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| PUC logo | COMMONWEALTH OF PENNSYLVANIA  PENNSYLVANIA PUBLIC UTILITY COMMISSION  P.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE** |

December 30, 2015

Docket No. G-2015-2496814

Utility Code: 122250

MICHAEL GANG

POST & SCHELL

17 NORTH SECOND STREET 12TH FLOOR

HARRISBURG PA 17101-1601

Re: Affiliated Interest Agreement between Peoples Natural Gas Company LLC and

Peoples TWP LLC

Dear Mr. Gang:

On August 6, 2015, Peoples Natural Gas Company LLC (Peoples) filed with the Pennsylvania Public Utility Commission (Commission), pursuant to 66 Pa. C.S. §§ 2102, *et seq.*, the above-referenced Affiliated Interest Agreement (Agreement). By Secretarial letter dated August 25, 2015, the Commission extended the statutory consideration period for this Agreement until further action of the Commission.

Peoples filed the proposed Service Expansion Gas Exchange and Interconnection Agreement (Service Extensions Agreement) between Peoples and Peoples TWP LLC (Peoples TWP) to facilitate the extension of natural gas service to new Peoples TWP customers at the least possible cost.

Peoples filed the proposed Service Expansion Agreement between Peoples and Peoples TWP to allow Peoples to interconnect its distribution lines with interconnection facilities to be built by Peoples TWP. These interconnection points will facilitate the expansion of service by Peoples TWP to new customers located in areas where Peoples TWP has authority to serve but where it is more economical to interconnect with existing facilities of Peoples for delivery of natural gas. Peoples will provide gas at such interconnection points to serve such customers in exchange for receipt of gas from Peoples TWP in equal quantities at existing interconnection points between Peoples TWP and Peoples.

The Parties will file quarterly reports at this Docket No. G-2015-2496814, with the PUC detailing gas deliveries by Peoples to Peoples TWP at interconnection points and will briefly explain the interconnections and number of new customers to be served by Peoples TWP.

Upon review of the filing, it does not appear that this Agreement is unreasonable or contrary to the public interest. Therefore, this filing is hereby approved. However, approval of this filing does not constitute a determination that the associated costs or expenses are reasonable or prudent for the purposes of determining just and reasonable rates. Furthermore, the Commission’s approval is contingent upon the possibility that subsequent audits, reviews and inquiries in any Commission proceeding may be conducted, pursuant to 66 Pa. C.S. §§ 2102, *et seq*.

 In addition, this approval will apply only to the agreement, services, matters and parties specifically and clearly defined under this instant proceeding as well as under any associated and previously filed filings.

Sincerely,

Rosemary Chiavetta

Secretary