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File #: 214371

November 26, 2025

***VIA ELECTRONIC FILING***

Matthew L. Homsher, Secretary  
Commonwealth Keystone Building,  
400 North Street, 2nd Floor,  
P.O. Box 3265, Harrisburg, PA 17105-3265

Re: **Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania, Inc.**  
**Docket Nos: G-2025-3056022**  
**R-2018-2647577**

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Dear Secretary Homsher:

Attached for filing is the Response of Columbia Gas of Pennsylvania, Inc. to the Joint Motion for Judgment on the Pleadings of the Office of Consumer Advocate (“OCA”) and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) in the above-referenced proceedings. Copies are being provided as indicated on the Certificate of Service.

Sincerely,



Anthony D. Kanagy

ADK/dmc  
Attachment

cc: The Honorable Jeffrey A. Watson (via email; w/attachment)  
The Honorable Chad L. Allensworth (via email; w/attachment)  
Certificate of Service

## CERTIFICATE OF SERVICE

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

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Dated: November 26, 2025



Anthony D. Kanagy

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	Docket Nos. G-2025-3056022
v.	:	R-2018-2647577
	:	
Columbia Gas of Pennsylvania, Inc.	:	

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**COLUMBIA GAS OF PENNSYLVANIA, INC.  
RESPONSE TO JOINT MOTION FOR JUDGMENT ON THE PLEADING OF THE  
OFFICE OF CONSUMER ADVOCATE AND THE COALITION FOR AFFORDABLE  
UTILITY SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA**

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Pursuant to 52 Pa. Code § 5.103(c), Columbia Gas of Pennsylvania, Inc. (“Columbia” or the “Company”) hereby files this Response to the Joint Motion for Judgment on the Pleadings (“MJOP”) of the Office of Consumer Advocate (“OCA”) and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) in the above-referenced proceeding.

In this proceeding, Columbia is seeking Pennsylvania Public Utility Commission (“Commission”) approval of an affiliate interest arrangement (“AIA”) with NiSource Development Company, Inc. (“NDC”) to provide billing services for third-party service plans that would be available to Columbia customers. Contrary to the position of OCA and CAUSE-PA, Columbia is not required to obtain Commission approval to provide on bill billing services, and Columbia is not required to file an Application or Petition to obtain approval of this AIA.

Rather, Section 2102 of the Public Utility Code provides that “no...arrangement providing for the furnishing of management, supervisory, construction, engineering, accounting, legal, financial, or similar services, and no contract or arrangement for the purchase, sale, lease, or

exchange of any property, right, or thing or for the furnishing of any service, property, right or thing other than those above enumerated...between a public utility and any affiliated interest shall be valid or effective unless and until such contract or arrangement has received the written approval of the commission.” 66 Pa.C.S. § 2102(a). The only mechanism for obtaining the requisite written approval – and the duty of every public utility company entering an arrangement that triggers Section 2102 – is “to file with the commission a verified copy of any such contract or arrangement, or a verified summary as described in subsection (a) of any such unwritten contract or arrangement” pursuant to 66 Pa.C.S. § 2102(b). Columbia met all of the procedural and substantive requirements of Section 2102 with its June 30, 2025, Affiliate Interest Filing that initiated this matter at Docket No. G-2025-3056022.

Columbia also submitted a Notice Filing on June 30, 2025, at Docket No. R-2018-2647577 (the “2018 Rate Case”) because that matter addressed Columbia’s then on-bill billing practices for non-commodity services offered by third parties. The Notice Filing was intended only to alert the Commission and all parties to the 2018 Rate Case of Columbia’s intent to again permit on-bill billing for non-commodity services consistent with the requirements set forth in the Commission’s December 6, 2018 Order in that matter (the “December 6, 2018 Order”). This was not a filing that required any Commission action. OCA and CAUSE-PA have erroneously alleged that the filing made by Columbia in the 2018 Rate Case is “contrary to the Public Utility Code and the Commission’s regulations.” MJOP, at 3. Specifically, OCA and CAUSE-PA request that the Notice Filing be dismissed, without prejudice, and the Commission require Columbia to refile under a different procedural framework. *Id.*

This argument should not be accepted for several reasons: (1) on-bill billing for non-commodity goods and services does not require Commission approval, (2) the Notice Filing was

intended to provide notice to parties, not seek Commission approval of on-bill billing, and (3) any due process concerns of the interested parties and the public associated with the institution of on-bill billing will be adequately protected by the fully litigated dispute that OCA and CAUSE-PA initiated with the filing of Protests on August 4, 2025, and August 29, 2025, respectively.

Accordingly, Columbia requests the MJOP be dismissed and that this matter continue to proceed through the active discovery already taking place and through an evidentiary hearing, if needed, for the AIA pending at Docket No. G-2025-3056022 to be reviewed and approved in accordance with Section 2102.

## **I. BACKGROUND**

1. On June 30, 2025, Columbia filed a verified summary of an AIA between the Company and its affiliate, NDC, for Commission review and approval under Section 2102 of the Pennsylvania Public Utility Code (66 Pa.C.S. § 2102) in Docket No. G-2025-3056022 (“AIA Proceeding”).

2. Through the AIA Proceeding, Columbia is seeking Commission approval of an affiliate agreement with NDC, whereby the Company will provide and be compensated for certain billing services related to NDC’s Marketing and Licensing Agreement (“M&L Agreement”) with Pivotal Home Solutions, LLC (“Pivotal”), a non-affiliated third party.

3. Under the M&L Agreement between NDC and Pivotal, (1) Pivotal will offer warranty service plans and products and services (“Unregulated Products”) to Columbia customers, (2) NDC will grant a non-exclusive right and license for service marks to be used to market the Unregulated Products, and (3) NDC will receive a revenue share percentage from the purchase of the Unregulated Products by Columbia customers.

4. NiSource Corporate Services Company (“NCSC”), on behalf of Columbia, will

provide billing services for the Unregulated Products offered by Pivotal to Columbia customers in exchange for Pivotal's payment of certain fees, including annual and monthly service fees, consistent with a standard billing agreement between Columbia and Pivotal.

5. Also on June 30, 2025, Columbia filed its Notice Filing in the 2018 Rate Case because that proceeding addressed Columbia's then billing practices for non-commodity services offered by third parties. As identified above, the Notice Filing was intended to alert the Commission and all parties to the 2018 Rate Case of the Company's intent to again permit on-bill billing for non-basic services consistent with the requirements set forth in the Commission's December 6, 2018 Order in the 2018 Rate Case Proceeding, R-2018-2647577 (the "December 6, 2018 Order").

6. On July 1, 2025, the Commission ordered the 30-day deadline for disposition of the AIA to be extended until further Order of the Commission pursuant to 66 Pa.C.S. § 2102(b) and on July 24, 2025, to assist in the Bureau of Technical Utility Services' ("TUS") review of the AIA, Columbia submitted a supplemental filing in the AIA Proceeding.

7. Also on July 24, 2025, and at the request of TUS, Columbia provided notice to the parties in the 2018 Rate Case that the Company filed a verified summary of an affiliated interest arrangement related to on-bill billing of non-commodity products.

8. OCA and CAUSE-PA filed Formal Protests to the AIA on August 4, 2025, and August 29, 2025, respectively. Columbia timely filed Answers in Response to both Formal Protests. On October 20, 2025, the Retail Energy Supply Association filed a Petition to Intervene in this matter to which no party objected.

## **II. STANDARD OF REVIEW**

9. 52 Pa. Code § 5.102 governs the MJOP and judgment on the pleadings is only

available if the applicable pleadings establish (1) there is no genuine issue as to a material fact, and (2) the moving parties are entitled to a judgment as a matter of law.

### **III. ARGUMENT**

10. OCA and CAUSE-PA are not entitled to judgment on the pleadings in this proceeding.

11. In this proceeding Columbia will demonstrate (1) that the proposed AIA is reasonable and consistent with the public interest in accordance with 66 Pa.C.S. § 2102(b), and (2) the initiation of on-bill billing for non-basic services by Columbia that triggered the Notice Filing in the 2018 Rate Case does not require Commission approval.

12. Moreover, to the extent it needs to be considered in these proceedings, the on-bill billing program identified by Columbia is also entirely consistent with the substantive requirements of the December 6, 2018 Order in the 2018 Rate Case. Further, and critically, any due process concerns by OCA and CAUSE-PA in MJOP can be addressed in the present proceeding through the discovery that OCA and RESA have already engaged in, testimony of witnesses, hearings, and briefing.

#### **A. Columbia did not attempt to implement on-bill billing or a new affiliated interest agreement through the 2018 base rate docket.**

13. OCA and CAUSE-PA argue that Columbia was required under the terms of the 2018 Rate Case to revise its on-bill billing program by January 5, 2019, and the decision by Columbia to instead terminate that program in 2019 in response to the December 6, 2018 Order continues to control (and now limit) how Columbia can utilize on-bill billing for non-commodity services. MJOP, at ¶¶ 11-12, 20-26.

14. Specifically, OCA and CAUSE-PA characterize the Notice Filing as improper for any purpose and propose that Columbia should have instead instituted an Application (pursuant to

52 Pa. Code § 5.11) or a Petition (pursuant to 52 Pa. Code § 5.41) to re-institute any on-bill billing program – but also imply that it may need to be included in a base rate case. *Id.* at ¶¶ 13 & 27. These arguments wholly ignore the decision by the Pennsylvania Supreme Court in *Interstate Gas Supply, Inc. v. PUC*, No. 10 MAP 2024, 2025 LEXIS 1491, at \*13-22 ( Pa. Sep. 25, 2025), which confirms that on-bill billing programs are not jurisdictional. Therefore, the only determination needed in this matter relates to the AIA.<sup>1</sup>

i. On-Bill Billing for Non-Commodity Goods and Services Does Not Require Commission Approval.

15. The on-bill billing issue in the 2018 Rate Case turned on whether Columbia’s then billing practice for providing on-bill billing for non-basic (or non-commodity) goods and services offered by third parties constituted discrimination in the provision of service in violation of 66 Pa. C.S. § 1502 and 66 Pa. C.S. § 2203(4). *December 6, 2018 Order*, at 34-51; MJOP, at ¶ 2. The Commission determined that it did. *Id.* at 44-51.

16. Specifically, the Commission found that Columbia’s then existing on-bill billing framework constituted a “provision of service” and the “unreasonable preference of one party over any other party” that violated 66 Pa. C.S. § 1502 and 66 Pa. C.S. § 2203(4). *Id.*

17. Nearly seven years later, the decision in *Interstate Gas Supply* demonstrates that

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<sup>1</sup> Columbia has consistently sought and obtained approval for affiliated interest arrangements using the same procedure under Section 2102 as it did in this instance, *i.e.*, filing a letter explaining the AIA, providing a copy of the AIA, and submitting a verification. *See, e.g., Columbia Gas of Pennsylvania, Inc. – Affiliate Transaction with Northern Indiana Public Service Company, LLC*, Docket No. G-2024-3051200 (approved by Secretarial Letter dated Dec. 16, 2024); *Affiliated Interest Agreement – Columbia Gas of Pennsylvania, Inc. and Columbia Gas of Maryland, Inc.*, Docket No. G-2021-3028805 (approved by Secretarial Letter dated Feb. 3, 2022); *Amended and Restated Affiliate Interest Agreement between Columbia Gas of Pennsylvania, Inc. and NiSource Inc.*, Docket No. G-2016-2531552 (approval by Secretarial Letter dated Sept. 22, 2016). OCA and CAUSE-PA have cited no statute, regulation, or Commission order that requires the Company to follow a different procedure in this instance.

the Pennsylvania Supreme Court has reached a different conclusion under comparable facts and provides a new controlling analysis of the Public Utility Code that must be applied here.

18. In *Interstate Gas Supply*, the Court needed to determine whether an electric distribution company may utilize on-bill billing to offer its own non-commodity goods and services while denying electric generation suppliers the same billing option. 2025 Pa. LEXIS 1491, \*1. This required the Court to interpret Section 1502 and 66 Pa. C.S. § 2804(6)<sup>2</sup> as both sections prohibit discrimination in the provision of service under the code. *Id.*

19. However, as a threshold issue before reaching the prohibition on discrimination in services contained in 66 Pa. C.S. § 1502, the Court recognized that it “must establish whether an [electric distribution company’s] use of on-bill billing for non-commodity goods and services implicates Section 1502.” *Interstate Gas Supply, Inc.*, 2025 Pa. LEXIS 1491, \*13.

20. The Court first reviewed the definition of “service” under 66 Pa. C.S. § 102 to determine that the Public Utility Code contemplated the duties of the regulated utility as further defined by the Code. *Id.* at \*13-\*14.

21. For an electric distribution company, the Court looked to 66 Pa. C.S. § 2807(c) to provide the scope of the duties related to customer billing. Applying the duty of an electric distribution company contained in Section 2807(c) to the prohibition on discrimination as service contained in Section 1502, the Court held that “Section 2807(c) does not provide a duty for an [electric distribution company] to provide on-bill billing for an [electric generation supplier],

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<sup>2</sup> 66 Pa. C.S. § 2804, Standards for Restructuring of Electric Industry, is the electric utility parallel to 66 Pa. C.S. § 2203, Standards for Restructuring of Natural Gas Utility Industry. Section 2804(6) bars discrimination by electric utilities in the “transmission and distribution services...on rates, terms of access and conditions that are comparable to the utilities own use of its system.” Section 2803(4) requires natural gas distribution companies to provide “distribution service...on nondiscriminatory rates, terms of access and other conditions.”

because the offering of non-commodity goods and services does not constitute an *electric* service. *Id.* at \*15-\*16 (emphasis in original).

22. Using the same reasoning and analysis as to on-bill billing for natural gas distribution reaches the same result.<sup>3</sup> Looking to 66 Pa. C.S. § 2805(c) – the gas distribution company parallel to Section 2807(c) – to provide the scope of the duties related to customer billing for a natural gas distribution company such as Columbia, there is no material difference in the type of non-commodity goods and services at issue here. In short, there is no reasonable distinction between the scope of duties identified in Section 2805(c) from Section 2807(c) to support a determination that the Unregulated Products described above could constitute a *gas* service.

23. The Court in *Interstate Gas Supply* found it “apparent that *non-commodity* goods and services, by definition, cannot reasonably be considered a service of the commodity, i.e., electricity.” 2025 Pa. LEXIS 1491, \*17-\*18 (emphasis in original). This means that “Section 1502 cannot itself provide a duty where another does not already exist in the Code.” *Id.* at \*19.

24. In sum here, Section 2805(c) similarly does not impose a duty under the Competition Act for natural gas distribution companies to provide on-bill billing of unregulated products for third parties. Therefore, the Commission has no jurisdiction over the non-commodity services, and the demand of OCA and CAUSE-PA that Commission approval is required for the new on-bill billing program Columbia intends to institute is without merit.

ii. The On-Bill Billing Program Meets the Requirements of the 2018 Rate Case

25. Even if the terms of the 2018 Rate Case are to still control, the program meets all substantive requirements of the December 6, 2018 Order. While the OCA and CAUSE-PA have

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<sup>3</sup> Columbia recognizes that *Interstate Gas Supply* relates to 66 Pa.C.S. § 2807(c) and the on-bill billing of electric distribution companies. 2025 Pa. LEXIS 1491 n. 7. However, the analysis from the Supreme Court is controlling and must be applied to the facts here.

claimed that “[t]he scant details that were provided in Columbia’s June 30, 2025 Letter raise substantial questions as to the prudence of the new program” – they fail to address the filings in the AIA Proceeding or identify any issues they are not actually able to identify and fully explore through discovery. MJOP, at ¶ 13.

26. Specifically, Columbia will provide on-bill billing service to all entities that meet the standard terms and conditions of Columbia in a non-discriminatory manner. Columbia will also comply with the requirements of 52 Pa. Code § 56.83(3) and not terminate a customer’s service for nonpayment of such non-commodity services utilizing the on-bill billing.

27. Moreover, the outline of the standard terms and conditions contained in the Notice Filing provide full transparency about the proposed on-bill billing program that, at minimum, was sufficient to alert any interested party of that plan and take action as deemed necessary.

iii. Due Process is Adequately Protected in the Current Matter

28. It is a fundamental principle in Pennsylvania that “[n]otice and an opportunity to be heard are the fundamental components of procedural due process.” *Pessolano v. Zoning Bd. of Adjustment*, 159 Pa. Commw. 313, 317 (1993). Moreover, “[c]onsiderations of due process involve common-sense reasoning and fundamental fairness. Due process is a flexible concept incapable of exact definition, and is concerned with the procedural safeguards demanded by each particular situation in light of the legitimate goals of the applicable law.” *Commonwealth v. 2338 N. Beechwood St. Phila.*, 134 A.3d 507, 513 (Pa. Commw. 2016) (internal citations and quotations omitted).

29. The OCA and CAUSE-PA have actual knowledge of the AIA and the proposed on-bill billing program. It is undisputed that all parties to the 2018 Rate Case were provided notice of the proposed on-bill billing. MJOP, at ¶ 26.

30. While OCA and CAUSE-PA claim that service of the Notice Filing “brought confusion among parties” from the 2018 Rate Case<sup>4</sup> and “unnecessary added expense for the parties to this long-closed proceeding” – had Columbia failed to be so transparent the resulting due process argument would have been more coherent. *Id.*

31. As to actual prejudice, the OCA and CAUSE-PA have failed to identify any party or potential party that is unaware of the AIA or the proposed on-bill billing program or has been precluded in any way from the opportunity to participate in this litigation.

32. The OCA and CAUSE-PA have proposed that an Application (pursuant to 52 Pa. Code § 5.11) or a Petition (pursuant to 52 Pa. Code § 5.41) is necessary to re-institute any on-bill billing program. MJOP, at 13. But the due process protections those procedural mechanisms would create are already provided in the current proceeding.

33. In fact, CAUSE-PA has even interpreted the Notice Filing “to meet the definition of an application under the applicable regulations which define applications broadly as requests for authorization or permission.” August 29, 2025 Protest of CAUSE-PA, at 1.

34. Columbia disputes that the AIA Proceeding or the Notice Filing is a Petition or Application,<sup>5</sup> but the litigation created by the Protests has created a forum for all of the concerns raised by the OCA and CAUSE-PA – to the extent they are ultimately dispositive or even relevant to the approval of the AIA – to be fully addressed through written discovery, public input hearing, written and/or in-person testimony, and an evidentiary hearing.

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<sup>4</sup> The communication reflected in “Appendix A” and the Motion to Withdraw in the 2018 Rate Case cited by OCA and CAUSE-PA only reflect parties who did not want to participate in the AIA or the Protests filed by OCA and CAUSE-PA. MJOP, at ¶ 26.

<sup>5</sup> Because the Commission’s regulations provide that Protests can only be filed as to Applications under 52 Pa. Code § 5.1, Columbia interpreted the Protests filed by the OCA and CAUSE-PA as Complaints to which it filed Answers, pursuant to 52 Pa. Code § 5.61.

**B. A Verification was Provided with the Affiliated Interest Agreement Filing and is not Necessary for the Notice Filing.**

35. The June 30, 2025 AIA filing is the only matter that requires action by the Commission, and it meets all substantive and procedural requirements of 66 Pa.C.S. § 2102, including the Summary of Unwritten Arrangement Between Affiliated Interests supported by the executed verification of Mark Kempic, President and Chief Operating Officer of Columbia.

36. To the extent the OCA and CAUSE-PA have identified the lack of verification in the Notice Filing in the 2018 Rate Case, that filing simply discloses the framework for Columbia's reinstated on-bill billing program and does not serve as an operative filing that needs Commission Approval. Columbia is also willing to supplement its Notice Filing with a verification should that be deemed necessary.

37. Moreover, the OCA and CAUSE-PA now have the opportunity in this combined matter to fully explore the issues they have identified as needing additional information and records. The OCA has already submitted 42 data requests to Columbia on the issues they claim in the MJOP to have no knowledge of and will have an opportunity to examine the witnesses identified by Columbia to provide all necessary testimony on any issues needed to be resolved for approval of the AIA.

38. In short, to the extent support for any facts necessary at this stage in the litigation must be supported for any reason, that support can be facilitated in a way that does not require dismissal and re-filing.

**C. Waiver of The Commission's Regulations Is Not Necessary.**

39. Columbia has properly submitted its AIA for consideration and approval under 66 Pa.C.S. § 2102. To the extent that the AIA has implicated the terms of the 2018 Rate Case, Columbia has provided notice to all interested parties, fully participated in the litigation initiated

by the OCA and CAUSE-PA, has responded to the discovery issued to date in this matter on the issues now raised by the moving parties, and anticipates submitting an evidentiary record on all matters in dispute.

40. The MJOP raises only procedural concerns because any substantive issues can be fully addressed in the current proceeding.

41. Moreover, it is within the discretion of the presiding officers to regulate the course of this proceeding as provided by 52 Pa. Code § 5.483 and facilitate judicial economy. Granting the MJOP will not promote judicial economy because it will create an arbitrary and unnecessary delay associated with refileing and relitigating the exact same issues with the exact same parties. This is a significant harm and burden that should be avoided.

#### **D. CONCLUSION**

Accordingly, for all of the reasons stated above, Columbia Gas of Pennsylvania, Inc. requests the Motion for Judgment on the Pleadings filed by the Office of Consumer Advocate and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania be denied.

Respectfully submitted,



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Date: November 26, 2025

*Counsel for Columbia Gas of Pennsylvania, Inc.*

## VERIFICATION

I, Kevin Kirkham, being Director of Products & Services of Columbia Gas of Pennsylvania, Inc., hereby state that the facts above set forth are true and correct (or 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 made herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 11/25/2025

  
\_\_\_\_\_  
Kevin Kirkham