



Via Electronic Filing

February 17, 2026

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

Re: Docket Number F-2025-3055828
Shirley Nicodemus v. Peoples Natural Gas Company LLC

Dear Secretary Homsher:

On behalf of Peoples Natural Gas Company LLC (“Peoples”), please find enclosed for filing Exceptions in the above-noted docket.

Please contact the undersigned at (412) 208-6834 should you have any questions or concerns regarding this matter.

Very truly yours,

Jennifer L. Petrisek
Senior Counsel

cc: All Parties listed on the Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

SHIRLEY NICODEMUS)	
)	
V.)	DOCKET NO. F-2025-3055828
)	
PEOPLES NATURAL GAS COMPANY LLC)	

**EXCEPTIONS OF PEOPLES NATURAL GAS COMPANY LLC TO THE INITIAL DECISION
OF ADMINISTRATIVE LAW JUDGE DUNDERDALE**

Pursuant to 52 PA. Code §5.533, Peoples Natural Gas Company LLC (“Peoples” or “Respondent”) hereby submits the following Exceptions to the Initial Decision in this matter issued on January 28, 2025 (the “Initial Decision”).

I. BACKGROUND

On June 13, 2025, Shirley Nicodemus (“Nicodemus” or “Complainant”) filed a Formal Complaint with the Pennsylvania Public Utility Commission (the “Commission”) against Peoples wherein she alleged (1) she had a reliability, safety or quality problem with her natural gas service which resulted in damage to her basement and (2) she stopped receiving billing statements from Peoples, beginning in June 2024. As relief, Complainant sought (1) repairs to her basement and (2) her bills provided on-time¹.

On July 11, 2025, Respondent filed an Answer, in which Peoples acknowledged it experienced a delay in timely billing until it contracted for a new provider of mailing services. Respondent also acknowledged completing a pipeline replacement project at the service address in September 2023. Peoples admitted it took remedial action at Complainant’s request but asserted the widespread damage in Complainant’s basement resulted from the age and material of the foundation coupled with an abnormally

¹ Formal Complaint, Page 3.

high level of precipitation. Respondent contended the claim for damages should be addressed in the local Court of Common Pleas.

On October 8, 2025, an evidentiary hearing in this matter was held telephonically before Administrative Law Judge Katrina Dunderdale (the “Presiding Officer” or “ALJ”); both parties participated. The record closed on October 31, 2025, upon receipt of the transcript.

By Secretarial Letter dated January 28, 2026, the Commission served Peoples with the Initial Decision.

II. EXCEPTIONS

A. THE INITIAL DECISION ERRED IN FINDING THAT PEOPLES FAILED TO ISSUE MONTHLY BILLS FROM JUNE 2024 TO DECEMBER 2024.

In Finding of Fact ¶3: “From June 2024 through December 2024, Respondent did not send Complainant a monthly bill for natural gas service.”² and Finding of Fact ¶6 “Respondent created bills on Complainant’s account on the following dates but did not send the bills to Complainant unless she called...”, the ALJ finds that Peoples failed to issue bills for a seven (7) month period. These Findings of Facts appear to be based on the testimony of Nicodemus, as she testified that she did not receive monthly bills, in the mail, during this period until she called the Company each month, and then she received copies of the bills in the mail. However, at no point in Peoples’ testimony did Witness Prilla testify that bills were not sent to Nicodemus or any other other customer during the seven (7) month period. In fact, Witness Prilla specifically states in her testimony that Peoples billing vendor unexpectedly went out of business, and in the interim period of contracting with new vendor, Peoples worked with a former employee from the initial vendor to ensure “...our bills and any other customers correspondence were going out in a timely manner”³.

Q. Okay. Can you explain what happened in that time period of, I believe Ms. Nicodemus mentioned approximately June to early - June 2024 to early January 2025?

² FOF at ¶3 & FOF at ¶3, Initial Decision Page 4.

³ Transcript, page 77.

A. Yes. In the spring of 2024, we were notified that our billing vendor at the time, which was called Pittsburgh Mailing, they were immediately going out of business. They gave us zero notification whatsoever. So we had to work with one of the employees from Pittsburgh Mailing in the interim to find a solution just to make sure that our bills and any customer correspondence were going out in a timely manner while we were looking for a new vendor to take over mailing our bills.

Q. Right. And was a new vendor located?

A. It was. There was a period of the transition where it was taking a little bit of time. And, you know, we had to get our IT department to set everything up. There were some delays. However, we did take the action to ensure that we were holding any late fees and investigating any billing concerns with customers on an individual basis.⁴

Witness Prilla further testify that Peoples notified BCS of the loss of the billing vendor, possible delays and the need to locate a new billing vendor⁵. Further, Witness Prilla testified that late fees were not applied to accounts as Peoples knew of possible delays due to the unexpected immediate closure of its billing vendor⁶. Prilla further testified that Ms. Nicodemus was provided with a copy of her bill each time she contacted the company during the period in question⁷.

There is no testimony that Peoples disregarded its obligation to provide bills – nor was there testimony that the bills were not sent at all, nor that Peoples delayed in finding a new vendor. Further, there is no evidence that Respondent failed to investigate this issue and failed to provide reasonable and adequate customer service. Peoples agreed, as Witness Prilla testified, that there were some delays with bills, but never did the Company testify that the bills were not sent at all – or only sent if a customer called with a question – or only if the customer has electronic bills. Witness Prilla testified that when Nicodemus called and stated she did not receive her bills, a company representative then provided her a copy of the bills as they appeared in the company system. Each time, the company representative responded to Nicodemus’ concerns⁸.

⁴ Transcript, pages 78-79.

⁵ Transcript, pages 81.

⁶ Transcript, pages 80-81.

⁷ Transcript, pages 81.

⁸ Transcript, pages 79-80.

As there was no evidence that Peoples failed to bill Nicodemus for seven (7) months, only that Nicodemus did not receive her actual bills in the mail, Peoples requests that the \$500 penalty, for this portion of the Complaint, be removed.

B. THE INITIAL DECISION ERRED IN FINDING THAT PEOPLES DID NOT TAKE SERIOUSLY THE INCORRECTLY CASHED CHECK.

The Initial Decision finds that Peoples acted in a nonchalant manner in dealing with Nicodemus' incorrectly cashed check, Peoples failed to conduct a manual review of the check issues and Peoples should have better control over its vendors. While Peoples agrees that an incorrectly cashed check is a serious concern, Peoples disagrees that it took this matter lightly. As Witness Prilla testified, Peoples utilizes PNC Bank PNC Bank is one of Pittsburgh's largest banks and lock-box providers. As Witness Prilla testified, PNC Bank did not make Peoples aware of the misapplied check so there was no way that Peoples could have conducted a manual review of checks – or been alerted to a discrepancy - unless and until the Customer or PNC Bank notified Peoples. As Witness Prilla testified, when the issue was discovered, our Treasury Department contacted PNC Bank to open an inquiry to "...try and determine their procedures for handling, like, any sort of checks written incorrectly to us, like if they're meant for, in this instance, like the insurance company. To ensure that that doesn't get applied to the customer's account and it gets sent back. We have, you know, like I said, we've opened an inquiry to try and figure out if there's some sort of workflow that we can put in process so that this - this does not happen again in the future."⁹ This was a one-time event on Nicodemus' account, however, Peoples took reasonable steps to open an inquiry with PNC Bank to ensure that a similar situation does not occur in the future.

C. THE INITIAL DECISION ERRED IN FINDING THAT PEOPLES DAMAGED NICODEMUS' SERVICE ADDRESS

Complainant has the burden of proving that the alleged damages to her basement were caused by Peoples' work. As the Presiding Officer identified on Page 11 of the Initial Decision, the burden of proof requires substantial evidence, such evidence that a reasonable mind might accept as adequate to support a conclusion, and must be more than a mere trace of evidence or a suspicion of the existence of a fact sought to be established¹⁰. In this case, Nicodemus was unable to provide any evidence of Peoples

⁹ Transcript, page 84.

¹⁰ *Norfolk & Western Ry. Company v. Pa. Pub. Util. Comm'n*, 413 A.2d 1037 (Pa. 1980); *Erie Resistor Corp. v. Unemployment Board of Review*, 166 A.2d 96 (Pa. Super. 1961); *Murphy v. Dept. of Public Welfare*, 480 A.2d 382 (Pa. Cmwlt. 1984).

causing damage to her property. All Nicodemus could provide is an assertion that the water damage occurred after Peoples moved her meter, thus Peoples damaged her property and is responsible for the repairs. When Nicodemus was asked if anyone ran a camera in the downspout to see it was broken, she replied no¹¹. When Nicodemus was asked, by the Presiding Officer, if she had a plumber or contractor investigate to tell her where the water was coming from, she again answered no¹² and only referred to having Peoples' Witness Flowers on site. Nicodemus provided no pictures of a broken pipe, no contractor or plumber testimony and no physical evidence of a broken pipe. Thus, Nicodemus has failed to provide substantial evidence to support the burden of proof.

Witness Flowers on the other hand testified to being on site several times, taking the photos presented at the hearing and testified to his conclusions about the damage at the property. Witness Flowers testified that he has worked for Peoples for seven (7) years, in the Altoona area, and manages restoration issues with contractors and customers.

Nicodemus meter was relocated February 2023¹³. Over 19 months later, Nicodemus reported water damages that she alleged are from Peoples' work. Her allegations indicate only that it was Peoples' fault because the meter was installed near a capped downspout and her basement has experienced wetness. Nicodemus' arguments are nothing more than a speculation that because the meter location was near one of the places where water was entering her basement, that Peoples caused the problem.

Witness Flowers testified that Nicodemus' basement is a field stone foundation and this type of foundation has a tendency to let water seep in¹⁴. Witness Flowers further testified that he took photos of the basement and viewed the alleged damages with Nicodemus¹⁵. Witness Flowers then testified that the meter location is above-grade, above-ground at the top of the basement wall¹⁶. He saw no evidence that water was entering the basement at the service line entrance (where the meter was installed)¹⁷. He observed that there were water marks about three feet from the bottom of the floor and observed, from rust marks, that the dampness and water were longstanding due to rusted table legs, peeling paint on the

¹¹ Transcript, pages 70-71.

¹² Transcript, pages 49-50.

¹³ Transcript, pages 85 and 99.

¹⁴ Transcript, page 110.

¹⁵ Transcript, page 111.

¹⁶ Transcript, page 107.

¹⁷ Transcript, page 107.

walls¹⁸. He did not see any evidence of water coming out of any piping and did not see any evidence of broken pipes¹⁹.

Witness Flowers testified that Peoples provided several remedial steps – adding extra tar behind the meter and extra sealant – that were evidenced in the photos provided of the premises and meter location.

As there was no evidence that Peoples caused any damage at Nicodemus' property, Peoples requests that the \$500 penalty, for this portion of the Complaint, be removed.

III. CONCLUSION

WHEREFORE, Peoples respectfully requests that the Commission grant these Exceptions and reject the conclusions of the Initial Decision consistent with the foregoing discussion and dismiss the Formal Complaint in its entirety.

Respectfully submitted,



Jennifer L. Petrisek
Counsel for
Peoples Natural Gas Company LLC

Dated: February 17, 2026.

¹⁸ Transcript, pages 107-111.

¹⁹ Transcript, page 108.

CERTIFICATE OF SERVICE

I hereby certify that I have on this 17th day of February, 2026 served a true copy of Peoples Natural Gas Company LLC's Exceptions to the Initial Decision upon the individuals listed below in the manner stated:

VIA OVERNIGHT MAIL:

Shirley Nicodemus
106 Crawford Avenue
Altoona, PA 16602



Jennifer L. Petrisek

Dated this 17th day of February, 2026

