

(“PUA”) §13-205. On November 12, 2021, OPC, Commission Staff (“Staff”) and Montgomery County replied to Washington Gas’s response.

3. On December 23, 2021, the Commission determined that the record in this case reflected an extensive failure to provide adequate customer service by Washington Gas to customers in its service territory.³ Based upon this conclusion, the Commission found that the Company violated Conditions 11 and 11F of the Merger Order. The Commission also concluded that Washington Gas violated COMAR 20.32.01.03, COMAR 20.55.04.10, and COMAR 20.55.04.11.⁴ The Commission agreed with Staff that a hearing was appropriate to determine the amount of a potential civil penalty and scheduled a hearing on February 9, 2022.

4. The Commission also approved Washington Gas’s CAP, subject to several amendments recommended by the parties. One of those amendments included OPC’s recommendation that Washington Gas be evaluated against the eight customer service metrics contained in the quarterly reports that it has filed with the Commission since 2008, rather than the Natural Gas Quality of Service Standards (“NGQSS”) set forth in the District of Columbia’s Municipal Regulations. The NGQSS would only require Washington Gas to satisfy two standards: (1) percentage of calls answered within thirty seconds; and (2) percentage of calls abandoned. The Commission adopted OPC’s recommendation.⁵

5. Staff also recommended that the Commission require Washington Gas to comply with Maryland benchmarks as contained within the Company’s January 3, 2019 Customer Service Report (the “Root Cause Analysis”) as well as COMAR 20.50.12, rather than the NGQSS. Additionally, Staff recommended that the Commission establish a regulatory liability to: (1) track any costs associated with its previous contract with Faneuil, Inc. (“Faneuil”) as well as its

³ Order No. 90018

⁴ *Id.* at 17-19

⁵ *Id.* at 22.

current contract with Sutherland Global Services Inc. (“Sutherland”); and (2) track all paid and forfeited late fees as well as all uncollectibles and associated costs from January 2020 until compliance with Maryland’s customer service metrics.⁶ The Commission adopted these recommendations.⁷

6. On January 24, 2022, Washington Gas filed a Petition for Rehearing and/or Clarification. In its Petition, Washington Gas contended that the Commission should address Washington Gas’s obligation to achieve industry standards for eight Maryland reliability metrics through a statewide rulemaking. Washington Gas also argued that the Commission approved the costs associated with its contract with Faneuil in prior rate cases and establishing a regulatory liability to track and potentially disallow those same costs would violate the prohibition against retroactive ratemaking.

7. On February 2, 2022, Staff, OPC and Montgomery County filed written comments regarding the issue of whether civil monetary penalties should be assessed against Washington Gas for its violations. Additionally, on February 4, 2022, OPC filed a response to Washington Gas’s Petition.

8. On February 9, 2022, the Commission heard oral arguments from all parties on the issues of: (1) the appropriate metrics by which to hold Washington Gas accountable as well as whether a rulemaking was the proper procedure for doing so; (2) whether the Commission should establish a regulatory liability to track costs incurred pursuant to Washington Gas’s contracts with Faneuil and Sutherland and whether any regulatory liability or tracker should apply only prospectively; and (3) the appropriate amount of any civil monetary penalty.

⁶ Staff Reply at 30-31.

⁷ Order No. 90018 at 17-18.

A. **Reliability Metrics**

1. Washington Gas

9. On rehearing, Washington Gas contends that the Commission cannot impose compliance with the eight metrics contained within the Root Cause Analysis without conducting a notice-and-comment rulemaking followed by the promulgation of regulations, as the Commission did with Maryland's electric companies (COMAR 20.50.12.08).⁸ Washington Gas argues that Dixon Hughes Goodman performed the Root Cause Analysis to create post-merger reporting requirements to allow the Commission to monitor customer service, not to establish enforceable standards.⁹ Washington Gas further argues that the six additional metrics are unnecessary because their data are largely contained within the two NGQSS standards.¹⁰

10. Additionally, Washington Gas argues that the Root Cause Analysis reflected industry standards in January 2019, and those standards may not reflect the industry standards in 2022.¹¹ In the alternative, Washington Gas requests an evidentiary hearing to allow it to submit evidence regarding the appropriate standards by which to measure its customer service.¹²

11. At the February 9 hearing, Washington Gas argued that the more granular data contained within Maryland's eight metrics might distract from the more important high-level metrics contained within the NGQSS.¹³ Additionally, it pointed to the inequity of the Commission finding noncompliance if Washington Gas satisfied only seven of the eight metrics in a future month due to reasons outside its control.¹⁴

⁸ Petition at 4.

⁹ *Id.* at 10.

¹⁰ *Id.* at 9.

¹¹ *Id.* at 10-11.

¹² *Id.* at 12.

¹³ Tr. 7-8.

¹⁴ Tr. 27-29.

2. OPC

12. OPC argues that the Commission need not conduct a rulemaking prior to requiring Washington Gas to comply with Maryland's eight metrics. Rather, the Commission has broad discretion to ensure that utilities are acting in the public interest, especially when evaluating a merger pursuant to PUA §6-105.

13. OPC cites to *Baltimore Gas and Elec. Co. v. Public Service Commission of Maryland* for the proposition that whether to proceed by general rulemaking or party-specific litigation is within the "informed discretion" of the Commission.¹⁵ OPC stresses that this case is about Washington Gas specifically and not Maryland gas companies in general. The specific violations by Washington Gas spanned over several years and violated merger conditions that applied only to Washington Gas.

14. OPC also argues that use of the eight metrics contained within the Root Cause Analysis is appropriate. Washington Gas has been filing reports incorporating these eight metrics for several years, and the Commission should use these same metrics to evaluate and enforce improvement in its customer service.¹⁶

15. OPC dismisses Washington Gas's contention that the Root Cause Analysis is outdated by noting that the NGQSS standards were also adopted by the District of Columbia in 2019.¹⁷ In fact, the NGQSS standards were based upon a rulemaking that occurred in Washington, D.C. in 2018.

16. OPC notes that Washington Gas's recent monthly reliability reports indicate no improvement towards industry standards, noting that not only has Washington Gas's customer

¹⁵ 305 Md. 145, 168 (1986).

¹⁶ OPC Response at 5-6.

¹⁷ *Id.* at 6-7.

service remained subpar, but its emergency call response time declined in Q3 and Q4 2021 such that it also lags behind industry standards.¹⁸

3. Staff

17. Staff did not directly respond to Washington Gas's Petition for Rehearing, but did observe in its comments that Washington Gas's emergency call response time has declined recently. Despite no prior issues in this category, emergency calls answered within 30 seconds declined to 55.6% in August 2021. In September, the percentage was 62.7%, and that percentage increased in October to 75.6%.¹⁹ Staff notes that these statistics remain below industry standards and although the Commission limited the violation period through June 22, 2021, Staff concludes that Washington Gas's customers are still receiving subpar service.²⁰

Commission Decision

18. The Commission agrees with OPC that the Commission need not conduct a statewide rulemaking to impose reliability standards unique to Washington Gas. This case involves customer service failures committed by Washington Gas and its contractors over several years and which violated two merger conditions applicable only to Washington Gas. The Commission ordered Washington Gas to submit a CAP to address these violations. The Commission did not require any other Maryland gas company to submit a corrective plan. This case is about Washington Gas, and there is no evidence that a rulemaking is currently necessary to develop statewide regulations applicable to all gas companies in Maryland.

19. Specifically, with regard to the approval of mergers such as that between AltaGas and WGL Holdings, Inc., the Commission must find "that the acquisition is consistent with the

¹⁸ At the hearing, Washington Gas offered no explanation for this decline, but noted that it separately measures its emergency call response time because emergency calls are directed to a separate phone number. Tr. 38-42. *See also* Staff Comments at 15.

¹⁹ Staff Comments at 15.

²⁰ *Id.* at 15.

public interest...including benefits and no harm to consumers” and “may condition an order authorizing the acquisition on the applicant’s satisfactory performance or adherence to specific requirements.”²¹ The Commission therefore is authorized to draft conditions such as Conditions 11 and 11F with an eye to the particular relationship between the utility and its new parent company post-merger. No other utility in Maryland is bound by Conditions 11 and 11F, and tailoring the terms of an appropriate Corrective Action Plan for Washington Gas does not require investigation into the historical or current performance of other gas utilities in Maryland.

20. The Commission has broad discretion to determine whether to address violations by a utility through broad regulatory action or utility-specific penalties. *Baltimore Gas and Elec. Co. v. Public Service Comm’n of Maryland*, 305 Md. 145, 168 (1986) (“It is a well-settled principle of administrative law that the choice made between proceeding by general rule or by individual, *ad hoc* litigation is one that lies primarily in the informed discretion of the administrative agency.”) Given the facts of this case, the Commission determines that a utility-specific remedy is necessary to address these longstanding issues at Washington Gas. If Washington Gas fails to meet one of the nine metrics in a particular month for reasons outside its control, the Company may always bring such circumstances to the Commission’s attention for consideration.²²

21. Washington Gas argues that the Commission should only use the eight metrics contained within its own Root Cause Analysis for reporting purposes, rather than as enforceable standards. However, the Root Cause Analysis was the basis for reliability improvement plans that failed to improve Washington Gas’s customer service. Holding Washington Gas to these enforceable standards is consistent with the basis upon which the Commission ordered the Root Cause Analysis in the first place.

²¹ PUA §6-105(3)(i) and (ii).

²² Washington Gas admitted that the Company would “avail ourselves of that opportunity” should such circumstances arise. Tr. 28.

22. Washington Gas argues that the Commission should only require that it meet the two reliability metrics contained in Washington, D.C.'s NGQSS. It argues that the eight metrics contained in its Root Cause Analysis are outdated as they reflect an analysis performed in 2019. However, as OPC observed, the NGQSS standards were also enacted in 2019, based upon rule making procedures that occurred in 2018.²³

23. Washington Gas provides no persuasive reason why the Commission should not continue to require that it be held to the same eight metrics it proposed the Commission use to evaluate its customer service post-merger. Washington Gas noted that it is already compiling this data on a monthly basis.

24. Additionally, the Commission will add a ninth metric and require Washington Gas to report monthly to the Commission the percentage of emergency calls answered within 30 seconds. This appears to be a recently developing problem, and the Commission will not address Washington Gas's reliability issues in a piece-meal fashion. Emergency calls are the most serious customer service provided by gas companies, and Washington Gas must immediately bring its response time up to industry standards. These nine metrics will provide the Commission with broad and clear means by which to evaluate whether the Company has finally addressed a serious issue that has harmed its customers for several years.

25. Finally, the Commission expects Washington Gas to comply with these nine metrics for three consecutive months.²⁴ After successfully achieving industry standards for three consecutive months to the Commission's satisfaction, Washington Gas may renew the issuance of dunning letters as well as the assessment of late fees and terminations. Once Washington Gas

²³ OPC Response to Petition for Rehearing at 7.

²⁴ As noted, to the extent Washington Gas believes compliance with these metrics is unfair because an unforeseen event might cause it to fail to meet one of the eight metrics, the Company may apply to the Commission for the equivalent of a special exception and bring such special circumstances to the Commission's attention.

has achieved this level of compliance, the nine metrics identified in this order will no longer be enforceable standards, and the Company will be bound by the same COMAR regulations as other Maryland gas companies.

26. In the future, the Commission may create a working group to evaluate and report to the Commission recommendations for statewide gas reliability metrics as the Commission has promulgated for electric companies. However, for purposes of addressing Washington Gas's specific violations of COMAR and the merger conditions, a statewide rulemaking is unnecessary and inappropriate at this time. Washington Gas's request for rehearing on this issue is therefore denied.

B. Regulatory Liability/Tracker

1. Washington Gas

27. Washington Gas seeks clarification as to whether the Commission expects it to track expenses previously incurred during its contract with Faneuil and previously approved in its prior rate cases – Case Nos. 9605 and 9651.²⁵ If the Commission seeks to require the tracking of previously approved expenses, Washington Gas contends that any disallowance of these costs would violate the prohibition against retroactive ratemaking.²⁶

28. Washington Gas notes that Commission Order No. 90018 may have intended to refer to the establishment of a regulatory liability for incremental costs incurred during the execution of Faneuil's contract only to the extent those costs become a part of a test year in a future rate case.²⁷ Washington Gas seeks clarification as to the costs the Commission wishes to be included within any regulatory liability.

²⁵ Petition at 5.

²⁶ *Id.* at 14.

²⁷ *Id.* at 5.

29. Washington Gas also argues that a regulatory liability is unnecessary regarding its prospective relationship with Sutherland, as it will maintain documentation of all costs and damages that it incurs as a result of its contract with Sutherland going forward and will provide the Commission with a separate description of these costs in its next rate case.²⁸

2. OPC

30. OPC supports the establishment of a regulatory liability to monitor both past and present customer service costs incurred by Washington Gas. Past costs that might otherwise violate the prohibition against retroactive ratemaking would still allow the Commission to scrutinize the Company's expenses, and OPC's primary goal is transparency.²⁹ At the hearing, OPC stated that it does not object to a tracker instead of a regulatory liability as long as the tracked costs provide transparency into the Company's ongoing efforts to bring its customer service up to acceptable levels.³⁰ However, OPC does not accept Washington Gas's argument that tracking expenses under Sutherland's contract is unnecessary, as Washington Gas has given the Commission many assurances in the past as to the quality of customer care to be provided by prior vendors only to fail to achieve the promised results.³¹

3. Staff

31. Staff did not respond to Washington Gas's Petition for Rehearing. However, Staff initially recommended the establishment of a regulatory liability to track all costs pertaining to the Company's past contract with Faneuil as well as its contract with Sutherland going forward.³² The Commission adopted Staff's recommendation.³³

²⁸ Tr. 50-51.

²⁹ Response to Petition at 14; Tr. 46-47.

³⁰ Tr. 47-50.

³¹ Response to Petition at 14-15.

³² Staff Reply to Response to Order to Show Cause at 30-31.

³³ Order No. 90018 at 22-23.

Commission Decision

32. The Commission will order Washington Gas to track all expenses and damages related to its contract with Faneuil to the extent any incremental costs or recovered damages become a part of a test year in the Company's next rate case. While the Commission will not require the establishment of a regulatory liability, Washington Gas is directed to track all costs and damages incurred as a result of its contract with Faneuil that were not previously approved by the Commission, as well as all costs incurred going forward with its contract with Sutherland.

33. Although Washington Gas does not believe its future costs related to the Sutherland contract require a tracker, the Commission agrees with Staff and OPC that its track record of customer service problems requires far more oversight than the existing monthly reports to monitor progress. Washington Gas has faced cost recovery issues with its last two vendors, and the Commission concludes that a tracker is necessary at this point to ensure these issues do not continue.

34. The Commission established an end date of June 22, 2021 (the date of the execution of the Master Agreement with Sutherland) to determine any civil monetary penalty and to allow Washington Gas an opportunity to turn around what has been a significant years-long provision of poor customer service. Should Washington Gas fail to improve its customer service going forward, the Commission will evaluate appropriate penalties and corrective action for the period beginning June 22, 2021.

C. Civil Monetary Penalty

35. PUA §13-201(b) provides that "the Commission may impose a civil penalty not exceeding \$25,000 against a person who violates a provision of this division, or an effective and

outstanding direction, ruling, order, rule or regulation of the Commission.” PUA §13-201(d)

states:

Determination of amount. – The Commission shall determine the amount of any civil penalty after considering:

- (1) The number of previous violations of any provision of this article;
- (2) The gravity of the current violation;
- (3) The good faith efforts of the violator in attempting to achieve compliance after notification of the violation; and
- (4) Any other matter that the Commission considers appropriate and relevant.

36. Further, PUA §13-205 provides that “[a] public service company is subject to a fine of \$100 for each day beyond 30 days after the deadline set by the Commission that the public service company fails to...(2) make a report or furnish information that the Commission requests or requires.”

37. In Order No. 90018, the Commission concluded that:

Based upon the record, the Commission concludes that Washington Gas has been in violation of three COMAR provisions from at least 2016 through the present. The Company has also been in violation of Conditions 11 and 11F from June 2018 through the present. In light of the early stage and the slightly positive early results provided by the Company, the Commission will not extend the term of violations beyond June 22, 2021, the date of the execution of the current MSA with Sutherland.³⁴

Regarding Washington Gas’s failure to submit timely reports pursuant to PUA §13-205, the Commission concluded that:

The record also clearly establishes that the Company failed to file eight quarterly reports from 2019 and 2020 in a timely fashion as required by Condition 11F of the Merger Order. The Commission notes that Washington Gas’s obligation to submit these reports began in 2008, and Condition 11F only continued this obligation. Even in the absence of its acquisition by AltaGas, the Company’s failure to submit timely reports would have triggered potential civil penalties under PUA §13-205.

³⁴ Order No. 90018 at 13.

Additionally, the Commission ordered these reports precisely to prevent the situation that has arisen.³⁵

As noted above, the Commission scheduled a hearing on February 9, 2022 to determine the appropriate penalties in light of these findings and to allow the parties to weigh in on the factors the Commission must consider pursuant to PUA §13-201(d).

1. Washington Gas

38. At the hearing, Washington Gas stated that it takes full responsibility for the poor customer service that it provided while Faneuil acted as its third-party customer service provider.³⁶ Washington Gas explained that it worked diligently with Faneuil to improve customer service during the period in question, including waiving penalties to which it was entitled under the governing Master Agreement.³⁷ Additionally, once it was aware that Faneuil could not correct the glaring problems with its customer service, Washington Gas stated that it moved promptly to execute a Master Agreement with Sutherland.

39. Washington Gas noted that the early data indicates that Sutherland has improved customer service.³⁸ Washington Gas also noted that it has suspended all dunning notices, late fees and terminations since September 2021.³⁹ Washington Gas acknowledged its failure to file eight timely reports in 2019 and 2020.

40. Pursuant to PUA §13-205, Washington Gas stated that it would accept a penalty of \$147,600 for these failures.⁴⁰ Washington Gas also suggested a total civil monetary penalty of \$300,000, inclusive of penalties under PUA §13-205, would be appropriate.⁴¹ Washington Gas

³⁵ Order No. 90018 at 12-13.

³⁶ Tr. 18.

³⁷ Petition for Rehearing at 1-2.

³⁸ *Id.* at 2-3.

³⁹ Response to Order to Show Cause at 30.

⁴⁰ Washington Gas Response to Order to Show Cause at 33; Staff Comments at 6, Table 1.

⁴¹ Tr. 59.

also proposes that the payment be made to the Washington Area Fuel Fund, Washington Gas's customer assistance program.⁴²

2. OPC

41. OPC contends that a fine of \$1.5 million is appropriate under the circumstances, arguing that the Sutherland contract does not constitute mitigation under PUA §13-201(d)(3). To the contrary, OPC interprets the early data to show that Sutherland has thus far failed to improve upon the poor record of Faneuil.⁴³

42. Regarding PUA §13-201(d)(1), OPC notes that the Commission imposed a \$750,000 fine on Washington Gas for failure to file required reports for many years in connection with its mercury service regulator replacement program.⁴⁴ As a result of Washington Gas's failure to provide any reports over those years, it was forced to submit an entirely new proposed timeline for the replacement of its mercury regulators. Thus, OPC argues that this is the second time in a relatively short period that Washington Gas has failed to honor a commitment to file reports with the Commission.

43. Pursuant to PUA §13-201(d)(2), OPC argues that the years-long poor customer service constitutes a very grave violation. OPC rejects Washington Gas's suggestion that its poorly managed call centers merely inconvenienced customers. To the contrary, many customers could not move into their homes due to the lack of gas heat, nor could they heat their homes, cook or use hot water.⁴⁵ Additionally, due to the high number of abandoned calls, the Commission cannot know how many more customers suffered harm that went unreported.

⁴² *Id.*

⁴³ Response to Petition for Rehearing at 8-13; OPC Comments at 6-8.

⁴⁴ Case No. 9622, Order No. 89680 at 25.

⁴⁵ OPC Comments at 5.

44. OPC points to Case No. 9445, in which Washington Gas issued 700,000 incomplete notices of termination and improperly terminated 26,000 customers.⁴⁶ In that case, the PULJ accepted a partial settlement, and WGL provided \$400,000 to the Washington Area Fuel Fund.⁴⁷ Washington Gas also agreed to refund certain revenues collected from customers who received termination notices from October 1, 2014 through January 3, 2017.⁴⁸ These refunds totaled approximately \$1.4 million.⁴⁹ The PULJ concluded that the proposed remediation agreed to by Washington Gas constituted "sufficient penalties to deter Washington Gas from engaging in termination of service prior to ensuring the notices comply with the Commission's regulations then in effect."⁵⁰ Based upon all of these factors, OPC recommends a total penalty of \$1.5 million.

3. Staff

45. Staff largely agrees with OPC as to the lack of mitigation based upon Sutherland's early performance. Regarding prior violations by Washington Gas, Staff also refers to the Commission's \$750,000 civil penalty for Washington Gas's failure to make any required reports over a period of several years regarding the Company's mercury regulator replacement program in Case No. 9622.

46. Regarding other factors within the Commission's discretion pursuant to PUA §13-201(d)(4), Staff refers to Case No. 9240, in which the Commission assessed a \$1 million fine against Pepco for:

recurring daily violations...that Pepco committed in 2010 for vegetation management and insufficient inspections. The penalty is also informed by the criteria Mr. Hughes

⁴⁶ *In the Matter of Service Terminations by Washington Gas Light Company*, Case No. 9445, Proposed Order No. 88649 (April 23, 2018).

⁴⁷ *Id.* at 5.

⁴⁸ *Id.* at 7.

⁴⁹ *Id.* at 15.

⁵⁰ *Id.* at 16.

discussed, including (i) the significant number of customers affected by chronic outages in Pepco's Maryland service territory, and (ii) the Company's failure to perform preventative maintenance work that could have lessened the severity of interruptions.⁵¹

Staff contends that the facts in Case No. 9240 are comparable to those in the present case in that both matters involved violations that extended over several years.

47. After considering the factors in PUA §13-201(d) largely from the same perspective as OPC, Staff recommends a total penalty of \$1,147,600, which includes a penalty under §13-201 of \$1 million and a penalty under §13-205 of \$147,600 for the reporting violations.⁵²

4. Montgomery County

48. Montgomery County supports OPC's requested civil penalty of at least \$1.5 million.⁵³ Montgomery County argues that the Commission should impose a penalty for untimely reporting as well as a penalty commensurate with the gravity of the violations.⁵⁴

Commission Decision

49. After considering all of the arguments in this case, as well as the mandatory factors contained within PUA §13-201(d), the Commission will impose on Washington Gas a civil monetary penalty of \$1,147,600. This consists of a \$1 million penalty under PUA §13-201 and a largely undisputed penalty of \$147,600 under PUA §13-205.

50. The Commission has considered the prior violations by Washington Gas, particularly the relatively recent failure to report to the Commission regarding the progress of the Company's 10-year commitment to replace all mercury regulators within its service territory. The Commission has also considered that Washington Gas violated three COMAR provisions as well as two of the

⁵¹ *In the Matter of an Investigation into the Reliability and Quality of the Electric Distribution Service of Potomac Electric Power Company*, Case No. 9240, Order No. 84564 at 57 (Dec. 21, 2011).

⁵² Staff calculated the total penalty under §13-205 by assuming the violation occurred 61 days after the quarter (i.e. 30 days to file and 30 days for the statutory grace period). Staff Comments at 5.

⁵³ Montgomery County Comments at 1.

⁵⁴ Comments at 3.

conditions to the AltaGas merger. The Commission conditioned its approval of that merger upon the expectation that Washington Gas would provide satisfactory customer service post-merger. However, the opposite occurred, and Washington Gas's customers have suffered significant harm as a result.

51. The parties disagree as to whether the early data regarding Washington Gas's performance under the contract with Sutherland is cause for alarm or optimism. However, the Commission will not characterize Washington Gas's performance at this early date. The Commission finds that it has already given Washington Gas sufficient credit for executing the new Master Agreement with Sutherland by ending the violation period on the execution date (i.e., June 22, 2021).⁵⁵ Going forward, the Commission will evaluate the performance of Washington Gas (and by extension, Sutherland) based upon the new reporting metrics detailed above.

52. Calculating a specific civil monetary penalty is a subjective enterprise to some extent. A penalty of \$1 million pursuant to PUA §13-201 represents the high end of Staff's recommendation and below the recommendation by OPC. Although the facts of each case are distinguishable, our statute requires the Commission to consider prior violations by the Company as well as comparable penalties assessed on other utilities. The \$1 million civil monetary penalty imposed on Pepco in Case No. 9240 and the \$750,000 penalty imposed on Washington Gas in Case No. 9622 are not binding upon the Commission in this case. However, they do provide guidance as to how the Commission has determined penalties for serious violations in the past. For these reasons, the Commission imposes a total civil monetary penalty of \$1,147,600.

⁵⁵ OPC Comments at 6-7.

IT IS THEREFORE, this 17th day of March, in the year Two Thousand and Twenty-Two, by the Public Service Commission of Maryland,

ORDERED: (1) That Washington Gas's Petition for Rehearing is granted, in part, and denied, in part, as discussed in the body of this Order.

(2) That Washington Gas shall meet industry standards for the eight Maryland metrics contained within its quarterly reports, as discussed in the body of this Order;

(3) That Washington Gas shall meet industry standards for its percentage of emergency calls answered within 30 seconds, as discussed in the body of this Order;

(4) That Washington Gas shall track all costs and damages incurred as a result of its contract with Faneuil that were not previously approved in a rate case as well as all costs and recovered damages incurred going forward with its contracts with Faneuil and Sutherland; and

(5) That Washington Gas shall pay a civil monetary penalty of \$1,147,600. within 10 business days of the date of this Order.

/s/ Jason M. Stanek

/s/ Michael T. Richard

/s/ Anthony J. O'Donnell

/s/ Odogwu Obi Linton

/s/ Mindy L. Herman

Commissioners