



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

June 10, 2025

Via Electronic Filing

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

Re: Pennsylvania Public Utility Commission v.
UGI Utilities, Inc. – Gas Division – 1307(f)
Docket No. R-2025-3054938
I&E Prehearing Memorandum

Dear Secretary Homsher:

Enclosed for electronic filing please find the Prehearing Memorandum of the Bureau of Investigation and Enforcement in the above-captioned proceeding.

Copies are being served on parties per the attached Certificate of Service. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads 'Scott B. Granger'.

Scott B. Granger
Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 63641
(717) 425-7593
sgranger@pa.gov

SBC/ac
Enclosures

cc: Administrative Law Judge Alphonso Arnold III (via email – alphonarno@pa.gov)
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2025-3054938
	:	
UGI Utilities, Inc. – Gas Division	:	
1307(f) Purchased Gas Cost	:	

**PREHEARING MEMORANDUM
OF THE
BUREAU OF INVESTIGATION AND ENFORCEMENT**

TO ADMINISTRATIVE LAW JUDGE ALPHONSO ARNOLD, III:

The Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission (“Commission”) respectfully submits the following Prehearing Memorandum in the above-captioned proceeding.

The Bureau of Investigation and Enforcement Prosecutor in these proceedings will be Scott B. Granger. Contact information is as follows:

By mail: Scott B. Granger
 Pennsylvania Public Utility Commission
 Bureau of Investigation and Enforcement
 Commonwealth Keystone Building
 400 North Street, 2nd Floor West
 Harrisburg, PA 17120

By e-mail: sgranger@pa.gov

By telephone: (717) 425-7593

By fax: (717) 772-2677

I. INTRODUCTION

On May 1, 2025, UGI Utilities, Inc. – Gas Division (“UGI Gas” or Company”) submitted its pre-filing preliminary information (“Book 1”) in support of their annual purchased gas costs (“PGC”) pursuant to 52 Pa. Code §§53.64(c) and 53.65 of the Commission’s regulations and 66 Pa. C.S. §1307 of the Pennsylvania Public Utility Code.

UGI Gas followed that with their definitive PGC filings (“Book 2”) on May 30, 2025. The proposed PGC rate is \$6.7677 per Mcf effective December 1, 2025. The current rate of \$6.6061 per Mcf became effective March 1, 2025.

On May 8, 2025, the Office of Consumer Advocate (“OCA”) filed a Notice of Appearances, Formal Complaint, and Public Statement in this PGC proceeding.

On May 21, 2025, the Office of Small Business Advocate (“OSBA”) filed a Notice of Appearance, Intervention, and Public Statement in this proceeding.

On May 22, 2025, I&E filed a Notice of Appearance in this proceeding.

Several UGI Gas ratepayers filed Formal Complaints to Proposed Rate Increase in this proceeding.

A telephonic Prehearing Conference is scheduled for Wednesday, June 11, 2025, beginning at 1:00 pm before Administrative Law Judge Alphonso Arnold, III presiding in Harrisburg.

II. WITNESSES AND ISSUES

I&E currently expects that it may call the following expert witnesses, without being limited thereto, who will address the issues listed *infra*. The list represents I&E’s preliminary determination of the potential issues in these proceedings. The listing is as complete as can be made at this time. I&E specifically reserves the right to address other issues as it deems appropriate if any such relevant issues arise. The witnesses and issues are as follows:

Witnesses:

- Christopher Keller, Fixed Utility Financial Analyst.
- Ethan Cline, Fixed Utility Valuation Engineer.
- Anthony Spadaccio, Fixed Utility Analyst/Engineer Supervisor

Issues:

- Retainage Rate
- Unaccounted for Gas
- Capacity Release
- Off-System Sales
- Capacity Requirements
- Peak Day Forecasts
- Renewable Natural Gas
- Compliance with Prior Commission Orders
- Peaking Contracts
- C-Factor
- E-Factor
- Supplier Refunds
- Pipeline Refunds
- Over/Under Collection

The I&E witnesses may be contacted through the information listed above for Prosecutor Granger. The witness list is provided without the benefit of complete discovery or analysis of the positions of potential other parties to this proceeding. Accordingly, I&E reserves the right to call additional witnesses or withdraw the name of any witnesses listed above.

III. EVIDENCE

I&E expects to present all written direct, rebuttal and surrebuttal testimony and accompanying exhibits at the evidentiary hearing. Moreover, I&E intends to rely on the Company's filing, answers to data requests and interrogatories, quarterly and annual reports and other documents submitted to the Commission, other relevant Commission filings, any other relevant Commonwealth agency letters or reports, general financial market information sources and other public documents and reports.

IV. DISCOVERY

Discovery in these proceedings will be conducted according to 52 Pa. Code §§5.321 et. seq. No modifications to the rules of discovery have been proposed by I&E. I&E will give due consideration to any discovery modifications proposed by any other party. In the past, I&E has generally not opposed discovery modifications routinely suggested by the OCA. Also, pursuant to 52 Pa. Code §§5.322 and 5.331(b), discovery has begun and is ongoing.

V. SCHEDULE

As of this date, I&E understands that the parties have not yet agreed to a litigation schedule. I&E therefore proposes:

Pre-Filing (Book 1)	May 1, 2025.
Definitive Filing (Book 2)	May 30, 2025.
Prehearing Conference	June 11, 2025.
Other Parties Direct	June 24, 2025, before Noon.
Rebuttal Testimony	July 8, 2025.
Surrebuttal Testimony	July 15, 2025.
Evidentiary Hearings ¹ and Oral Rejoinder	July 18, 2025.
Main Brief	August 1, 2025.
Reply Brief	August 8, 2025.

VI. SERVICE OF DOCUMENTS

For purposes of satisfying in-hand requirements for discovery responses, prepared testimony and briefs during the closure of Commission offices, and consistent with Paragraph 8

¹ Upon the rescinding of Governor Tom Wolf's Proclamation of Disaster Emergency, and the re-opening of the Keystone Commonwealth Building, I&E requests that Hearings be held in Harrisburg, PA.

of the Commission's March 20, 2020, Emergency Order,² I&E will both only serve and accept electronic delivery of documents. Upon re-opening of Commission offices, and only on a forward-moving basis from that point forward, I&E requests parties provide a follow-up hard copy by regular first-class mail in addition to electronic delivery.

VII. SETTLEMENT

I&E is willing to make good faith efforts to successfully resolve this matter through settlement. In the event settlement discussions fail to result in a full and complete resolution of the matter, I&E is prepared to fully, or partially, litigate this proceeding.

Respectfully Submitted,



Scott B. Granger
Prosecutor
PA Attorney ID No. 63641

Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120
(717) 425-7593
sgranger@pa.gov

Dated: June 10, 2025

² *Re: Suspension of Regulatory and Statutory Deadlines, Modification to Filing and Service Requirements, Docket No. M-2020-3019262.*

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2025-3054938
	:	
UGI Utilities, Inc. – Gas Division – 1307(f)	:	

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Prehearing Memorandum** dated June 10, 2025, in the manner and upon the persons listed below:

Served via Electronic Mail Only

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