

**ORDER NO. 92207**

Washington Gas Light Company's  
Application for Approval of a New Gas  
System Strategic Infrastructure  
Development and Enhancement Plan and  
Accompanying Cost Recovery  
Mechanism

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BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF MARYLAND

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CASE NO. 9708

**Issue Date: February 26, 2026**

**ORDER ON STRIDE COMPLIANCE AND RELATED MATTERS**

On December 20, 2025, Washington Gas Light Company (“WGL”) submitted a Next Generation Energy Act (“NGEA”) compliance filing (“NGEA Compliance Filing”)<sup>1</sup> in response to the Commission’s October 21, 2025 Letter Order.<sup>2</sup> On December 29, 2025, the Commission issued a Notice of Request for Comments on WGL’s NGEA Compliance Filing.<sup>3</sup>

On December 29, 2025, the Commission issued a Letter Order to WGL on the Calendar Year 2026 (“CY2026”) STRIDE Project List in Case No. 9708.<sup>4</sup> On January 27, 2026, WGL filed a Motion for Reconsideration, or Alternatively, Petition for Rehearing.<sup>5</sup> On January 29, 2026, the Commission issued a Notice of Request for Comments on WGL’s Motion for Reconsideration (“Motion”).<sup>6</sup>

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<sup>1</sup> Maillog No. 325541.

<sup>2</sup> Maillog No. 323749.

<sup>3</sup> Maillog No. 325702.

<sup>4</sup> Maillog No. 325900.

<sup>5</sup> Maillog No. 326585.

<sup>6</sup> *Id.*

Between January 30, 2026 and February 3, 2026, multiple intervenors filed comments on WGL's NGEA Compliance Filing.<sup>7</sup>

On February 5, 2026, the Office of People's Counsel ("OPC") and Office of Staff Counsel ("Staff") filed comments on the Notice of Request for Comments on WGL's Motion for Reconsideration.<sup>8</sup> On February 12, 2026, WGL filed a Motion for Leave to File Responsive Comments ("Motion for Leave").<sup>9</sup>

For the reasons outlined below, the Commission now orders that WGL's proposed CY2026 STRIDE Project List is approved including WGL's proposed STRIDE surcharges and that Staff shall file proposed regulations to establish standards for NGEA compliance.

## **I. WGL'S CY2026 STRIDE PROJECT LIST COMPLIANCE WITH THE NGEA**

The core issue to be decided is whether WGL's CY2026 STRIDE Project List complies with the NGEA and what is the appropriate procedural path going forward.

### **A. Positions of the Parties**

WGL asserts compliance, citing the proprietary JANA Lighthouse model for prioritization and a "mitigatable risk per \$10,000 spent" metric, among other things. WGL argues any challenge requires a formal evidentiary proceeding and requests approval of the CY2026 Project List.

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<sup>7</sup> Miller Pipeline (Maillog No. 326694), Upgrade Maryland and MD Nonprofit Advocates (Maillog No. 326696), Maryland Energy Administration (Maillog No. 326716), Sierra Club and Chesapeake Climate Action Network (Maillog No. 326728), Metropolitan Area of Philadelphia/Baltimore/Washington Laborers District Council (Maillog No. 326738), Office of People's Counsel (Maillog No. 326739), Office of Staff Counsel (Maillog No. 326745), Mid Atlantic Pipe Trade Association (Maillog No. 326756), and Infrasource (Maillog No. 326801).

<sup>8</sup> OPC (Maillog No. 326908) and Staff (Maillog No. 326911).

<sup>9</sup> Maillog No. 327088.

OPC contends the WGL NGEA compliance filing is deficient, because it lacks required technical data (*e.g.*, Net Present Value (“NPV”) analysis, detailed risk distribution) and relies on conclusory statements. OPC recommends a Commission ruling finding the filing deficient, issuing clear guidance (requiring NPV and transparent risk modeling), and requiring a revised plan with supporting testimony before an evidentiary hearing.

Staff reviewed the gas distribution programs and found they meet NGEA requirements for five criteria<sup>10</sup> but requires a WGL response to a Data Request (DR-02) before fully evaluating certain Gas Transmission and Meter Set and Piping Remediation/Replacement programs for NGEA compliance.

The Maryland Energy Administration (“MEA”) highlights a lack of transparent and detailed analysis on nonpipeline alternatives (“NPAs”) and risk ranking, urging the Commission to issue analytical guidelines. MEA seeks more detail on NPA selection, cost breakdowns, and risk ranking calculations, and suggests studying contraction/electrification segments.

The Sierra Club and Chesapeake Climate Action Network (“Environmental Organizations”) state WGL uses vague language, fails to quantify costs/cost-effectiveness of alternatives, ignores stranded asset risk, and is inconsistent with the Climate Solutions Now Act, in particular the State’s greenhouse gas reduction goals and policy towards broader electrification.<sup>11</sup> They recommend the Commission direct WGL to correct the submission with detailed, quantitative climate and cost-benefit analyses, negating the

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<sup>10</sup> Staff’s evaluation covered: (1) useful life; (2) customer benefit; (3) risk to public; (4) cost effectiveness; and (5) customer notification.

<sup>11</sup> *Annotated Code of Maryland*, Environmental Article §§ 2-1204.1, 2-1204.2; S.B. 528 (2022), Ch. 38 § 10(a)(1).

immediate need for a hearing.

Upgrade Maryland claims WGL failed to demonstrably prove NGEA compliance on cost-effectiveness, alternatives assessment, and system safety. It recommends the Commission formally order WGL to demonstrate compliance with transparent risk methodology, document non-emergency alternatives, justify medium-pressure conversions, and deny accelerated cost recovery for non-risk-optimized investments.

### **Commission Decision**

Upon careful review of the arguments presented by the various parties regarding whether WGL's CY2026 STRIDE Project List complies with the NGEA, the Commission finds that a final determination at this time would be premature.

Given the positions of the stakeholders on this matter, the fact that other gas companies may be impacted by any standards for NGEA compliance, and the need for further analysis, the Commission hereby concludes that this matter cannot be resolved within Case No. 9708. Rather, the NGEA compliance standard requires further consideration in a rulemaking proceeding by all parties, including other gas companies, that may be impacted. This rulemaking proceeding shall consider NGEA compliance requirements for setting forth a STRIDE plan, such as the five-year plan currently employed by WGL, in addition to compliance requirements for annual STRIDE Project Lists. Furthermore, the records associated with NGEA compliance in the instant case from all parties shall be considered in establishing this rulemaking petition.

The Commission notes that there are areas of overlap between this case and the

matters being considered in Case No. 9707.<sup>12</sup> Relevant records and testimony associated with NGEA compliance in Case No. 9707 may also be considered in establishing this rulemaking petition.

In the interim, the Commission makes no findings as to whether WGL's CY2026 STRIDE Project List is in compliance with the applicable NGEA statutory requirements. Nevertheless, the Commission will permit the CY2026 STRIDE Project List work to proceed.

The Commission hereby initiates an Administrative Docket, RM 95, for the purpose of establishing STRIDE Plan NGEA Compliance Standards and to also establish a service list of interested stakeholders.

The Commission directs Staff to circulate draft regulations and hold at least one meeting with the stakeholder organizations that are registered on the service lists for Case Nos. 9707 and 9708 for the purpose of receiving and considering feedback before finalizing its regulation proposal. Staff is also directed to file a list of the non-consensus positions and any alternative regulation proposals offered by stakeholders with its petition for rulemaking.

## **II. RETROACTIVITY AND APPLICABILITY OF THE NGEA TO WGL'S STRIDE 3 PLAN**

Several parties issued comments on whether the Commission's review of the existing STRIDE 3 Plan and the proposed CY2026 Project List must be governed by the NGEA's new, more stringent requirements.

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<sup>12</sup> See Case No. 9707, *Petition of the Office of People's Counsel for Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland's Gas Companies*.

### **A. Positions of the Parties**

WGL argues that statutes operate only prospectively and that the NGEA should not retroactively apply to STRIDE 3. WGL therefore requests immediate approval of the CY2026 Project List without revisions.

OPC, Staff, MEA, the Environmental Organizations and Upgrade Maryland argue that the Commission has already ruled or must rule that the NGEA's amended statute explicitly applies to STRIDE 3 and contend that WGL must demonstrate compliance with the NGEA's new requirements.

### **Commission Decision**

The Commission ruled in its October 29, 2025 Letter Order<sup>13</sup> that the NGEA does not apply to STRIDE 3 “ongoing work.” The Commission affirms this Order for the reasons stated in its previous Letter Order. WGL’s argument about prospective application of statutes is inapplicable here, where the Commission’s orders concern present and future STRIDE projects, not past ones. *Annotated Code of Maryland*, Public Utilities Article § 4-210(I)(1) authorizes the Commission to review a previously approved plan.

### **III. SCOPE OF WGL CY2026 STRIDE LIST APPROVAL**

The Commission’s Letter Order on December 29, 2025 established a bright-line definition for CY2026 STRIDE Project List eligibility using a Business Case Authorization (“BCA”) status of “Active” before the Letter Order issuance to define “ongoing work.”

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<sup>13</sup> Commission Letter Order to WGL regarding Revised 2025 STRIDE Project List. Case No. 9708 (Maillog No. 323749).

WGL’s self-described BCA scope indicates that a BCA “Active” status encompasses all work with “construction or cost activity.”<sup>14</sup>

**A. Positions of the Parties**

WGL recommends that the Commission immediately authorize three additional categories of "ongoing" projects (36 "Authorized," 5 Low-Pressure, and 4 Scattered Service projects). WGL and Staff also recommend that prudent and necessary pre-construction costs (*e.g.*, engineering, permits, *etc.*) for a project that does not yet have an "Active" BCA status is appropriate. OPC maintains that the "Active" BCA bright-line rule is appropriate, arguing for a work stoppage for the other BCA categories.

**Commission Decision**

Given the Commission’s decision above regarding NGEA compliance, the Commission finds that this issue is moot. WGL may proceed with its CY2026 STRIDE Project List at this time.

**IT IS, THEREFORE,** this 26<sup>th</sup> day of February, in the year of Two Thousand Twenty-Six, by the Public Service Commission of Maryland, **ORDERED:**

(1) that WGL’s proposed CY2026 STRIDE Project List is approved, including WGL’s proposed STRIDE surcharges, as shown in column (d) of Table No. 7 in Staff’s Bucksheet No. E-59425;

(2) that the directives contained in the Commission’s Letter Order of December 29, 2025, concerning “active” projects are rescinded; and

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<sup>14</sup> Maillog No. 320972: Attachment I at 4.

(3) that Staff shall file proposed regulations as discussed herein within 120 days of the issuance of this Order.

*/s/ Kumar P. Barve* \_\_\_\_\_

*/s/ Frederick H. Hoover, Jr.* \_\_\_\_\_

*/s/ Bonnie A. Suchman* \_\_\_\_\_

*/s/ Odogwu Obi Linton* \_\_\_\_\_

*/s/ Ryan C. McLean* \_\_\_\_\_

Commissioners