

COMMONWEALTH OF PENNSYLVANIA PENNSYLVANIA PUBLIC UTILITY COMMISSION COMMONWEALTH KEYSTONE BUILDING 400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF INVESTIGATION & ENFORCEMENT

April 21, 2025

Via Electronic Filing

Matthew L. Homsher, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street Harrisburg, PA 17120

Re: Petition for Generic Investigation on Rulemaking Regarding "Gas-on-Gas"

Competition Between Jurisdictional Natural Gas Distribution Companies

Docket No. P-2011-2277868

Generic Investigation Regarding "Gas-on-Gas" Competition Between

Jurisdictional Natural Gas Distribution Companies

Docket No. I-2012-2320323

I&E Prehearing Memorandum

Dear Secretary Homsher:

Enclosed for electronic filing please find the Bureau of Investigation and Enforcement's (I&E) Prehearing Memorandum in the above-captioned proceeding.

Copies are being served on parties per the attached Certificate of Service. Should you have any questions, please do not hesitate to contact me.

Sincerely,

Allison C. Kaster

Director

Bureau of Investigation and Enforcement

allison C. Kaster

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ACK/ac Enclosures

cc: Administrative Law Judge Katrina L. Dunderdale (via email – <u>kdunderdal@pa.gov</u>)

Mary Swarner, Legal Assistant (via email – mswarner@pa.gov)

Per Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition for Generic Investigation or :

Rulemaking Regarding "Gas-On-Gas : Docket No. P-2011-2277868

Competition" Between Jurisdictional :

Natural Gas Distribution Companies :

Generic Investigation regarding Gas-On-

Gas Competition Between Jurisdictional : Docket No. I-2012-2320323

Natural Gas Distribution Companies :

PREHEARING MEMORANDUM OF THE BUREAU OF INVESTIGATION AND ENFORCEMENT

TO ADMINISTRATIVE LAW JUDGE KATRINA L. DUNDERDALE:

Pursuant to the Prehearing Conference Order dated April 2, 2025, the Bureau of Investigation and Enforcement ("I&E") of the Pennsylvania Public Utility Commission ("Commission") respectfully submits the following Prehearing Memorandum in the above-captioned proceeding.

I. Introduction

The Gas-On-Gas competition docket was originally initiated in 2011. A recommended decision was issued on June 24, 2014 and, on May 4, 2017, the Commission entered an order permitting gas-on-gas competition under specific conditions and sought comments on appropriate modifications to gas-on-gas flexible rate tariffs.

Thereafter, on June 13, 2019, the Commission entered an order that articulated four open issues ("2019 Order"). Columbia Gas of Pennsylvania, Inc. ("Columbia"); Peoples Natural Gas Company, LLC, and Peoples TWP, LLC ("Peoples"); the Industrial Energy

Consumers of Pennsylvania ("IECP"); the Office of Consumer Advocate ("OCA"); and the Office of Small Business Advocate ("OSBA") filed comments and the Commission directed these parties to work collaboratively with each other and Commission staff in the Bureau of Technical Utility Services and the Law Bureau to attempt to reach a consensus resolution of the open issues.

Although the parties met collaboratively with the designated Commission staff as directed, the Commission was advised that no consensus could be reached on the outstanding issues. Given the nature of the controversy and the passage of time, the Commission directed that the record be reopened so that testimony, exhibits, input from affected customers and statutory advocates, and briefs as may be necessary to be followed by a recommended decision regarding the disposition of gas-on-gas competition to be provided to the Commission.

Accordingly, this matter was assigned to the Office of Administrative Law Judge.

Administrative Law Judge Katrinia L. Dunderdale set the Prehearing Conference to be held on April 22, 2025 at 9:00 a.m.

II. Service

Allison Kaster is the assigned I&E Prosecutor in this proceeding. If agreeable to Your Honor and the parties, I&E supports electronic service without a follow-up hard copy. Contact information is as follows:

By mail: Allison C. Kaster

Pennsylvania Public Utility Commission Bureau of Investigation and Enforcement Commonwealth Keystone Building

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By e-mail: <u>akaster@pa.gov</u>

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III. Discovery

At this time, I&E does not propose any modifications to the Commission's discovery regulations.

IV. Issues

As articulated in the 2019 Order and restated in the recent Secretarial Letter, the open issues to be addressed are:

- (1) The appropriate methodology to calculate the lowest applicable gas-on-gas flex tariff rates available to customers who participate in gas-on-gas competition.
- (2) The uniform tariff provisions to be utilized by jurisdictional natural gas distribution companies in implementing gas-on-gas flex rates.
- (3) The circumstances under which the extension of service to a potential gas-on-gas customers at full tariffed rates should be permitted.
- (4) Whether a separate rate schedule should be established for gas-on-gas flex rate customers.

V. Witnesses

I&E has not currently identified an expert witness for this proceeding. I&E will notify Your Honor and the parties if I&E anticipates utilizing an expert witness.

VI. Schedule

I&E will work with the other parties to develop a mutually agreeable schedule in this matter.

VII. Conclusion

I&E is willing to make good faith efforts to successfully resolve this matter.

Respectfully Submitted,

allison C. Kasten

Allison C. Kaster Chief Prosecutor

PA Attorney ID No. 93176

Pennsylvania Public Utility Commission Bureau of Investigation and Enforcement Commonwealth Keystone Building 400 North Street Harrisburg, PA 17120

Dated: April 21, 2025

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition for Generic Investigation on :

Rulemaking Regarding "Gas-on-Gas" : Docket No. P-2011-2277868

Competition Between Jurisdictional :

Natural Gas Distribution Companies :

Generic Investigation Regarding "Gas-on- :

Gas" Competition Between Jurisdictional : Docket No. I-2012-2320323

Natural Gas Distribution Companies :

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing Prehearing Memorandum dated

April 21, 2025, in the manner and upon the persons listed below.

Served via Electronic Mail Only

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