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**Carol Scanlon**  
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January 9, 2026

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

**Re: PEOPLES NATURAL GAS COMPANY LLC - State Tax Adjustment Surcharge (STAS) Docket No. M-2025-3059055**

Dear Secretary Homsher:

Please note that Peoples Natural Gas Company LLC's ("Peoples Natural Gas" or "Company") will not be submitting a tariff change to the State Tax Adjustment Surcharge ("STAS") to account for the recent adjustment to the Pennsylvania Corporate Net Income Tax ("CNI") rate. This is in compliance with Paragraph 49 (shown below) of the Peoples' rate case settlement at Docket R-2023-3044549 which stated the following:

*49. Because the base rate increase under this Settlement includes no amount for state income tax expense, the Company will not reflect future reductions to the state income tax rate in the STAS during the period that these base rates remain in effect.*

Peoples Natural Gas will re-evaluate the STAS calculation and annual recomputation during normal course and file accordingly on April 1, 2026.

Thank you for your attention to this matter. Please do not hesitate to contact me if you have any questions regarding this filing.

Sincerely,

Carol Scanlon  
Manager, Rates