

A Message for Our District
of Columbia Customers

Notice

ABOUT OUR RATES

On **April 4, 2022**, **Washington Gas** filed an application with the Public Service Commission of the District of Columbia (“Commission”) requesting to increase the Company’s existing firm rates and charges for gas service in the District of Columbia. Washington Gas requests an increase in total weather-normalized annual revenues of no more than \$53 million, reflecting an overall increase of approximately 20.4% in revenues over and above current rates.

In its application, Washington Gas proposes a rate design innovation for the benefit of customers and the Company, as follows:

Climate Progress Adjustment: Washington Gas has included a request to establish a Climate Progress Adjustment (“CPA”) in its proposed rate structure. The proposed CPA will allow Washington Gas to recover its approved revenue requirement notwithstanding variances in the volume of energy consumed by our customers in direct alignment with the District’s climate goals. The CPA also stabilizes our customers’ monthly bills for the delivery of energy.

The Company is also proposing a Climate Action Recovery Tariff (“CART”) regulatory mechanism to timely recover costs associated with the Company’s efforts to support the District of Columbia’s climate goals.

This proposed revision better aligns customer rates with the Company’s cost of providing service.

The primary drivers of this rate increase request are the continued deficiency in the Company’s net operating income and the increased costs of operating in the District of Columbia.

Since the time of the last change in base rates in Formal Case No. 1162, factors including new

investments in our infrastructure, general inflation, employee-related costs, increased costs related to the Company's obligation to provide safe and reliable service, and regulatory requirements have contributed to the rising costs that necessitate a request for a rate increase. The Company now requests authority to include those prudently-incurred costs in rates.

If the Company's application with the Commission is approved, the increased cost to the average Washington Gas residential heating customer in the District of Columbia would be approximately \$16.48 per month. The exact increase depends on a customer's actual usage and the rate schedule under which the customer receives service.

Washington Gas proposes the changes to its tariff be implemented February, 2023. Any increase resulting from the Company's request must have the approval of the Commission.

COMPARISONS OF CURRENT AND PROPOSED CHARGES

Unless otherwise noted, the comparisons of current and proposed charges below apply to "firm customers," which are those who receive continuous natural gas service, without interruption, except in the event of an emergency. The changes noted below do not affect the Purchased Gas Charge ("PGC"), a direct pass-through cost paid by Washington Gas sales service customers (those who purchase natural gas directly from Washington Gas).

The first key element of a customer's bill is the **Customer Charge**, which covers certain costs of providing customer service, such as maintenance and repair of customer gas lines, meter reading, billing and other items. The current and proposed charges are:

Type of Customer	CURRENT Monthly Customer Charge	PROPOSED Monthly Customer Charge
RESIDENTIAL		
Heating/Cooling	\$ 15.05	\$ 18.80
Non-Heating/Non-Cooling:		
Individually Metered — Apts.	\$ 10.90	\$ 14.75
— Other	\$ 12.30	\$ 16.65

Type of Customer	CURRENT Monthly Customer Charge	PROPOSED Monthly Customer Charge
COMMERCIAL & INDUSTRIAL		
Heating/Cooling: Small	\$ 27.20	\$ 36.75
Large	\$ 63.70	\$ 79.65
Non-Heating/Non-Cooling	\$ 25.90	\$ 32.40
GROUP METERED APARTMENTS		
Heating/Cooling: Small	\$ 25.90	\$ 32.40
Large	\$ 63.70	\$ 79.65
Non-Heating/Non-Cooling	\$ 25.90	\$ 32.40
INTERRUPTIBLE		
All Customers	\$110.00	\$137.50
COMBINED HEAT & POWER		
All Customers	\$312.50	\$390.65

Distribution Charge per therm. It is the cost of delivering natural gas through Washington Gas' pipeline system to the customer's home or business and is based on the amount of natural gas the customer uses, stated in "therms" on the bill. The current and approved charges are:

Type of Customer	CURRENT Distribution Charge Per Therm	PROPOSED Distribution Charge Per Therm
RESIDENTIAL		
All gas used during the billing month		
Heating/Cooling	\$ 0.4542	\$ 0.6971
Non-Heating/Non-Cooling	\$ 0.4076	\$ 0.7227
Non-Heating/Non-Cooling Other	\$ 0.4511	\$ 0.8317
COMMERCIAL & INDUSTRIAL		
All gas used during the billing month		
Heating/Cooling: Small	\$ 0.4135	\$ 0.7582
Large	\$ 0.4006	\$ 0.5769
Non-Heating/Non-Cooling	\$ 0.3993	\$ 0.5812
GROUP METERED APARTMENTS		
Heating/Cooling: Small	\$ 0.4014	\$ 0.6014
Large	\$ 0.4060	\$ 0.5853
Non-Heating/Non-Cooling	\$ 0.4027	\$ 0.5837
INTERRUPTIBLE		
All gas used during the billing month		
First 75,000 therms	\$ 0.1755	\$ 0.2846
Over 75,000 therms	\$ 0.1619	\$ 0.2774
COMBINED HEAT & POWER		
All Customers	\$ 0.0800	\$ 0.1315

For a non-residential firm customer, the third element of the bill is the **Peak Usage Charge**.

Type of Customer	CURRENT Distribution Charge Per Therm	PROPOSED Distribution Charge Per Therm
COMMERCIAL & INDUSTRIAL		
Heating/Cooling: Small	\$ 0.0369	\$ 0.0677
Large	\$ 0.0352	\$ 0.0507
Non-Heating/Non-Cooling	\$ 0.0351	\$ 0.0511
GROUP METERED APARTMENTS		
Heating/Cooling: Small	\$ 0.0351	\$ 0.0526
Large	\$ 0.0352	\$ 0.0507
Non-Heating/Non-Cooling	\$ 0.0352	\$ 0.0510
COMBINED HEAT & POWER		
All Customers	\$ 0.0700	\$ 0.1151

MONTHLY EFFECTS OF PROPOSED INCREASE

The average monthly effects of the approved increase on the average sales service customer, as specified in the “Type of Customer” categories below, will be:

Type of Customer	ANNUAL Therm Usage	AVERAGE Monthly Increase	PERCENT Increase
RESIDENTIAL			
Heating/Cooling	629	\$ 16.48	19.1%
Non-Heating/Non-Cooling:			
Individually Metered — Apts.	62	\$ 5.48	31.0%
— Other	457	\$ 18.85	29.4%
COMMERCIAL & INDUSTRIAL			
Heating/Cooling: Small	1,083	\$ 44.35	29.3%
Large	17,545	\$ 296.96	14.6%
Non-Heating/Non-Cooling	3,881	\$ 69.49	15.1%
GROUP METERED APARTMENTS			
Heating/Cooling: Small	1,571	\$ 35.06	17.3%
Large	16,352	\$ 283.50	14.9%
Non-Heating/Non-Cooling	4,686	\$ 82.24	15.0%
INTERRUPTIBLE	337,059	\$3,090.89	31.8%



**Washington
Gas**

A WGL Company

washingtongas.com

Customer Service: **844-WASHGAS** (844-927-4427)

Natural Gas Leaks/Emergencies: **call 911** and
then **844-WASHGAS** (844-927-4427), press 1

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