



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

March 28, 2025

Parties of Record

Re: Joint Petition for Generic Investigation or 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

This Secretarial Letter is to inform all interested parties that the remaining open issues in the captioned dockets have been reassigned to the Commission’s Office of Administrative Law Judge (OALJ) for resolution.

On June 24, 2014, a Recommended Decision (RD) was issued at the above-referenced Dockets.¹ Exceptions and reply exceptions were filed. 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.² Comments and reply comments were filed.

On June 13, 2019, at these dockets, the Commission entered an order that, inter alia, articulated four open issues (2019 Order).³ The parties that submitted comments were 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). 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. As articulated in the 2019 Order, the open issues were:

- (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.

¹ <https://www.puc.pa.gov/pcdocs/1293496.docx> (2014 RD).

² <https://www.puc.pa.gov/pcdocs/1519501.docx> (2017 Order).

³ <https://www.puc.pa.gov/pcdocs/1623771.docx>

- (4) Whether a separate rate schedule should be established for gas-on-gas flex rate customers.


Columbia, Peoples, IECF, OCA, and OSBA met collaboratively with the designated Commission staff in an attempt to reach consensus on the open issues and subsequently requested time to try to resolve the issues among themselves. Columbia and Peoples have since advised Commission staff that they are unable to reach a consensus resolution and suggested that the Commission issue a tentative order seeking final comments and reply comments regarding the disposition of gas-on-gas competition.

Upon review, it appears that the Columbia and Peoples and the other interested parties remain at the impasse they were at when the 2014 RD was issued and the 2019 Order was entered. One of the recommendations in the 2014 RD regarding the disposition of gas-on-gas competition was to phase out gas-on-gas competition by the end of 2018. The Commission modified that recommendation subject to the parties presenting an acceptable resolution to the four open issues. The parties have been unable to propose a resolution.

Based on the nature of the controversy and the passage of time, the Commission finds that it is inappropriate to rely merely on further “comments and reply comments” to a tentative order as the basis upon which to make a final decision in this matter. The Commission finds that it is necessary to reopen the record for such 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 has been reassigned to the OALJ for such on-the-record proceedings as required for the preparation of a recommended decision in this matter.

Very truly yours,


Rosemary Chiafetta
Secretary

cc: Charles E. Rainey, Jr., Chief Administrative Law Judge
Katrina L. Dunderdale, Administrative Law Judge
Matthew Stewart, Bureau of Technical Services
Louise Fink Smith, Law Bureau