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File #: 171313

December 3, 2019

VIA ELECTRONIC FILING

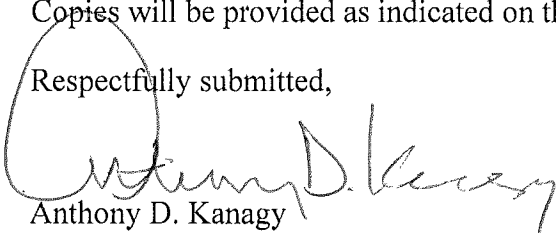
Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: PA Public Utility Commission v. Peoples Natural Gas Company LLC
Docket No. R-2018-3006818

Dear Secretary Chiavetta:

On November 18, 2019, Peoples Natural Gas Company (“Peoples” or the “Company”) filed the estimated refund amount anticipated to be provided to each rate class as a result of the Tax Cuts and Jobs Act of 2017 as currently calculated, pursuant to Ordering Paragraph No. 7 of the Order entered on October 3, 2019 in the above-referenced proceeding. Subsequently, the Company recognized an error in the calculations. The schedule that was used to calculate the refund amount contained a formula error which incorrectly included refunds for November and December 2019, which is after base rates went into effect. Enclosed is a revised estimated refund amount for each rate class and a schedule showing how the refund amount was calculated. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,


Anthony D. Kanagy

ADK/jl
Enclosures

cc: Honorable Joel H. Cheskis
Certificate of Service

CERTIFICATE OF SERVICE

Docket No. R-2018-3006818

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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VIA FIRST CLASS MAIL

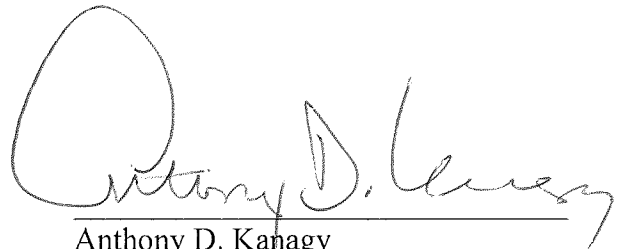
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Date: December 3, 2019



Anthony D. Kanagy

Peoples Natural Gas Company
TCJA Tax Refund by Class
Docket No. R-2018-3008618

| Rate Class | {1} | | Tax Refund |
|-------------------|----------------------|----------------------|-------------------|
| | Pro Forma | Pro Forma | |
| | Base Revenues | Base Revenues | Allocated |
| | Base Revenues | Allocation | |
| Residential | \$ 312,621,655 | 71.0% | \$ (9,977,625) |
| SGS | \$ 38,138,729 | 8.7% | \$ (1,217,235) |
| MGS | \$ 49,389,965 | 11.2% | \$ (1,576,329) |
| LGS | \$ 40,447,411 | 9.2% | \$ (1,290,919) |
| | \$ 440,597,760 | 100.0% | \$ (14,062,107) |

{2}

{1} Base revenue per Appendix C of Joint Petition for Approval of Settlement in Docket No. R-2018-3008618

{2} Total amount represents the stub period liability, Rider TCJA over/under amounts and interest on the aforementioned items. Currently an estimate through 10/31/19. Amount will change as a result of subsequent billing adjustments. Additionally, accrued interest will be adjusted to the residential mortgage lending rate specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P.S. §§ 101 et seq.) in effect on the last day of the month prior to the refund to customers.

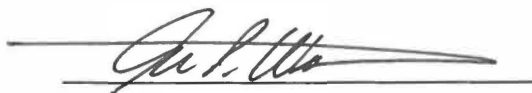
**Peoples Natural Gas - Equitable Division
TCJA Refund**

| | | Current Period Federal Tax (Liability) (a) | Current Period Federal Tax Refunded | Current Period Over/(Under) Difference | Cumulative (Liability) Balance (1) | Time Factor (2) | Interest Rate (c) (3) | Monthly Interest Rec(Pay) (1)*(2)*(3) | Total Over/(Under) Difference (A)+(B) |
|---------------------------------|------|--|---|--|--|-----------------------|-----------------------------|--|--|
| Pre-TCJA Rate in Effect | | | | | | | | | |
| January | 2018 | \$ (3,042,447) | - | \$ (3,042,447) | \$ (3,042,447) | 2.00 | 4.50% | \$ (273,820) | |
| February | | (1,858,411) | - | (1,858,411) | (4,900,858) | 1.92 | 4.50% | \$ (160,288) | |
| March | | (2,307,437) | - | (2,307,437) | (7,208,295) | 1.83 | 4.50% | \$ (190,364) | |
| April | | (1,109,766) | - | (1,109,766) | (8,318,061) | 1.75 | 4.50% | \$ (87,394) | |
| May | | 13,752 | - | 13,752 | (8,304,309) | 1.67 | 4.50% | \$ 1,031 | |
| June | | 804,691 | - | 804,691 | (7,499,618) | 1.58 | 4.50% | \$ 57,334 | |
| July | | N/A | N/A | N/A | N/A | N/A | N/A | N/A | |
| August | | N/A | N/A | N/A | N/A | N/A | N/A | N/A | |
| September | | N/A | N/A | N/A | N/A | N/A | N/A | N/A | |
| October | | N/A | N/A | N/A | N/A | N/A | N/A | N/A | |
| November | | N/A | N/A | N/A | N/A | N/A | N/A | N/A | |
| December | 2018 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | |
| Total | | \$ (7,499,618) | \$ - | \$ (7,499,618) | | | | \$ (653,501) | \$ (8,153,119) |
| | | | | (A) | | | | (B) | (A)+(B) |
| Post TCJA Rate in Effect | | | | | | | | | |
| July | 2018 | \$ (316,344) | \$ 686,110 | \$ 369,766 | \$ 369,766 | 1.50 | 4.50% | \$ 24,959 | |
| August | | 442,619 | 454,992 | 897,611 | 1,267,377 | 1.42 | 4.50% | 57,223 | |
| September | | 263,071 | 460,411 | 723,482 | 1,990,859 | 1.33 | 4.50% | 43,409 | |
| October | | (1,103,990) | 737,545 | (366,445) | 1,624,414 | 1.25 | 4.50% | (20,613) | |
| November | | (1,514,778) | 1,226,639 | (288,139) | 1,336,274 | 1.17 | 4.50% | (15,127) | |
| December | 2018 | (1,267,910) | 1,502,422 | 234,512 | \$ 1,570,786 | 1.08 | 4.50% | 11,432 | |
| January | 2019 | (2,584,818) | 1,843,565 | (741,253) | \$ 829,533 | 1.00 | 4.50% | (33,356) | |
| February | | (2,064,048) | 1,526,381 | (537,667) | \$ 291,866 | 0.92 | 4.50% | (22,179) | |
| March | | (1,916,374) | 1,448,275 | (468,099) | \$ (176,233) | 0.83 | 4.50% | (17,554) | |
| April | | 327,988 | 796,869 | 1,124,856 | \$ 948,624 | 0.75 | 4.50% | 37,964 | |
| May | | 236,378 | 469,767 | 706,145 | \$ 1,654,768 | 0.67 | 4.50% | 21,184 | |
| June | | 320,629 | 444,751 | 765,381 | \$ 2,420,149 | 0.58 | 4.50% | 20,091 | |
| July | | 427,263 | 482,483 | 909,746 | \$ 3,329,895 | 0.50 | 4.50% | 20,469 | |
| August | | 412,216 | 414,042 | 826,258 | \$ 4,156,153 | 0.42 | 4.50% | 15,492 | |
| September | | 658,613 | 451,709 | 1,110,322 | \$ 5,266,474 | 0.33 | 4.50% | 16,655 | |
| October | | 3,937 | 178,662 | 182,599 | \$ 5,449,073 | 0.25 | 4.50% | 2,054 | |
| November | | - | - | - | \$ 5,449,073 | 0.17 | 4.50% | - | |
| December | 2019 | - | - | - | \$ 5,449,073 | 0.08 | 4.50% | - | |
| Total | | \$ (7,675,550) | \$ 13,124,623 | \$ 5,449,073 | | | | \$ 162,103 | \$ 5,611,176 |
| | | | | (A) | | (b) | | (B) | (A)+(B) |
| | | | | | | | | | \$ (2,541,943) |

VERIFICATION

I, Andrew P. Wachter, hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: December 3, 2019

A handwritten signature in black ink, appearing to read "A. P. Wachter", is written over a horizontal line.