



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

December 8, 2025

VIA ELECTRONIC FILING

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission,
Bureau of Investigation and Enforcement v.
Peoples Natural Gas Company LLC
Docket No. C-2024-3050319
I&E Brief in Support of Joint Petition for Interlocutory Review

Dear Secretary Homsher:

Enclosed for electronic filing is the Brief in Support of Joint Petition for Interlocutory Review of the Bureau of Investigation and Enforcement in the above-referenced proceeding.

Copies are being served on parties per the attached Certificate of Service. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Colby B. Widdowson', is written over a light blue circular stamp.

Colby B. Widdowson
Prosecutor
PA Attorney ID No. 326185

CBW/nb
Enclosures

cc: Administrative Law Judge Jeffrey Watson (*via email* - jeffwatson@pa.gov)
Allison Kaster, Director, I&E (*via email* - akaster@pa.gov)
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement	:	
	:	
v.	:	Docket No. C-2024-3050319
	:	
Peoples Natural Gas Company LLC	:	

**BUREAU OF INVESTIGATION AND ENFORCEMENT'S
BRIEF IN SUPPORT OF JOINT PETITION FOR
INTERLOCUTORY REVIEW**

Colby B. Widdowson
Prosecutor
PA Attorney ID No. 326185

Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Dated: December 8, 2025

I. PROCEDURAL HISTORY

On July 26, 2024, the Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement (“I&E”) filed a Formal Complaint with the Commission against Peoples Natural Gas Company LLC (“Peoples”) alleging violations of the Public Utility Code, Pennsylvania Code, and Code of Federal Regulations in connection with a natural gas explosion at 1306 Pennsylvania Avenue, Tyrone, Pennsylvania, 16686, on July 26, 2021.

On August 7, 2024, Peoples filed a letter request directed to the Commission Secretary requesting an extension of time to file an answer to the Formal Complaint, which was granted by Secretarial Letter issued on August 8, 2024. On September 11, 2024, Peoples filed a second letter request directed to the Commission Secretary requesting an extension of time to file an answer to the Formal Complaint, which was granted by Secretarial Letter issued on September 12, 2024. On October 11, 2024, Peoples filed a third letter request directed to the Commission Secretary requesting an extension of time to file an answer to the Formal Complaint, which was granted by Secretarial Letter issued on October 15, 2024. The October 15, 2024 Secretarial Letter extended the filing deadline to October 18, 2024.

On October 18, 2024, Peoples filed a letter with the Commission Secretary requesting an extension of time to file a Joint Petition for Settlement, advising that the Parties had reached a settlement in principle on all issues in this proceeding. The case was assigned to the presiding officer Administrative Law Judge Jeffrey Watson (“ALJ Watson”).

On January 17, 2025, I&E and Peoples (collectively “Parties”) filed a Joint Petition For Approval Of Settlement (“Settlement”). Attached to the Joint Petition was joint proposed conclusions of law, marked as Appendix A; the Bureau of Investigation and Enforcement’s Statement in Support of the Joint Petition For Approval of Settlement, marked as Appendix B; and Peoples Statement In Support Of Settlement, marked as Appendix C. The Settlement included a “Background” section of facts that the Parties had agreed to at the time the Settlement was filed. The Settlement called for the imposition of a civil penalty upon Peoples and the implementation of remedial measures intended to benefit public safety.

On March 28, 2025, an Interim Order was entered directing the Parties to file any appropriate and timely pleadings, file a proposed stipulation of fact to be entered into the evidentiary record, file a modified settlement with proposed stipulated facts or to otherwise address the issues raised, including the appropriateness and factual basis to consider a civil penalty and any other relief proposed in the Settlement. The Order also provided that, in the event that no additional filings are made by the Parties within 60 days of the date of the Order, on or before June 15, 2025, a status report shall be provided to the undersigned presiding officer.

The March 28, 2025, Interim Order was not served upon the Parties. On July 8, 2025, the Parties, upon discovery, promptly notified ALJ Watson, via email, that the Parties had not been served with the Interim Order and had not been aware of the Interim Order. On July 9, 2025, ALJ Watson indicated, via email, that a second Interim Order would be forthcoming.

On September 3, 2025, an Interim Order was entered requesting the Parties to file any appropriate and timely pleadings, proposed stipulation of fact to be entered into the evidentiary record, or to file a modified settlement with proposed stipulated facts or to otherwise address the issues raised in this proceeding, on or before September 30, 2025. On September 30, 2025, I&E and Peoples filed a Joint Stipulation of Facts in Support of Settlement (“Joint Stipulation”).

On October 17, 2025, an Interim Order was entered admitting the Joint Stipulation into the evidentiary record and closing the evidentiary record.

On October 27, 2025, an Interim Order Reopening the Record and Rejecting Joint Petition for Approval of Settlement (“Order”) was served upon the Parties. The Order reopened the evidentiary record, rejected the Settlement, and directed the scheduling of a four day in-person evidentiary hearing in March of 2026.

On November 4, 2025 and December 3, 2025, the Parties reached out to ALJ Watson, via email, seeking a status conference during which the Parties would have expressed their concerns with the Order.

On December 5, 2025, the Parties filed a Joint Petition for Interlocutory Review (“Petition”). At the time of the filing of the Petition, ALJ Watson has not scheduled the requested status conference.

II. LEGAL STANDARD

Pursuant to the provisions of 52 Pa. Code § 5.302, a party may seek interlocutory review and answer to a material question which has arisen or is likely to arise.

The standards for interlocutory review are well established. *See* 52 Pa. Code § 5.302(a). Section 5.302(a) of the Commission’s Regulations requires that the petitioning party

“state . . . the compelling reasons why interlocutory review will prevent substantial prejudice or expedite the conduct of the proceeding.” The pertinent consideration is whether interlocutory review is necessary to prevent substantial prejudice – that is, the error and any prejudice flowing therefrom could not be satisfactorily cured during the normal Commission review process. *Joint Application of Bell Atlantic Corp. and GTE Corp.*, Docket No. A-310200F0002, *et al.* (Opinion and Order entered June 14, 1999) (*Jt. Application of Bell Atlantic Corp.*); *Pa. PUC v. Frontier Communications of Pa. Inc.*, Docket No. R-00984411 (Opinion and Order entered February 11, 1999) (*Pa. PUC v. Frontier*); *In re: Knights Limousine Service, Inc.*, 59 Pa. P.U.C. 538 (1985) (*Knights Limousine*).

The Commission has stated that it does not routinely grant interlocutory review except upon a showing by the petitioner of extraordinary circumstances or compelling reasons. Such a showing may be made by a petitioner by establishing that, without such interlocutory review, some harm would result which would not be reparable through normal avenues, that the relief sought should be granted now, rather than later, and that granting interlocutory review would prevent substantial prejudice or expedite the proceeding. *Pa. PUC v. Philadelphia Gas Works*, Docket Nos. P-2009-2097639 and R-2009-2139884 (Opinion and Order entered April 15, 2010).

Pursuant to 52 Pa. Code § 5.303, the Commission may take one of the following courses of action on requests for interlocutory review and answer to a material question: (1) Continue, revoke or grant a stay of proceedings if necessary to protect the substantial rights of the parties; (2) Determine that the petition was improper and return the matter to the presiding officer; (3) Decline to answer the question; and (4) Answer the question.

III. ARGUMENT

I&E believes it is important to note that the Petition is supported by all the Parties, as the prompt resolution of this matter is to the mutual benefit of the parties and the public and is necessary to prevent substantial prejudice and expedite the proceeding. The Order at issue here fails to give due consideration to the public interest, removes the Commission's ability to review the Settlement to determine if it is in the public interest, and imposes unprecedented burdens on the Parties. The rejection of the Settlement and the ordering of evidentiary hearings does not provide an opportunity to cure the substantial prejudice during the normal Commission process. Additionally, the Order to conduct evidentiary hearings imposes a substantial time and financial burden on the Parties to fully litigate a case that had been fully resolved via the Settlement.

In addition to the substantial prejudice, the Order imposes significant delay in resolving the Formal Complaint and implementing the agreed upon public safety measures. An evidentiary hearing scheduled in March of 2026 would require a significant period in which the Parties would need to prepare witnesses, conduct the hearing, file briefs, file reply briefs, await a decision, file any exceptions, and await a Commission order. A Commission ruling on this Petition would serve to considerably expedite the conduct of the proceeding.

A. IN A JOINT SETTLEMENT, IS A PARTY REQUIRED TO ADMIT TO VIOLATIONS IN ORDER FOR THE SETTLEMENT TO BE APPROVED?

The Parties suggest an answer of "No."

This case presents a fundamental question on the application of Commission Regulations and interpretation of Commission precedent. A Commission ruling on this question would serve to “prevent substantial prejudice.” 52 Pa. Code § 5.302.

On January 17, 2025, the Parties filed the Settlement, which included a “Background” section of facts that the Parties had agreed to at the time the Settlement was filed. The September 3, 2025, Interim Order requested that the Parties file any appropriate and timely pleadings, proposed stipulation of fact to be entered into the evidentiary record, or to file a modified settlement with proposed stipulated facts or to otherwise address the issues raised in this proceeding, on or before September 30, 2025. On September 30, 2025, I&E and Peoples, through further negotiation and agreement, filed a Joint Stipulation of Facts in Support of Settlement (“Joint Stipulation”).

The Order rejected the Parties’ Settlement and relied on a lack of stipulated facts and a lack of admitted violations on behalf of Peoples to justify the rejection of the Settlement. Specifically, the Order made the following arguments:

1. “Despite these allegations by Peoples, there is no evidence in the stipulation of facts or Settlement to establish what investigation or discovery was conducted by the Parties or the presentation of any facts, reports or evidence to support such conclusions.”
2. “[T]he Settlement documents and stipulation of facts fail to acknowledge a single act or failure to act by Peoples that caused or contributed in any way to the allegations and unsafe conditions alleged by I&E.”
3. “[T]he evidentiary record in this proceeding is insufficient to establish substantial evidence to properly consider or support the proposed Settlement. On its face it appears that there is not record evidence that the proposed Settlement is supported by substantial evidence and is in the public interest.”

4. “[T]he Settlement also presents a number of questions not identified in the Settlement, regarding the discovery, investigation and inspections performed by the Parties to the Settlement, related to various issues identified in this proceeding.”
5. “[H]ere, there is simply not sufficient evidence to properly and adequately access the facts and circumstances presented in this proceeding in order to properly conclude whether the proposed Settlement is in the public interest.”¹

The Order requires the Parties to agree to certain facts and admit to certain violations for the Settlement to be considered in the public interest. This requirement is counter to Commission regulations and precedent. Pursuant to 52 Pa. Code § 5.232(a) “[a] settlement petition, which *may* contain stipulations of fact by all or some of the parties, shall be filed with the Secretary.” (emphasis added). Section 5.232 expressly identifies that a stipulation of facts is permitted to be filed in conjunction with a settlement petition, but a stipulation of facts is not required.

Furthermore, Commission precedent is exceptionally clear in holding that the Commission, in evaluating settlements, does not weigh evidence, does not opine on litigation positions, and recognizes that no party must admit to violations. *Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement v. Philadelphia Gas Works*, Docket No. C-2022-3033834, (Opinion and Order entered January 8, 2025) at 44, 45. Specifically, the Commission opined that:

Settlements are compromises that must serve the public interest to meet with our approval. In our examination of Settlements, we do not weigh the evidence thus far submitted by the parties or opine on the respective litigation positions and risk assessments that ultimately led the parties to the negotiating table prior to the conclusion of litigation. We recognize that no respondent party must admit to violations – nor must the moving party withdraw its complaint to reach a settlement – as that is what settling avoids. Simply put, our focus in cases such as this, where tragic events resulted in

¹ Order at 9-10.

loss of life and substantial property damage, must be on whether the Settlement, as crafted, not only reduces the time and expense associated with litigation, but also calls for meaningful measures to advance the safe operation of utility infrastructure to the distinct benefit of the public safety.

Id. The Order clearly contradicts the Commission’s established precedent and places an additional burden on the Parties to admit to certain facts and admit to violations.

The additional burdens created by the requirement to admit to certain facts and to admit to violations cause substantial prejudice to the Parties that will not be corrected in the normal proceeding of this matter. These unnecessary burdens will significantly increase the time and cost associated with the litigation and will significantly impair the Parties’ ability to implement meaningful measures to advance the safe operation of utility infrastructure to the benefit of public safety. The Commission’s intervention and ruling is necessary to relieve the substantial prejudice suffered by the Parties as a result of the Order.

B. DID THE PARTIES PROVIDE SUFFICIENT EVIDENCE TO DEMONSTRATE THAT THE SETTLEMENT IS IN THE PUBLIC INTEREST?

The Parties suggest an answer of “No.”

This case presents a fundamental question on the application of Commission Regulations. A Commission ruling on this question would serve to “prevent substantial prejudice.” 52 Pa. Code § 5.302.

As identified above, the Order relies on the perceived lack of “substantial evidence” and “sufficient evidence”² to justify the rejection of the Settlement.

² Order at 9-10.

However, after careful review of Commission regulations, it is unclear where the “substantial evidence” or “sufficient evidence” standard exists.

Commission regulation 52 Pa. Code § 69.1201 is quite clear in what 10 factors should be considered in evaluating a settlement and “substantial evidence” and “sufficient evidence” is not one of those factors. The creation of a “substantial evidence” or “sufficient evidence” factor creates an additional burden on the Parties that is not present in other settled matters before the Commission.

In conjunction with the filing of the Settlement, the Parties individually filed Statements in Support. These Statements in Support provided a thorough analysis of why the Parties believed the Settlement was in the public interest and in doing so, the Parties analyzed the ten factors for evaluating settled proceedings, as required by 52 Pa. Code § 69.1201. Via this analysis, the Parties’ Statements in Support provided substantial and sufficient support demonstrating that the Settlement was in the public interest. The Order failed to evaluate or give any consideration to the ten factors at Section 69.1201 or the Parties’ Statements in Support.

The additional burden created by the “substantial evidence” and “sufficient evidence” factor causes substantial prejudice to the Parties that will not be corrected in the normal proceeding of this matter. This unnecessary burden will significantly increase the time and cost associated with the litigation and will significantly impair the Parties’ ability to implement meaningful measures to advance the safe operation of utility infrastructure to the benefit of public safety. The Commission’s intervention and ruling

is necessary to relieve the substantial prejudice suffered by the Parties as a result of the Order.

C. SHOULD THE ALJ HAVE REJECTED THE SETTLEMENT AND ORDERED AN EVIDENTIARY HEARING WITHOUT ISSUING A RECOMMENDED DECISION?

The Parties suggest an answer of “No.”

This case presents a fundamental question on the application of Commission Regulations. A Commission ruling on this question would serve to “prevent substantial prejudice and expedite the conduct of the proceeding.” 52 Pa. Code § 5.302.

“It is the policy of the Commission to encourage settlements.” 52 Pa. Code § 5.231(a). In this matter, the Parties engaged in extensive negotiations and conversations aimed at reaching a settlement in this matter. Those negotiations were fruitful and the Parties agreed to a civil penalty, in addition to developing remedial measures intended to address the violations alleged in the Formal Complaint and improve public safety.

Those negotiations culminated in the Settlement that was filed on January 17, 2025, which was assigned to ALJ Watson as the presiding officer for review. In reviewing the Settlement, “[i]f the presiding officer rules on the petition, the ruling will be made in the form of an initial or recommended decision, subject to § 5.537 (relating to rate case settlements), if approved, or in the form of an order, if disapproved.” 52 Pa. Code § 5.232(d). After reviewing the Settlement, ALJ Watson rejected the Parties’ Settlement and directed the scheduling of four days of evidentiary hearings, to be held in March of 2026.

As noted in the Order, Peoples has not filed an Answer to I&E’s Formal Complaint, nor requested a hearing to contest the Formal Complaint. Despite the lack of Answer or request for a hearing, the Order has directed the scheduling of evidentiary hearings.

Beyond the scheduling of evidentiary hearings, the Order serves to substantially prejudice the Parties and significantly delay the proceedings. The Order has effectively removed the Commission’s ability to review the Settlement and determine whether it is in the public interest. In its review of a Settlement, the Commission “will consider specific factors and standards” to determine if a “proposed settlement for a violation is reasonable and approval of the settlement agreement is in the public interest.” 52 Pa. Code § 69.1201. Section 69.1201(c) provides 10 factors, also known as the *Rossi* factors, that will be considered by the Commission in analyzing whether a settlement is in the public interest.

The Order rejects the Settlement and acknowledges “the Commission’s Policy Statement sets forth ten (10) factors that the Commission may consider in evaluating whether a civil penalty for violating a Commission order, regulation, or statute is appropriate, as well as whether a proposed settlement for a violation is reasonable and in the public interest.”³ However, the Order makes no effort to evaluate the Settlement using those 10 factors and states “there is simply not sufficient evidence to properly and adequately access the facts and circumstances presented in this proceeding in order to properly conclude whether the proposed Settlement is in the public interest.”⁴

³ Order at 10.

⁴ *Id.*

In rejecting the Settlement, the Order has failed to evaluate the Settlement based on the *Rossi* factors, removed the Commission's ability to review the Settlement, and removed the Commission's ability to evaluate the Settlement based on the *Rossi* factors, as required under Section 69.1201. The Parties will suffer substantial prejudice if the Order remains, as the Parties' carefully negotiated and crafted Settlement is rejected without proper evaluation under the *Rossi* factors. This substantial prejudice will not be reparable through normal avenues if the matter proceeds through evidentiary hearings and can only be avoided by timely Commission intervention.

At the time this instant Petition was filed, the Parties' Settlement has been pending with Office of Administrative Law Judge for approximately eleven (11) months, a significant amount of time and by no fault of the Parties. The ordering of evidentiary hearings in March of 2026 will significantly increase the length of the proceeding, a proceeding the Parties had already resolved via Settlement. An evidentiary hearing scheduled in March of 2026 would require a significant period in which the Parties would need to prepare witnesses, conduct the hearing, file briefs, file reply briefs, await a decision, file any exceptions, and await a Commission order. The Settlement in this matter specifically called for a number of remedial measures contemplated to improve public safety. The implementation of those remedial measures has already been unnecessarily delayed in the 11 months since the filing of the Settlement and would only be further delayed if the Order remains. A Commission ruling would serve to expedite the conduct of the proceeding and would serve to improve public safety via the implementation of the Settlement's remedial measures.

IV. CONCLUSION

The Order substantially prejudices the Parties and serves to unnecessarily delay the proceedings. A Commission ruling on this question would serve to prevent substantial prejudice and expedite the conduct of the proceeding. The Parties respectfully request the Commission undertake an interlocutory review of this proceeding, answer the material questions in the negative, and issue an Order vacating the October 27, 2025 Interim Order and directing the issuance of a Recommended or Initial Decision or, in the alternative, the Commission issue an Opinion and Order approving the Settlement.

Respectfully submitted,



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Dated: December 8, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement	:	
	:	
v.	:	Docket No. C-2024-3050319
	:	
Peoples Natural Gas Company LLC	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

Service by Electronic Mail:

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