

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

Public Meeting held May 21, 2026

Commissioners Present:

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

Application for Approval of Abandonment of
Gas Service by Peoples Natural Gas Company LLC
to Two Active Customers and Two Inactive
Premises Located in Tyrone Borough, Blair County,
Pennsylvania

Docket Number:
A-2026-3060901

ORDER

BY THE COMMISSION:

On March 4, 2026, Peoples Natural Gas Company LLC (Peoples Natural Gas), Utility Code 122250, filed the above-captioned Application seeking a Certificate of Public Convenience authorizing it to abandon natural gas distribution service to two active small commercial customers, and two inactive premises (collectively, the Premises) located in Tyrone Borough, Blair County, Pennsylvania. The Application was filed pursuant to Section 1102(a)(2) of the Public Utility Code, 66 Pa. C.S. § 1102(a)(2). For the reasons expressed herein, the Pennsylvania Public Utility Commission (Commission) approves Peoples Natural Gas's Application to abandon natural gas services to the Premises.

Peoples Natural Gas is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania. Peoples Natural Gas is currently engaged in the business of selling and distributing natural gas to retail customers within the Commonwealth. Peoples Natural Gas provides retail natural gas service to approximately 700,000 customers in 18 counties of Pennsylvania, pursuant to certificates of public convenience granted by the Commission.

Peoples Natural Gas states that the two active small commercial customers receive distribution service from a pipeline which is approximately 682 feet in length, including approximately 80 feet that runs beneath the Little Juniata River. Peoples Natural Gas further states that it currently owns and operates the pipeline, which is presently out of service due to required repairs.

Peoples Natural Gas states that the two inactive premises have had no recent recorded consumption and have been inactive since at least March 10, 2012. The company also states that it is unable to determine when gas service was last provided to each of the inactive premises and it is unknown what rate the premises were billed under when they were previously connected to gas service. Peoples Natural Gas states that it reviewed its billing system records for the inactive premises as far back as January 1, 2012, and found no billing records for either property. Peoples Natural Gas states that when the main line was replaced in March 2012, both addresses were found to be without gas service, and the service lines were cut and capped at the curb. Peoples Natural Gas has submitted a certificate of service demonstrating that the instant application was served on the inactive premises on March 4, 2026. Peoples Natural Gas states that card receipts were received for each inactive property, indicating that someone signed for and accepted the certified letters. Application ¶¶4-5 and Peoples Natural Gas Data Request Responses TUS-2 and 4.

Peoples Natural Gas states that it had provided gas service to the Premises through a section of pipeline crossing under the river consisting of approximately 80 feet of 4-inch

coated steel installed in 1983. The company further states that the remainder of the pipeline proposed for abandonment consists of approximately 602 feet of 4-inch plastic main serving the Premises. Peoples Natural Gas states that in February 2025 it discovered a leak in the river-crossing portion of the pipeline supplying the two active customers. The company states that, given the age and condition of the facilities, a prudent operator must either replace the affected pipeline to continue providing service or retire the pipeline if replacement is not economically justified. Peoples Natural Gas also states that the pipeline is not located near any potential additional customers and that further development in the area is unlikely in the foreseeable future. Application ¶¶6.

Peoples Natural Gas states that it sought to minimize the cost of replacing the river-crossing segment of the pipeline by applying for a permit from Blair County, Pennsylvania, the owner of the motor-vehicle bridge that provides access to its active customers, to install a pipeline along the underside of the bridge. The company reports that the permit request was denied on August 7, 2025. Peoples Natural Gas further states that its remaining option for replacing the main line consisted of boring under the Little Juniata River, contingent upon obtaining all required permits, including from the Pennsylvania Department of Environmental Protection, at an estimated cost of \$286,751.41. Application ¶¶7-8.

Peoples Natural Gas states that the \$286,751.41 pipeline installation option is not economically justified, noting that the two active small commercial customers, billed at the small general service rate, have a combined projected annual revenue of \$1,722.29 based on the twelve-month period from April 2024 through April 2025 is insufficient to support the investment. The company further explains that proceeding with the installation would create an annual revenue deficiency of approximately \$29,631.22. Application ¶¶9 and Peoples Natural Gas Data Request Response TUS-5.

Peoples Natural Gas states that it has determined that the costs associated with replacing its pipeline cannot be justified based on the historical usage of the two active customers. The company states that replacing the pipeline serving the Premises is neither in the public interest nor in the interest of its broader customer base. Peoples Natural Gas explains that it initiated discussions with the two active customers regarding the proposed abandonment in August 2025. The company states that both customers have consented to the abandonment of gas service and that Peoples Natural Gas has agreed to cover the reasonable costs and expenses necessary to convert the two active customers to propane. The company has provided signed copies of the customer agreements under confidential cover. Application ¶¶10-11.

Accordingly, Peoples Natural Gas requests that the Commission issue a Certificate of Public Convenience pursuant to 66 Pa. C.S. § 1102(a)(2) permitting it to abandon natural gas distribution service to two active small commercial customers and the two inactive premises in Tyrone Borough, Blair County, Pennsylvania.

Peoples Natural Gas concludes that approval of its application is necessary and proper for the following reasons:

- 1) The continuation of natural gas service to the Premises is not in the public interest given the decline in service reliability and the end-of-life condition of the pipeline serving the two active small commercial customers, as well as the absence of active gas service at the inactive premises since at least 2012.
- 2) The incremental cost to connect the Premises to its existing distribution system cannot be justified since it would result in a significant revenue shortfall.

- 3) Peoples Natural Gas has reached an agreement with the owners of the two active customers for compensation to convert them to propane.

Notice of the filing of this Application was published in the *Pennsylvania Bulletin* on Saturday, March 21, 2026. Peoples Natural Gas also published notice of the Application in a newspaper¹ of general circulation in the affected area on March 23, 2026. No protests were filed, and no hearings were held.

Upon full consideration of the facts presented in this case, we concur with Peoples Natural Gas's reasons for the abandonment of the two active small commercial customers, and two inactive premises located in Tyrone Borough, Blair County, Pennsylvania, and agree that it is neither reasonable nor prudent to extend facilities to serve the Premises. Therefore, we approve Peoples Natural Gas's Application to abandon natural gas service to the two active small commercial customers, and two inactive premises. However, we note that the abandonment shall be completed in accordance with 52 Pa. Code §§56.91-56.100;
THEREFORE,

IT IS ORDERED:

1. That the Application for Approval of Abandonment of Service by Peoples Natural Gas Company LLC to the two active small commercial customers, and two inactive premises in Tyrone Borough, Blair County, Pennsylvania is hereby approved.

2. That a Certificate of Public Convenience be issued pursuant to 66 Pa. C.S. § 1102(a)(2) authorizing Peoples Natural Gas Company LLC to abandon natural gas distribution service to two active small general service rate customers, and two inactive premises of unknown rate classification located in Tyrone Borough, Blair County, Pennsylvania as discussed in the body of this Order.

¹ *The Altoona Mirror*.

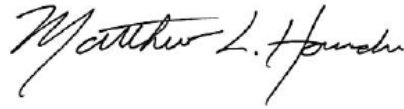
3. That within ten days following the abandonment of natural gas distribution service to the two active small commercial customers, and two inactive premises, Peoples Natural Gas Company LLC shall file a verified Notice of Abandonment with this Commission at Docket No. A-2026-3060901, containing the following information:

- (a) The completion date for the abandonment of gas service to the two active small customers, and two inactive premises;
- (b) A statement explaining how compliance with 49 C.F.R. § 192.727 relating to abandonment or deactivation of facilities was completed; and
- (c) A copy of the verified Notice of Abandonment shall also be served upon the Gas Safety Division of this Commission's Bureau of Investigation and Enforcement.

4. That a copy of this Order shall be served upon Peoples Natural Gas Company LLC, the Commission's Bureau of Investigation and Enforcement – Gas Safety Division, the Office of Small Business Advocate, the Office of Consumer Advocate, and the owners of the two active premises ,and the owners of the two inactive premises located in Tyrone Borough, Blair County, Pennsylvania.

5. That upon filing of the notice mentioned in Ordering Paragraph 3, above, this case be marked closed.

BY THE COMMISSION,

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

Matthew L. Homsher
Secretary

(SEAL)

ORDER ADOPTED: May 21, 2026

ORDER ENTERED: May 21, 2026