

Press Release

For Immediate Release: December 15, 2023 Contact: Whitney Douglas, <u>wdouglas@psc.dc.gov</u>, 202-626-6177

DCPSPC Approves Partial WGL Rate Increase to Balance Reliability, Affordability, and Climate Goals

(Washington, D.C.) The Public Service Commission of the District of Columbia (Commission) partially approved a rate increase for Washington Gas Light Company (WGL), that will go into effect Jan. 16, 2024. The decision, made after careful consideration of several factors, aims to address the need for operational expenses necessary to ensure continued reliable and safe natural gas services for customers in the District of Columbia, the need for affordable natural gas service, and the need to ensure compliance with the District's aggressive climate goals.

The approved rate adjustment reflects the Commission's commitment to balancing the needs of consumers with the essential requirements of maintaining robust and secure energy infrastructure. The Commission has approved a \$24.6 million increase in overall revenue, which includes moving \$4.7 million from a PROJECT*pipes* surcharge to the base rates. However, the Commission rejected WGL's proposed decoupling mechanism, the Climate Progress Adjustment, and WGL's proposed Climate Action Recovery Tariff. The Commission also made several other adjustments to WGL's proposed rate increase so that the approved rate increase is 54% less than WGL's original proposal, a substantial savings for customers. The Commission estimates that once new rates go into effect, the average residential heating customer's overall bill will increase by approximately \$7.63 per month, or 7.9% on a total estimated bill of \$104.24.

In an effort to assist low low-income District households with their natural gas bills, the Commission reduced the total monthly customer charge by 50% during the six non-heating months. This equates to a total annual bill credit of nearly \$50 for customers eligible for the Residential Essential Service (RES) credit.

"Balancing the need to ensure reliability and safety of our energy services with the needs of consumers for affordable natural gas service remains our top priority," stated Commission Chairman Emile Thompson. "The approved rate increase for Washington Gas Light Company balances these interests and encompasses just and reasonable rates."

The Commission's approval of this rate increase marks the first instance of a WGL distribution base rate increase since April 1, 2021, a span of approximately 33 months without any adjustments in base rates. This rate increase applies only to the rates and charges that WGL would be allowed to

impose to recover its costs for construction and maintenance of the infrastructure for the delivery of natural gas to customers in the District and for distribution-related services, such as metering, billing, and customer service.

For more information, please visit the Commission website at <u>www.dcpsc.org</u> or call the Office of Consumer Services at 202-626-5120.

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. ###

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