On or before February 19, 2019, the Company shall serve a copy of this Order for Notice and Comment on the following officials, to the extent the position exists, in each county, city, and town in which the Company provides service in the Commonwealth of Virginia: the chairman of the board of supervisors of each county; the mayor or manager (or equivalent official) of every city and town; and the county, city, or town attorney. Service shall be made by either personal delivery or first class mail to the customary place of business or residence of the person served.

(6) On or before March 12, 2019, the Company shall file with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, proof of the notice and service required by Ordering Paragraphs (4) and (5).

(7) On or before March 12, 2019, any interested person may file written comments on the Application with the Clerk of the Commission at the address shown in Ordering Paragraph (6). Any interested person desiring to submit comments electronically may do so on or before March 12, 2019, by following the instructions found on the Commission's website: <http://www.scc.virginia.gov/case>. Compact discs or any other form of electronic storage medium may not be filed with the comments. All comments shall refer to Case No. PUR-2018-00193.

(8) On or before March 12, 2019, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be submitted to the Clerk of the Commission at the address set forth in Ordering Paragraph (6). Pursuant to Rule 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice,

any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2018-00193.

(9) Within five (5) business days of receipt of a notice of participation as a respondent, the Company shall serve upon each respondent a copy of this Order for Notice and Comment, a copy of the Application, and all materials filed by the Company with the Commission, unless these materials have already been provided to the respondent.

(10) On or before March 12, 2019, any interested person may file a written request for a hearing. If not filed electronically, an original and fifteen (15) copies of the hearing request shall be submitted to the Clerk of the Commission at the address set forth in Ordering Paragraph (6). All requests for a hearing shall refer to Case No. PUR-2018-00193.

(11) A copy of any written comments, requests for hearing, and notices of participation shall simultaneously be sent to counsel for the Company, Meera Ahamed, Esquire, Washington Gas Light Company, 1000 Maine Avenue, SW, Washington, D.C. 20024.

(12) On or before March 19, 2019, the Company may file with the Clerk of the Commission any response to requests for hearing filed by interested persons in this proceeding.

(13) The Staff shall investigate the Application. On or before March 27, 2019, the Staff shall file with the Clerk of the Commission an original and fifteen (15) copies of its Staff Report and exhibits regarding its investigation of the Application.

(14) On or before April 3, 2019, WGL may file with the Clerk of the Commission any response in rebuttal to the Staff Report and any comments filed by interested persons. If not

filed electronically, an original and fifteen (15) copies of such comments shall be filed with the Clerk of the Commission.

(15) All documents filed with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

(16) The Commission's Rule of Practice 5 VAC 5-20-260, *Interrogatories or requests for production of documents and things*, shall be modified for this proceeding as follows: responses and objections to written interrogatories and requests for production of documents shall be served within four (4) business days after receipt of the same. In addition to the service requirements of 5 VAC 5-20-260, on the day that copies are filed with the Clerk of the Commission, a copy of the interrogatory or request for production shall be served electronically, or by facsimile, on the party to whom the interrogatory or request for production is directed or the assigned Staff attorney if the interrogatory or request for production is directed to the Staff.¹² Except as modified above, discovery shall be in accordance with Part IV of the Commission's Rules of Practice, 5 VAC 5-20-240 *et seq.*

(17) This matter is continued.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Karen Hardwick, Esquire, and Meera Ahamed, Esquire, Washington Gas Light Company, 1000 Maine Avenue, SW, Washington, D.C. 20024; and C. Meade Browder, Jr., Senior Assistant Attorney General, Office of the Attorney General, Division of Consumer Counsel, 202 N. 9th Street, 8th Floor Street, Richmond, Virginia 23219-3424. A copy also shall be delivered to the

¹² The assigned Staff attorney is identified on the Commission's website, <http://www.scc.virginia.gov/case>, by clicking "Docket Search," and clicking "Search Cases," and entering the case number, PUR-2018-00193, in the appropriate box.

Commission's Office of General Counsel and Divisions of Public Utility Regulation and Utility
Accounting and Finance.

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