



December 13, 2024

To: All Parties of Record at:

Peoples Natural Gas Company LLC Universal Service
and Energy Conservation Plan for 2019-2024 M-2018-3003177

Peoples Gas Company LLC Universal and Energy
Conservation Plan for 2019-2024 M-2020-3021343

Pennsylvania Public Utility Commission, et al. v.
Peoples Natural Gas Company LLC R-2023-3044549

**RE: Peoples Natural Gas Company LLC – Amended Peoples 2019-2024 USECP
Rate Case Implementation**

Overview

On May 12, 2022, the Public Utility Commission (Commission) approved the 2019-2024 Universal Service and Energy Conservation Plan of Peoples Natural Gas Company LLC (PNG) and Peoples Gas Company LLC (PGC). (PNG and PGC 2019 USECP Order) Effective January 1, 2023, the two entities are now one public utility, a natural gas distribution company named Peoples Natural Gas LLC (Peoples).

On December 29, 2023, Peoples filed for a general rate increase at Docket No. R-2023-3044549. (2024 Rate Case proceeding.) On May 30, 2024, Peoples filed a Joint Petition for Non-Unanimous Settlement (2024 Joint Petition) and a Low-Income Stipulation (2024 Low Income Stipulation)¹. The 2024 Joint Petition incorporated the provisions of the 2024 Low Income Stipulation, which impacted Peoples’ universal service programs. On July 15, 2024, Administrative Law Judge Mary D. Long issued a Recommended Decision adopting the 2024 Joint Petition and the 2024 Low-Income Stipulation without modification (July 2024 RD). On September 12, 2024, the Commission entered an Opinion and Order (September 2024 Order) at the captioned docket adopting the July 2024 RD.

On November 26, 2024, Peoples filed an Amended 2019-2024 Universal Service and Energy Conservation Plan (Amended 2019 USECP)². Among other changes, the Amended 2019 USECP reflects that it is the 2019-2024 USECP for “Peoples Natural Gas Company LLC” at both dockets but strikes the name “Peoples Gas Company.” In addition to the name change for

¹ Joint Stipulation – Peoples Natural Gas, CAUSE-PA, & PWPTF can be viewed at:
<https://www.puc.pa.gov/pcdocs/1831879.pdf>.

² Unless indicated otherwise, citations herein to pages within the “Amended 2019 USECP” refer to the clean version of the Amended 2019 USECP, available at <https://www.puc.pa.gov/pcdocs/1857475.pdf>.

the 2019 USECP, the Amended 2019 USECP reflects the changes outlined and agreed to in the 2024 Low Income Stipulation,³ which the Commission approved, *inter alia*:

- Reduce its minimum usage threshold for LIURP eligibility from 140 Mcf to 120 Mcf.⁴ Amended 2019 USECP at 17.
- Increase its LIURP budget to \$3,500,000 annually.⁵ Amended 2019 USECP at 19-20.
- Increase shareholder contributions to its Hardship Fund by an additional \$150,000 per year until its next Universal Service and Energy Conservation Plan (USECP) filing.^{6, 7} Amended 2019 USECP at 30-32.

The Commission's Bureau of Consumer Services (BCS) reviewed the Amended 2019 USECP and found it to be consistent with the changes approved by the Commission in the September 2024 Order in the Peoples 2024 Rate Case proceeding.

Conclusion

BCS finds the Amended 2019 USECP to be consistent with the changes approved in the Peoples 2024 Rate Case proceeding. These staff determinations relative to the review of the Amended 2019 USECP will be deemed to be the final action of the Commission unless reconsideration is sought from the Commission within 20 days after service of this Secretarial Letter. *See* 52 Pa. Code § 5.44 (relating to petitions for appeal from actions of the staff).

³ 2024 Low-Income Stipulation at 1-2; September 2024 Order at 63.

⁴ The prior provision was that PNG had a threshold of 140 Mcf and that PGC had a threshold of 120 Mcf.

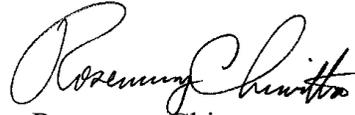
⁵ The prior provision was a combined LIURP budget of \$3,030,000.

⁶ The prior provision was that \$640,000 was contributed to the Hardship Fund for grants for PNG and that \$48,500 was contributed for PGC.

⁷ Peoples is scheduled to file its next USECP (*i.e.*, 2029-2033 USECP) on April 1, 2028. PNG and PGC 2019 USECP Order, Docket Nos. M-2018-3003177 and M-2020-3021343 (Order entered May 12, 2022) at 88 and 94 (OP#15). <https://www.puc.pa.gov/pdocs/1743990.pdf>

If you have any questions, please contact BCS Energy Policy Analyst Nathan Froehlich at nfroehlich@pa.gov.

Sincerely,



Rosemary Chiavetta
Secretary

cc: Stephen M DeFrank, Chairman
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