**BEFORE THE**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission **:** R-2016-2542918

Office of Small Business Advocate **:** C-2016-2545824

Office of Consumer Advocate **:** C-2016-2547600

**:**

v. **:**

**:**

Peoples Natural Gas Company LLC **:**

**:**

and **:**

**:**

Pennsylvania Public Utility Commission **:** R-2016-2542923

Office of Small Business Advocate **:** C-2016-2545706

Office of Consumer Advocate **:** C-2016-2547595

**:**

v. **:**

**:**

Peoples Natural Gas Company LLC – **:**

Equitable Division **:**

**INTERIM ORDER**

**SUSPENDING, IN PART, THE LITIGATION SCHEDULE IN THIS PROCEEDING**

On April 29, 2016, Peoples Natural Gas Company LLC (Peoples Division) filed Supplement No. 69 to People’s Tariff Gas-Pa. P.U.C. No 45, and Peoples Natural Gas Company LLC – Equitable Division (Peoples-Equitable or Peoples-Equitable Division) (collectively Company or Companies) filed Supplement No. 38 to Tariff Gas-Pa. P.U.C. No. 46. In these Supplements, the Company, on behalf of both its Peoples Division and its Peoples-Equitable Division, proposed to replace its Service Expansion Program (Rider SET) with rate MLX. The effective date of the filing was June 28, 2016.

On June 9, 2016, the Pennsylvania Public Utility Commission (Commission) entered an order suspending the implementation of Supplement No. 69 by operation of law until December 28, 2016, and opening an investigation to determine the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained in the proposed Supplement No. 69 and 38.

The Office of Small Business Advocate (OSBA) filed notices of appearance, formal complaints and public statements on May 16, 2016. The complaint in the Peoples Division proceeding was docketed at No. C-2016-2545824. The complaint in the Peoples- Equitable Division proceeding was docketed at No. C-2016-2545706. The Commission’s Bureau of Investigation and Enforcement (I&E) entered its appearance in this proceeding on May 18, 2016. The Office of Consumer Advocate (OCA) filed notices of appearance, formal complaints and public statements on May 26, 2016. The complaint in the Peoples Division proceeding was docketed at No. C-2016-2547600. The complaint in the Peoples-Equitable Division proceeding was docketed at No. C-2016-2547595.

On June 9, 2016, the Commission issued an order suspending Peoples Division Supplement No. 69 and Peoples-Equitable Division Supplement No. 38 by operation of law until December 28, 2016, unless otherwise directed by Order of the Commission. On June 15, 2016, Peoples filed tariff supplements suspending Supplement No. 69 and Supplement No. 38.

By prehearing conference order dated June 24, 2016, Peoples Division, Peoples- Equitable, OSBA and I&E were notified that the proceeding was assigned to the undersigned Administrative Law Judge (ALJ or Presiding Officer) for a telephonic prehearing conference on July 1, 2016 at 10:00 a.m. In accordance with the regulations pertaining to prehearing conferences, 52 Pa.Code §§ 5.221-5.224, the parties were directed to file their prehearing memorandums on or before June 29, 2016. On June 24, 2016, a notice was issued advising the parties of the date and time of the prehearing conference. The parties timely filed prehearing memoranda. The prehearing conference proceeded as scheduled on July 1, 2016. Counsel for

the Company and the statutory parties participated in the prehearing conference, which resulted in the establishment of the following litigation schedule:

Date Event

July 1, 2016 Prehearing Conference

July 11, 2016 Peoples’ Direct Testimony

August 5, 2016 Other Parties’ Written Direct Testimony

August 23, 2016 Written Rebuttal Testimony of all Parties

August 31, 2016 Written Surrebuttal Testimony of all Parties

September 7, 2016 Evidentiary Hearing in Harrisburg beginning

at 10:00 a.m.

September 19, 2016 Main Briefs due

September 26, 2016 Reply Briefs due or submission of Joint Settlement Petition executed by representatives of all Parties, together with all Parties’ Statements in Support of Settlement

Pursuant to the July 21, 2016 prehearing order, the formal complaints of OSBA at Docket No. C‑2016‑2545824 and OCA at Docket No. C‑2016-2547600 were consolidated with the Peoples Division filing at R-2016-2542918. In addition, the formal complaints of OSBA at Docket No. C‑2016‑2545706 and OCA at Docket No. C‑2016-2547595 were consolidated with the Peoples-Equitable Division filing at R-2016-2542923. ThePeoples Division proceeding filed at Docket No. R-2016-2542918 and the Peoples-Equitable proceeding filed at Docket No. R-2016-2542923 wereconsolidated for the purpose of the hearing in this proceeding.

By email dated August 29, 2016, counsel for the Companies represented that the parties had achieved a settlement in principle and therefore requested suspension of the litigation schedule with respect to submission of further testimony. In addition, the Companies indicated that the parties intended to submit all pre-served testimony and exhibits by stipulation, with accompanying witness verifications and that the parties agreed to waive cross examination. Counsel requested permission for the parties to submit signed settlement agreements in all three cases not later than September 20, 2016. The undersigned presiding officer advised the parties by email on August 31, 2016 that the litigation schedule with regard to further testimony would be suspended.

THEREFORE,

IT IS ORDERED:

1. That the litigation schedule set forth in the July 21, 2016 prehearing order, with respect to submission of further testimony and the filing of briefs is suspended.

2. That the parties shall submit signed settlement agreements and statements in support of the settlement not later than September 20, 2016.

3. That the parties shall agree upon a list of common issues which the parties shall utilize in the organization of the settlement petition and all statements in support of settlement in these proceedings.

4. That the evidentiary hearing in this matter shall convene on September 7, 2016, at 10:00 a.m. in Harrisburg. The undersigned presiding officer shall participate by telephone from the Pittsburgh hearing room.

Date: September 2, 2016 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Jeffrey A. Watson

Administrative Law Judge

**R-2016-2542918 – PENNSYLVANIA PUBLIC UTILITY COMMISSION v. PEOPLES NATURAL GAS COMPANY LLC**

**R-2016-2542923 – PENNSYLVANIA PUBLIC UTILITY COMMISSION v. PEOPLES NATURAL GAS COMPANY LLC – EQUITABLE DIVISION**

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