CENTER FOR COALFIELD JUSTICE

PO Box 4023 • 31 E Chestnut St, Suite 102 • Washington, PA 15301 •
724.229.3550 • www.centerforcoalfieldjustice.org •
info@centerforcoalfieldjustice.org

June 3, 2025

Pennsylvania Public Utility Commission
Commonwealth Keystone Building
Office of Administrative Law Judge
Attn: Judge Jeffrey Watson
Judge Chad Allensworth
400 North Street
Harrisburg, Pennsylvania 17120

Re: PA Public Utility Commission v. Columbia Gas of Pennsylvania Inc.
R-2025-3053499

Delivered via Telephonic Public Input Hearing

On behalf of the Center for Coalfield Justice ("CCJ") and its more than 3,000 members and supporters, please accept these comments regarding the proposed distribution rate increase by Columbia Gas of Pennsylvania, Inc. ("Columbia"). CCJ is a 501(c)(3) non-profit organization founded in 1994 to improve policies and regulations governing fossil fuel extraction and use; to educate, empower, and organize coalfield residents; and to protect public and environmental health. As such, and on behalf of our members, CCJ is concerned by Columbia's continued efforts to shift the financial burden of infrastructure investments and corporate profits onto ratepayers, particularly low- and fixed-income households in southwestern Pennsylvania.

I. **The proposed rate increase is excessive and unjustified**

Columbia has filed for a distribution rate increase of approximately $110.5 million. If approved, this would be Columbia's twelfth distribution rate increase in the past fifteen years, establishing a troubling pattern of imposing recurring financial burdens on consumers. Under this proposal, the average residential customer using 70 therms of gas per month would see their monthly bill increase from $138.52 to $154.29—an 11.4% increase. The primary justification for this increase, namely accelerated pipeline replacement, does not adequately support the magnitude of the proposed cost hike.

While maintaining safe infrastructure is essential, Columbia has not shown that it needs such a significant rate increase. It has not explained why existing revenue or smaller increases would not be enough to cover these costs. Moreover, the continued rate escalation is not sustainable for many of the households CCJ represents and disproportionately affects vulnerable ratepayers.

II. **The increase in the fixed monthly customer charge is harmful and regressive**

Particularly concerning is Columbia's proposal to increase the fixed monthly residential customer charge by 85%, from $17.25 to $31.97. Fixed charges are inherently regressive: they do not vary with usage and, therefore, penalize customers who attempt to reduce consumption through conservation, efficiency, or economic necessity. This undermines households' ability to manage utility costs and disproportionately impacts those least able to afford higher bills.

In addition to the fixed charge increase, Columbia proposes to maintain its Weather Normalization Adjustment ("WNA") and implement a new Revenue Normalization Adjustment ("RNA"). These mechanisms protect Columbia's revenue stream due to decreased consumption, effectively shifting the risk of weather and usage variability away from the utility and onto ratepayers. Such measures are inconsistent with equitable rate design and send a problematic signal: customers will pay more regardless of usage, while Columbia's profit margins remain protected.

III. **The introduction of new rate classes and pilot programs must not come at the expense of affordability**

Columbia is also proposing the creation of a new Economic Development Distribution Service ("EDDS") rate class. While the stated goal is to promote economic development, the rate implications for other customer classes, particularly residential, have not been addressed. CCJ is concerned that creating this new class could further exacerbate cross-subsidization issues and shift additional costs onto residential customers.

Likewise, while CCJ recognizes the potential value of initiatives such as the Customer Assistance Plan ("CAP") Pilot and the Speech Analytics Pilot, these programs do not mitigate the overarching concerns the broader rate increase proposal raises. Limited assistance programs do not justify a systemic rate hike that will harm thousands of households not enrolled in such programs.

IV. **Proposed changes undermine the goals of energy efficiency and conservation**

Columbia's Energy Efficiency and Conservation ("EE&C") Plan is intended to promote more efficient gas use among customers. However, the overall structure of the proposed rate changes—including higher fixed charges and normalization adjustments—undermines the economic incentives for ratepayers to conserve energy. When customers cannot reduce their bills by using less gas, they lose motivation to engage with efficiency programs, which contradicts both public policy and environmental goals.

V. **Conclusion**

For the above reasons, CCJ urges this body to thoroughly scrutinize Columbia Gas's proposed rate increase. We respectfully request that this body consider the long-term economic impacts on residential ratepayers, particularly those already struggling with high utility costs. Rate design should prioritize affordability, encourage conservation, and distribute costs equitably—goals that Columbia's proposal fails to meet. CCJ believes that the interests of ratepayers and communities must take precedence over the profit interests of regulated utilities.

Thank you for your consideration. If you have any questions, please contact me anytime.

Respectfully,

Ethan Story

Ethan Story, Esq.
Advocacy Director
Center For Coalfield Justice
P.O. Box 4023
Washington, PA 15301
ethan@centerforcoalfieldjustice.org