

**PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA 17120**

Public Meeting held December 18, 2025

Commissioners Present:

Stephen M. DeFrank, Chairman  
Kimberly Barrow, Vice Chair  
Kathryn L. Zerfuss  
John F. Coleman, Jr.  
Ralph V. Yanora

Pennsylvania Public Utility Commission,  
Bureau of Investigation and Enforcement

C-2024-3050319

v.

Peoples Natural Gas Company LLC

**OPINION AND ORDER**

**BY THE COMMISSION:**

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition is the Joint Petition for Interlocutory Review (Petition), filed by the Commission's Bureau of Investigation and Enforcement (I&E) and Peoples Natural Gas Company LLC (Peoples) (collectively, Petitioners or Parties) pursuant to Section 5.301, *et seq.*, of the Commission's Regulations, 52 Pa. Code § 5.301, *et seq.*, on December 5, 2025, in the above-captioned proceeding. The Petition pertains to the Interim Order Reopening the Record and Rejecting Joint Petition for Approval of

Settlement of Administrative Law Judge (ALJ) Jeffrey Watson issued on October 27, 2025 (*October 27, 2025 Interim Order*).

The Petitioners seek Commission review of, and answer to, the following proposed Material Questions:

- (1) In a Joint Settlement, is a Party required to admit violations in order for the settlement to be approved?
- (2) Did the Parties provide sufficient evidence to demonstrate that the settlement is in the public interest?
- (3) Should the ALJ have rejected the Settlement and ordered an evidentiary hearing without issuing a Recommended Decision?

Petition at 1-2.

On December 12, 2025, I&E filed an amended brief in support of the Petition (I&E Amended Brief).<sup>1</sup> Peoples also filed a brief in support of the Petition, on December 15, 2025 (Peoples Brief).<sup>2</sup>

For the reasons discussed below, we shall answer the first and third Material Questions in the negative and shall decline to answer the second Material Question.

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<sup>1</sup> Initially, I&E filed a brief in support of the Petition on December 8, 2025. We shall reference the I&E Amended Brief herein.

<sup>2</sup> No Parties filed a brief in opposition to the Petition.

## **I. Background and History of the Proceeding**

This matter pertains to a gas explosion occurring on July 26, 2021, in the Borough of Tyrone, Pennsylvania (Borough). The explosion occurred after a contractor, Glenn Johnston, Inc. (GJI), hired by the Borough to install new water mains and service connectors, struck and bored through a 6-inch plastic gas main owned and operated by Peoples. Prior to the explosion, a foreman for GJI contacted Peoples Call Center to report an outside odor of gas and Peoples issued an emergency service order and dispatched a customer serviceman to investigate. Thereafter, the explosion occurred at the residence located at 1306 Pennsylvania Avenue in the Borough, resulting in one fatality, four injuries, the complete destruction of one residence, severe damage to a second residence, and fire damage to a third residence. Joint Stipulation of Facts in Support of Settlement (Joint Stipulation) at 3-5.

Following an investigation, I&E filed a Formal Complaint (Complaint) on July 26, 2024, alleging that Peoples violated certain provisions of the Public Utility Code (Code), the Commission's Regulations, and the Code of Federal Regulations in connection with the gas explosion. In response, Peoples filed a series of letters with the Commission on August 7, 2024, September 11, 2024, and October 11, 2024, requesting extensions of time to file an answer to the Complaint. Following each extension request, pursuant to Secretarial Letters dated, August 7, 2024, September 12, 2024, and October 15, 2024, the Commission granted extensions of time to file an answer to the Complaint.

On October 18, 2024, Peoples filed another letter with the Commission's Secretary requesting an extension of time to file a Joint Petition for Settlement and advising that the Parties had reached a settlement in principle on all issues in this proceeding. Thereafter, the case was assigned to ALJ Watson.

On January 17, 2025, I&E and Peoples filed a Joint Petition for Approval of Settlement (Settlement). The Settlement included a “Background” section of facts that the Petitioners had agreed to as the basis upon which the Settlement was reached. Pursuant to the terms of the Settlement, Peoples agreed to pay specified fines and implement various remedial measures intended to benefit public safety. Settlement at 4-8, 15-19.

On March 28, 2025, ALJ Watson issued an Interim Order (*March 2025 Interim Order*) directing the Petitioners to file any appropriate pleadings, a proposed stipulation of fact to be entered into the evidentiary record, 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 *March 2025 Interim Order* also provided that, in the event that no additional filings were made by the Petitioners within 60 days, a status report should be provided to ALJ Watson on or before June 15, 2025.

Commission records indicate that the *March 2025 Interim Order* was not served on the Petitioners. According to I&E, upon discovery of the *March 2025 Interim Order*, the Petitioners, on July 8, 2025, notified ALJ Watson, via email, that they had not been served with or been made aware of the *March 2025 Interim Order*. On July 9, 2025, ALJ Watson indicated, via email, that a further Interim Order would be forthcoming. I&E Brief at 2.

By Interim Order dated September 3, 2025 (*September 2025 Interim Order*), ALJ Watson requested that the Petitioners file any appropriate pleadings, a proposed stipulation of fact to be entered into the evidentiary record, a modified settlement with proposed stipulated facts, or to otherwise address the issues raised in this proceeding by September 30, 2025. On September 30, 2025, the Petitioners filed their Joint Stipulation.

By Interim Order dated October 17, 2025, ALJ Watson admitted the Joint Stipulation into the evidentiary record and closed the record. However, on October 27, 2025, ALJ Watson issued the *October 27, 2025 Interim Order*, which reopened the evidentiary record, rejected the Settlement, and directed the scheduling of a four-day in-person evidentiary hearing in March of 2026.<sup>3</sup>

As noted above, the Petitioners filed their Petition on December 5, 2025, and their respective briefs in support of the Petition on December 12, 2025, and December 15, 2025.

## II. Discussion

### A. Legal Standards

As a preliminary matter, we note that any issue we do not specifically delineate shall be deemed to have been duly considered and denied without further discussion. The Commission is not required to consider expressly or at length each contention or argument raised by the parties. *Consolidated Rail Corp. v. Pa. PUC*, 625 A.2d 741 (Pa. Cmwlth. 1993); *see also, generally, University of Pennsylvania v. Pa. PUC*, 485 A.2d 1217 (Pa. Cmwlth. 1984).

During a proceeding, and 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

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<sup>3</sup> The Petitioners assert that they requested a conference with ALJ Watson on November 4, 2025, and December 3, 2025, to express their concerns about the *October 27, 2025 Interim Order*, but that, to date, no conference has been scheduled. Petition at 1.

Regulations require 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) (*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*).

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.
- (4) Answer the question.

Generally, Petitions for Interlocutory Review are not favored, as the preferred approach is to permit proceedings to move forward in the normal course to provide all parties, the presiding officer, and the Commission with a full opportunity to develop the record, brief issues, and present arguments at each stage. *Re: Philadelphia Gas Works Universal Service and Energy Conservation Plan*, Docket No. M-00072021 (Opinion and Order entered October 23, 2009) at 3.

Under case law construing Section 5.302(a) of the Commission's Regulations, 52 Pa. Code § 5.302(a), the "compelling reasons" for interlocutory review are the reasons establishing that such review is necessary to either prevent substantial prejudice or to expedite the conduct of the proceeding. In other words, a petition under Section 5.302(a) must allege compelling reasons why any alleged prejudice flowing therefrom could not be rectified during the normal Commission review process.

*Application of Bell Atlantic Corp.; Pa. PUC v. Frontier; Knights Limousine Service, Inc.*

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) (*PGW Order*).

**B. *October 27, 2025 Interim Order***

In the *October 27, 2025 Interim Order*, ALJ Watson found that the Settlement was not in the public interest and recommended that it not be adopted. Additionally, the ALJ reopened the record and directed that the Parties have witnesses be available for a four-day in-person evidentiary hearing to be held in Harrisburg or Pittsburgh in March of 2026. *October 27, 2025 Interim Order* at 11.

In support, the ALJ reasoned that in the Settlement, the Parties acknowledged the following: (1) there has been no evidentiary hearing before any tribunal, and no sworn testimony has been taken in any proceeding related to this incident; (2) the Settlement is not the result of any decision, adjudication, sworn

testimony, or evidentiary hearing before any tribunal; and (3) the Parties' positions and claims are disputed. Referencing the Statements in Support of the Settlement, the ALJ highlighted Peoples' contention that the explosion was not caused by any action of Peoples. Additionally, the ALJ noted Peoples' assertion that in its Complaint, I&E did not assert deficiencies by Peoples' facilities or infrastructure, but with its personnel training, call center and response practices, record keeping, and monitoring of third-party excavations, none of which played any factor in the incident. *October 27, 2025 Interim Order* at 5-7.

The ALJ further explained that Peoples has not filed an answer to the Complaint and reiterated that there has been no evidentiary hearing in this proceeding. Although acknowledging the Parties' filing of the Joint Stipulation, which was admitted into the record, the ALJ found that the evidentiary record in this proceeding was insufficient to establish substantial evidence to properly consider or support the proposed Settlement. The ALJ stated that "[o]n 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." *October 27, 2025 Interim Order* at 10. Additionally, the ALJ reasoned that the Settlement presents questions, not identified in the Settlement, regarding the discovery, investigation and inspections performed by the Parties, related to various issues identified in this proceeding. *Id.*

Next, the ALJ acknowledged the Commission's policy promoting settlements at 52 Pa. Code § 5.231, and stated that the focus of inquiry for determining whether a proposed settlement should be recommended for approval is not a burden of proof standard, as is utilized for contested matters. Rather, the ALJ noted, the benchmark for determining if a settlement is acceptable is whether the proposed terms and conditions are in the public interest. *October 27, 2025 Interim Order* at 10 (citing *Pa. PUC, et al. v. City of Lancaster – Bureau of Water*, Docket Nos. R-2010- 2179103, *et al.* (Opinion and Order entered July 14, 2011) at 11).

Moreover, the ALJ referenced the Policy Statement factors at 52 Pa. Code § 69.1201 (*Rosi Factors*)<sup>4</sup> that the Commission may consider in evaluating whether a civil penalty for violating the Code or Commission Order or Regulation, is appropriate, or whether a proposed settlement for a violation is reasonable and in the public interest. However, the ALJ concluded that “[u]nfortunately, here, there is simply not sufficient evidence to properly and adequately assess the facts and circumstances presented in this proceeding in order to properly conclude whether the proposed Settlement is in the public interest.” *October 27, 2025 Interim Order* at 10.

### C. Petition

In the Petition, the Parties request that the Commission undertake an interlocutory review of this proceeding and issue an Order vacating the *October 27, 2025 Interim Order* and directing the issuance of a Recommended or Initial Decision. Alternatively, they request that the Commission issue an Opinion and Order approving the Settlement. Petition at 3.

As noted above, the Petitioners request that the Commission answer three Material Questions. The first Material Question is: “In a Joint Settlement, is a Party required to admit to violations in order for the settlement to be approved?” The Petitioners suggest the answer is “no.” Petition at 1.

Regarding the first Material Question, the Petitioners assert that the ALJ relied upon the supposed failure 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” as a basis for reopening the record and rejecting the Settlement. Petition at 1-2

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<sup>4</sup> See *Joseph A. Rosi v. Bell-Atlantic-Pennsylvania, Inc.*, Docket No. C-00992409 (Order entered March 16, 2000).

(citing *October 27, 2025 Interim Order* at 9). The Petitioners argue that this is not a valid basis for rejecting the Settlement. Petition at 2.

The Petitioners reference the Commission’s practice that when evaluating settlements, it does not weigh evidence, does not opine on litigation positions, and recognizes that no party must admit to violations. Petition at 2 (citing *Pa. PUC, Bureau of Investigation and Enforcement v. Philadelphia Gas Works*, Docket No. C-2022-3033834 (Opinion and Order entered January 8, 2025) (*PGW Order 2025*) at 44-45). According to the Petitioners, it is for good reason that parties are not required to admit to violations in order for a settlement to be approved, because parties often do not agree that a violation has occurred. The Petitioners argue that if parties were required to admit to violations, they would, in many cases, choose not to settle. Petition at 2.

The Second Material Question is: “Did the Parties provide sufficient evidence to demonstrate that the [S]ettlement is in the public interest?” The Petitioners suggest the answer is “yes.” Here, the Petitioners reference the ALJ’s statement that the Parties failed to provide sufficient evidence to demonstrate that the Settlement is in the public interest. Petition at 2 (citing *October 27, 2025 Interim Order* at 10).

Noting that the Settlement contained “Background” facts agreed to by the Parties and was later supplemented with a Joint Stipulation, as ordered by ALJ Watson, the Petitioners opine that a settlement petition may contain a stipulation of fact, but that one is not required. Petition at 2 (citing 52 Pa. Code § 5.232(a)). Additionally, the Petitioners assert that the Parties provided an analysis in their Statements in Support of how the Settlement meets the ten factors for evaluating settled proceedings, as required by Section 69.1201 of Commission Regulations, 52 Pa. Code § 69.1201. The Petitioners argue that the *October 27, 2025 Interim Order* failed to evaluate or give any consideration to these factors. Petition at 2.

The third Material Question is: “Should the ALJ have rejected the Settlement and ordered an evidentiary hearing without issuing a Recommended Decision?” The Petitioners suggest the answer is “no.” Petition at 2.

As to the third Material Question, the Petitioners reference the ALJ’s directive that an evidentiary hearing be held in this proceeding, but note that no Party has requested such a hearing. Further, the Petitioners cite Section 5.232(d) of our Regulations, 52 Pa. Code § 5.232(d), which provides, in part, that when presiding officers make any ruling on settlement petitions they must do so in the form of initial or recommended decisions. The Petitioners assert that here, the ALJ has not issued an initial or recommended decision and that, at the time of the filing of the instant Petition, the Settlement has been pending before the Office of Administrative Law Judge (OALJ) for approximately 11 months. Petition at 2-3.

Additionally, the Petitioners contend that the Settlement provides for certain measures designed to improve public safety and that the ordering of evidentiary hearings serves to cause unnecessary and excessive delay. Regarding the delay argument, the Petitioners explain that the Settlement was filed on January 17, 2025, and that the *March 2025 Interim Order* was filed but never served upon the Parties. The Parties stress that when they became aware of the *March 2025 Interim Order* on July 8, 2025, they promptly notified ALJ Watson of the failure to be served. Thereafter, ALJ Watson issued the *September 2025 Interim Order*, and pursuant to that Order the Parties filed their Joint Stipulation on September 30, 2025.

In further support of their position that the third Material Question should be answered in the negative, the Petitioners proffer that the *October 27, 2025 Interim Order* has removed the Commission’s ability to review the Settlement to determine if it is in the public interest, pursuant to Section 69.1201, and has delayed Peoples’ implementation of the agreed-upon public safety measures. Petition at 3.

#### **D. Briefs in Support**

In its brief in support of the Petition, I&E asserts that the prompt resolution of the Petition will mutually benefit the Parties and the public and is necessary to prevent substantial prejudice and to expedite the proceeding. According to I&E, the *October 27, 2025 Interim Order* failed to give due consideration to the public interest, removed the Commission's ability to review the Settlement to determine if it is in the public interest, and imposed unprecedented burdens on the Parties. I&E also argued that 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. Rather, I&E proffers, the ordering of evidentiary hearings imposes substantial time and financial burdens on the Parties to fully litigate a case that had been fully resolved via the Settlement. I&E Amended Brief at 5.

Additionally, I&E submits that the *October 27, 2025 Interim Order* imposes a significant delay in resolving the Complaint and implementing the agreed upon public safety measures. As an example, I&E notes that 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. In contrast, I&E submits that a Commission ruling on this Petition would serve to considerably expedite the conduct of the proceeding. I&E Amended Brief at 5.

Regarding the first Material Question, I&E argues that the *October 27, 2025 Interim Order* requires the Parties to agree to certain facts and admit to violations for the Settlement to be in the public interest. I&E submits that such a requirement clearly contradicts the Commission's established precedent and places an additional burden on the Parties, resulting in substantial prejudice to the Parties that will

not be corrected in the normal proceeding of this matter. I&E Amended Brief at 6-8 (citing *PGW Order 2025*).

As to the second Material Question, I&E reiterates that the *October 27, 2025 Interim Order* relied on a perceived lack of both “substantial evidence” and “sufficient evidence” to justify the rejection of the Settlement. I&E Amended Brief at 8 (citing *October 27, 2025 Interim Order* at 9-10). I&E opines that the creation of a substantial or sufficient evidence standard is not supported in the Commission’s Regulations and would create an additional burden and impose substantial prejudice to the Parties which has never been required in other settled matters before the Commission. I&E Amended Brief at 9.

Regarding the third Material Question, I&E argues that the ALJ failed to evaluate the Settlement using the *Rosi Factors*, thereby removing the Commission’s ability to review the Settlement as required under Section 69.1201. I&E adds that the Parties will suffer substantial prejudice if the *October 27, 2025 Interim Order* remains, and the Parties’ carefully negotiated and crafted Settlement is rejected without proper evaluation under the *Rosi Factors*. According to I&E, 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. In support, I&E emphasizes the length of time the matter has been pending, the further litigation time required under the *October 27, 2025 Interim Order*, and the resulting delay in implementing remedial measures in the Settlement designed to improve public safety. I&E Amended Brief at 11-12.

In its brief in support of the Petition, Peoples submits that the ALJ’s reasons for rejecting the Settlement are unreasonable and will serve to significantly discourage future settlements of proceedings that are similar in nature to the instant proceeding. Peoples Brief at 3.

As to the first Material Question, Peoples makes similar arguments to those of I&E in its Amended Brief, *supra*. Peoples asserts that in addition to the Commission's decision in the *PGW Order 2025*, there are many other examples of settlements that have been approved by the Commission where the utility did not admit fault or a violation of the Commission's Regulations. Peoples Brief at 4-6.

As to the second Material Question, Peoples notes, *inter alia*, that the Parties set forth stipulated facts in the Background section of the Settlement and also provided a Joint Stipulation of Facts in response to a further request from the ALJ. Peoples avers that the Joint Stipulation of Facts provides substantial evidence upon which to determine that the Settlement is in the public interest. Peoples also stresses its position that both Parties, in their respective Statements in Support, explained why the Settlement is in the public interest and specifically evaluated the terms of the Settlement with respect to the *Rosi Factors*. Peoples Brief at 6-7.

As to the third Material Question, Peoples contends that the issuance of the *October 27, 2025 Interim Order*, in lieu of an initial or recommended decision, when the Parties have submitted a unanimous Settlement that resolves all issues in this proceeding, is improper because it effectively denies the Parties the right to have their unanimous Settlement reviewed by the full Commission at this stage of the proceeding. Peoples insists that the Parties should not be denied the opportunity and right to have the Settlement reviewed by the full Commission. Peoples further contends that requiring evidentiary hearings when all Parties have neither requested, nor wish to participate in evidentiary hearings, would add substantial costs to this proceeding and would infringe on I&E's role as a prosecutor. Accordingly, Peoples submits that the Commission should approve the Petition. Peoples Brief at 7-9.

## E. Disposition

Upon review, we find that the Petitioners have shown compelling reasons for interlocutory review under Section 5.302(a) of our Regulations, 52 Pa. Code. § 5.302(a), because such review is necessary to prevent what would appear to be substantial prejudice if the Parties were required to further litigate the instant proceeding against their wishes, as contemplated under the *October 27, 2025 Interim Order*. Additionally, granting the requested interlocutory review and answering the Material Questions, in part, as discussed herein, would likely expedite the matter by potentially avoiding any further delays in what has been a prolonged proceeding.

Regarding the first Material Question, we agree with the Petitioners that a party to a proposed Settlement is not required to admit to violations in order for the settlement to be approved. In contrast, it is clear that when evaluating settlements, the Commission does not weigh evidence or opine on litigation positions, but instead recognizes that a party is not required to admit to violations. Recently, in the *PGW Order 2025*, we explained these principles, as follows:

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 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.

*PGW Order 2025* at 44-45.

The provisions in the *October 27, 2025 Interim Order* requiring an admission of facts or violations directly contradict these principles, which the Commission has historically employed to evaluate whether settlements are in the public interest. Accordingly, we shall answer the first Material Question: “In a Joint Settlement, is a Party required to admit to violations in order for the settlement to be approved?” in the negative.

Further, we acknowledge that the ALJ did not fully evaluate the factors and standards for the Settlement, pursuant to our Statement of Policy under Section 69.1201 of the Commission’s Regulations, 52 Pa. Code § 69.1201. Additionally, as contemplated under Section 5.232(d) of our Regulations, 52 Pa. Code § 5.232(d), presiding officers are expected to review and evaluate settlements in the form of an initial or recommended decision. This procedure provides the parties to a settlement with the opportunity to file Exceptions and Reply Exceptions to the extent necessary. Unfortunately, here, by issuing an interim order, the Commission is without the benefit of a comprehensive evaluation of the Settlement by the presiding officer, via a recommended decision. Likewise, the Parties have essentially been denied the opportunity to file Exceptions to the *October 27, 2025 Interim Order* and to directly address the merits of the proposed Settlement in relation to the ALJ’s ruling.

Based upon the forgoing, we agree with the Petitioners that the ALJ incorrectly rejected the Settlement and ordered an evidentiary hearing without issuing either an initial or recommended decision. Thus, we shall answer the third Material

Question: “Should the ALJ have rejected the Settlement and ordered an evidentiary hearing without issuing a Recommended Decision?” in the negative.

Although we have addressed the first and third Material Questions, answering in the negative, we believe it would be premature to answer the second Material Question: “Did the Parties provide sufficient evidence to demonstrate that the settlement is in the public interest?,” as this question pertains to the ultimate determination whether of the Settlement is in the public interest. Under the procedural posture of this case, we shall decline to examine this question, pending the ALJ’s disposition by recommended decision based upon a full evaluation of the Settlement – including the Joint Stipulation and the Parties’ Statements in Support of the Settlement – pursuant to a Recommended Decision applying all the relevant factors under Section 69.1201 and any potential Exceptions and possible Reply Exceptions to such a determination.

Accordingly, we shall decline to answer the second Material Question. Rather, having answered the first and third Material Questions in the negative, we shall vacate the *October 27, 2025 Interim Order* and return this matter to the OALJ for the preparation of a Recommended Decision pertaining to the proposed Settlement and the full application of the relevant *Rosi Factors* under Section 69.1201 of the Commission’s Regulations, 52 Pa. Code § 69.1201. In doing so, we request that the OALJ issue a Recommended Decision as expeditiously as possible.

### **III. Conclusion**

Upon review, we shall: (1) answer the first and third Material Questions, pursuant to 52 Pa. Code § 5.303(a)(4), in the negative, (2) decline to answer the second Material Question, pursuant to 52 Pa. Code § 5.303(a)(3), and (3) return this matter to the

OALJ for the issuance of a Recommended Decision on the Settlement as expeditiously as possible, all consistent with this Opinion and Order; **THEREFORE,**

**IT IS ORDERED:**

1. That, with regard to the Joint Petition for Interlocutory Review filed by the Commission's Bureau of Investigation and Enforcement and Peoples Natural Gas Company LLC on December 5, 2025, we shall answer the following Material Questions in the negative:

(a) In a Joint Settlement, is a Party required to admit violations in order for the settlement to be approved?

(b) Should the ALJ have rejected the Settlement and ordered an evidentiary hearing without issuing a Recommended Decision?

2. That, with regard to the Joint Petition for Interlocutory Review filed by the Commission's Bureau of Investigation and Enforcement and Peoples Natural Gas Company LLC on December 5, 2025, we shall decline to answer the following Material Question:

(a) Did the Parties provide sufficient evidence to demonstrate that the settlement is in the public interest?

3. That this matter shall be returned to the Office of Administrative Law Judge for the issuance of a Recommended Decision pertaining to the Joint Petition for Approval of Settlement filed by the Commission's Bureau of Investigation and Enforcement and Peoples Natural Gas Company LLC as expeditiously as possible.

**BY THE COMMISSION**

A handwritten signature in black ink, reading "Matthew L. Homsher". The signature is written in a cursive style with a large initial "M".

Matthew L. Homsher  
Secretary

(SEAL)

ORDER ADOPTED: December 18, 2025

ORDER ENTERED: December 18, 2025