

## Public Service Commission of the District of Columbia 1325 G Street N.W., Suite 800 Washington, D.C. 20005 202-626-5100 www.dcpsc.org

## **Press Release**

For Immediate Release: August 11, 2016

## PSC Orders Washington Gas Light Company to Refund District Ratepayers for Over Delivery Charges

(WASHINGTON, D.C.) – The Public Service Commission of the District of Columbia (Commission) issued an order directing Washington Gas Light Company (WGL) to refund District ratepayers an estimated \$2.4M for over delivery of natural gas during the 2008-2009 winter heating season (Order No. 18505).

On December 19, 2014, the Commission opened an investigation into WGL's method of compensating Competitive Service Providers who over-delivered natural gas supplies to District ratepayers (Order No. 18008, issued October 27, 2015). The Commission determined that WGL used an unauthorized cash compensation payment method to reconcile the 2008-2009 over-delivery of daily required volumes of natural gas. WGL is obligated as a utility doing business in the District to "furnish services that are just, reasonable, and approved by the Commission."

In light of WGL's obligation, the Commission still maintains that the approved imbalance account adjustment procedure as specified in WGL's tariff is a fairer way to remedy the over-delivery problem because it accomplishes WGL's stated objective and avoids forcing ratepayers to shoulder unnecessary costs.

In the Order, the Commission directed WGL to refund District ratepayers an estimated \$2.4M through a credit to the Actual Cost Adjustment, or the cost of gas. WGL is directed to file with the Commission, within 15 days of the Order, a plan for implementing the \$2.4 million refund within a 12-month period, including, but not limited to, the estimated monthly refund amount for an average consumer. Additionally, the Commission directed WGL to provide additional reporting on over- or under-deliveries of gas to the Commission and the Formal Case No. 874 Gas Procurement Working Group. WGL is also directed to explain month-to-month changes in the monthly net Purchase Gas Charge (PGC) factors in its monthly or quarterly PGC filings to the Commission.

The Public Service Commission of the District of Columbia is an independent agency established by Congress in 1913 to regulate electric, natural gas, and telecommunications companies in the District of Columbia.

###