



April 24, 2026

VIA Email

Honorable Charece Z. Collins
Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
charcollin@pa.gov

**Re: Pennsylvania Public Utility Commission v. Peoples Natural Gas Company LLC.
Docket No. R-2026-3060855**

Prehearing Memorandum of CAUSE-PA

Your Honor:

Please find the attached **Prehearing Memorandum of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)** in the above noted proceeding.

As indicated on the attached Certificate of Service, service on the parties was accomplished by email only.

Respectfully Submitted,

John W. Sweet, Esq.
Counsel for CAUSE-PA

CC: Secretary Matthew Homsher (via E-file only)
Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2026-3060855
	:	
Peoples Natural Gas Company LLC.	:	

**PREHEARING MEMORANDUM
OF THE COALITION FOR AFFORDABLE UTILITY SERVICES
AND ENERGY EFFICIENCY IN PENNSYLVANIA**

On April 16, 2026, Administrative Law Judge Charece Z. Collins issued a Prehearing Conference Order setting a telephonic prehearing conference for Tuesday, April 28, 2026 at 10:00 a.m., and requiring parties to file a Prehearing Memorandum no later than 12:00 pm on Friday, April 24, 2026. In response, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), through its counsel at the Pennsylvania Utility Law Project, hereby files this Prehearing Conference Memorandum.

I. Background

On March 27, 2026, Peoples submitted two filings, Peoples Original Tariff Gas – Pa. P.U.C. No. 49 (Tariff No. 49) and Peoples Original Tariff Gas – Pa. P.U.C. No. S-5 (Supplier Tariff No. S-5), with proposed effective dates of May 26, 2026, seeking to raise annual revenues by approximately \$163.2 million, or by 13.8%. (Peoples Statement of Reasons at 1). The filing includes proposed changes to tariff rates, riders, and tariff terms and conditions, as described in the filings. (Peoples Statement of Reasons at 1). If Peoples’ rate increase is approved in its entirety,

the monthly bill of a Peoples residential customer using 86 Mcf per year would increase from \$122.20 to \$138.23 per month, or by 13.1%. (Peoples St. 1 at 3). In its proposed rate structure, Peoples seeks to increase its fixed monthly residential customer charge 55% from \$16.80 to \$26.00 an increase of \$9.20 per month – or \$110.40 per year. (Peoples St. 17 at 34, Table 7). Peoples also seeks to update its Weather Normalization Adjustment normalization period to rely on a 65-year regression based methodology. (Id. at 37).

On March 31, 2026 and April 7, 2026, the Office of Consumer Advocate (OCA) and the Office of Small Business Advocate (OSBA), respectively, filed Formal Complaints. On April 2, 2026, counsel for the Commission’s Bureau of Investigation and Enforcement (I&E) filed a Notice of Appearance. On April 7, 2026, the Weatherization Providers Task Force filed a Petition to Intervene.

On April 9, 2026 CAUSE-PA filed a Formal Complaint in the above-captioned proceeding, at Docket No. R-2026-3060855, which was docketed at Docket No. C-2026-3061685. On April 10, 2026, the Commission issued a Secretarial Letter requiring an answer to be filed within 10 days. No answer or objection was filed to CAUSE-PA’s standing to fully participate in this proceeding as a Complainant and party.

On April 16, 2026, the Commission entered a Suspension and Investigation Order suspending the Peoples tariff by operation of law until December 26, 2026, and opening an investigation to determine the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained therein. (S&I Order).

II. Issues to be Presented

In addition to compliance with sound rate making principles, including the requirement that rates be just and reasonable, Peoples must also ensure that its rates and tariff comply with universal

service requirements. See 66 Pa. C.S. § 2203(8). In determining whether rates are just and reasonable, the Commission must examine whether rates are affordable and accessible.

In the event that the Commission approves any natural gas distribution rate increase, the Commission should condition approval on Peoples' agreement to perform such actions as are necessary to assure compliance with applicable sections of the Public Utility Code, Commission regulations and guidelines, and settlement agreements.

CAUSE-PA has conducted an initial review of Peoples' proposed tariff changes and testimony, and opposes the request on the grounds that the proposed rate increase and tariff changes may result in unjust and unreasonable rates that would impose severe hardship on low and moderate income residential customers. CAUSE-PA identifies the following specific issues of concern, which must be addressed in this proceeding, though it reserves the right to raise additional issues which may arise through the course of this proceeding:

- i. The conformity to law and the effect of Peoples' rate filing and proposed rate increase on low income households.
- ii. The need for the overall revenue requirement sought and its impact on the ability of low income households to afford gas service.
- iii. The effect of Peoples' revenue requirement allocation proposal on the ability of low income customers' ability to afford to connect to and maintain gas service.
- iv. The effect of Peoples' proposed \$26.00 fixed residential customer charge on low income households and otherwise economically vulnerable households, and the ability to achieve appreciable bill savings through adoption of energy efficiency measures.
- v. The effect of Peoples' rate filing and proposed rate increase on low income households enrolled in or eligible for Peoples' Universal Service Programs,

and the continued adequacy of those programs in delivering universally accessible natural gas service.

- vi. The impacts of Peoples' Weather Normalization Adjustment (WNA) mechanism on low income and otherwise economically vulnerable customers. Based on a preliminary review, CAUSE-PA submits that the continued application of Peoples' WNA may result in unjust, unreasonable, and discriminatory rates for consumers and must be reviewed by the Commission.
- vii. The conformity to law and the effect of Peoples' current and proposed tariffs.
- viii. The justness and reasonableness of Peoples' allocation of its Universal Service Costs and whether a broader allocation of those costs to all ratepayers is appropriate.
- ix. The extension or expansion of Peoples' gas distribution system, of which the costs of system buildout will be passed on to ratepayers, particularly low and moderate income residential customers, who may receive little or no direct benefit from such expansion.
- x. The adequacy of Peoples' rules, processes, and requirements in its supplier tariff, including its purchase of receivables program, in protecting its customers, particularly its low income customers, from excessive pricing charged by retail natural gas suppliers.
- xi. The adequacy of Peoples' customer education about the competitive natural gas supply market, and the continued adequacy of those programs in protecting low and moderate income customers who may lack the information and resources needed to evaluate supplier offers.
- xii. Other issues which may arise through CAUSE-PA's review of Peoples' tariff supplement, its filings, discovery responses, and the testimony of the parties during the course of the proceeding.

III. Witnesses and Testimony

CAUSE-PA intends to present the following witness to testify in this matter, and reserves the right to call additional witnesses as may be warranted upon proper notice to Your Honor and the parties:

Patrick M. Cicero
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
pcicero@pautilitylawproject.org

Mr. Cicero will address the issues identified above, as well as other issues that may arise throughout this proceeding.

IV. Discovery

CAUSE-PA supports the discovery modifications requested by the Office of Consumer Advocate (OCA) in its Prehearing Memorandum.

V. Settlement

CAUSE-PA is willing and ready to engage in settlement discussions in an attempt to resolve or narrow the issues in this proceeding, with any and all parties, and encourages the parties to engage in settlement early in the process.

VI. Service on CAUSE-PA

CAUSE-PA is represented by the attorneys at the Pennsylvania Utility Law Project. All documents should be served on CAUSE-PA as follows:

John W. Sweet, Esq., PA ID: 320182
Ria M. Pereira, Esq., PA ID: 316771
Elizabeth R. Marx, Esq., PA ID: 309014
Lauren N. Berman, Esq., PA ID: 310116
Levi A. Phillips, Esq., PA ID: 338477
PENNSYLVANIA UTILITY LAW PROJECT

118 Locust Street
Harrisburg, PA 17102
Telephone: 717-236-9486
E-mail: pulp@putilitylawproject.org

CAUSE-PA requests that parties agree to electronic service in this proceeding.

VII. Representation of CAUSE-PA at Prehearing Conference

For the purposes of the Prehearing Conference, CAUSE-PA will be represented by John W. Sweet, Esq.

VIII. Litigation Schedule

CAUSE-PA is involved in discussions with Peoples and other parties to reach a mutually agreeable litigation schedule. If a schedule is not agreed to by the parties prior to the Prehearing Conference, CAUSE-PA proposes the following schedule:

Proposed Litigation Schedule	
Event	Date
Public Input Hearings	First Week of June
Direct	Thursday, June 18, 2026
Rebuttal	Thursday, July 16, 2026
Surrebuttal	Friday, July 31, 2026
Written Rejoinder	Tuesday, August 4, 2026
Hearings	Wednesday, August 5, 2026
thru	Friday, August 7, 2026
Main Brief	Wednesday, August 26, 2026
Reply Brief	Friday, September 4, 2026

CAUSE-PA notes that its witness in this case, Patrick Cicero, is also a witness for CAUSE-PA in the merger proceeding involving Peoples' parent company Essential Utilities with American Water. Hearings in that case are scheduled for August 4-6, 2026, and Mr. Cicero will have to

coordinate his appearance in that case and in this case. Thus, we ask that Mr. Cicero be permitted to appear at the hearings in this case on either August 6th or 7th, 2026.

IX. Public Input Hearings

CAUSE-PA supports the OCA's proposal for two days of in-person public input hearings and one day of telephonic public input hearings.

WHEREFORE, CAUSE-PA respectfully submits this Prehearing Conference Memorandum.

Respectfully submitted,

PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA

A handwritten signature in blue ink that reads "John Sweet". The signature is stylized with a horizontal line above the name and a diagonal line below it.

John W. Sweet, Esq., PA ID: 320182
Ria M. Pereira, Esq., PA ID: 316771
Elizabeth R. Marx, Esq., PA ID: 309014
Lauren N. Berman, Esq., PA ID: 310116
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717-236-9486
pulp@pautilitylawproject.org

Date: April 24, 2026

Respectfully Submitted,
PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA

A handwritten signature in blue ink that reads "John Sweet". The signature is stylized, with the first letter of "John" being a large, bold 'J' and the 'S' in "Sweet" being a large, bold 'S'.

John W. Sweet, Esq., PA ID: 320182
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April 24, 2026