



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

BUREAU OF  
INVESTIGATION  
&  
ENFORCEMENT

March 4, 2026

**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  
Docket No. R-2025-3059523  
**I&E Prehearing Memorandum**

Dear Secretary Homsher:

Enclosed for electronic filing please find the Bureau of Investigation and Enforcement's (I&E) Prehearing Memorandum 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 cursive script that reads 'Michael Podskoch'.

Michael A. Podskoch, Jr.  
Prosecutor  
Bureau of Investigation and Enforcement  
PA Attorney ID No. 330132  
(717) 783-6151  
[mpodskoch@pa.gov](mailto:mpodskoch@pa.gov)

MAP/ac  
Enclosures

cc: Administrative Law Judge F. Joseph Brady (*via email* – [fbrady@pa.gov](mailto:fbrady@pa.gov))  
Administrative Law Judge Alphonso Arnold III (*via email* – [alphonarno@pa.gov](mailto:alphonarno@pa.gov))  
Pam McNeal, Legal Assistant (*via email* – [pmcneal@pa.gov](mailto:pmcneal@pa.gov))  
Eric Ball, Legal Assistant (*via email* – [erball@pa.gov](mailto:erball@pa.gov))  
Per Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2025-3059523
	:	
UGI Utilities, Inc. – Gas Division	:	

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

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**TO ADMINISTRATIVE LAW JUDGE F. JOSEPH BRADY AND  
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 Prosecutors in this proceeding will be Michael A. Podskoch, Jr. and Joanna Toft-Funk. Mr. Podskoch will speak on behalf of I&E at the Prehearing Conference. Contact information is as follows:

By mail: Michael A. Podskoch, Jr.  
Joanna Toft-Funk  
Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

By e-mail: [mpodskoch@pa.gov](mailto:mpodskoch@pa.gov)  
[jtoftfunk@pa.gov](mailto:jtoftfunk@pa.gov)

By telephone: (717) 783-6151  
(717) 783-6184

## **I. INTRODUCTION**

On January 28, 2026, UGI Utilities, Inc. – Gas Division (“UGI Gas” or “Company”) filed proposed Supplement No. 63 to UGI Gas Tariff – Pa. P.U.C. Nos. 7 and 7S (“Supplement No. 63”) with a proposed effective date of March 29, 2026. The rates set forth therein, if approved by the Commission, would increase UGI Gas’ annual jurisdictional revenues by \$99.368 million, or 8.05%.

On February 3, 2026, I&E filed its Notice of Appearance. On February 6, 2026, the Office of Consumer Advocate (“OCA”) filed its Notice of Appearance and a Formal Complaint and Public Statement. That same day, the Office of Small Business Advocate (“OSBA”) filed its Notice of Appearance. On February 9, 2026, OSBA filed a Formal Complaint and Public Statement. On February 10, 2026, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) filed its Notice of Appearance and a Formal Complaint. On February 20, 2026, the Retail Energy Supply Association (“RESA”) filed a Petition to Intervene.

On February 19, 2026, the Commission entered an Order pursuant to Section 1308(d) of the Public Utility Code suspending the implementation of the proposed rates by operation of law until October 29, 2026, and opening an investigation into the lawfulness, justness, and reasonableness of the proposed rates, rules, and regulations contained therein. The case was assigned to the Office of Administrative Law Judge for the prompt scheduling of such hearings as may be necessary culminating in the issuance of a Recommended Decision.

Pursuant to the Prehearing Conference Order issued on February 20, 2026, a telephonic Prehearing Conference is scheduled on March 6, 2026, at 10:00 a.m. before Administrative Law Judges (“ALJs”) F. Joseph Brady and Alphonso Arnold III.

## **II. ISSUES**

The following list represents I&E’s preliminary determination of the potential issues in this proceeding:

1. Rate Case Expense
2. Energy Efficiency and Conservation Rider
3. Energy Efficiency and Conservation Impact Adjustment
4. Information and Technology Expenses
5. Salaries and Wages
6. Incentive Compensation
7. Membership Dues and Subscriptions
8. Lobbying Expenses
9. Advertising Expenses
10. Employee Activity Costs
11. Cash Working Capital
12. Cost of Equity
13. Cost of Debt
14. Capital Structure
15. Overall Rate of Return
16. Proxy Group
17. Risk Analysis
18. Rate Base
19. Reporting Requirements
20. Present and Proposed Revenue
21. Depreciation Expense
22. Cost of Service Study/Allocation
23. Rate Design
24. Scale Back of Rates
25. Weather Normalization Adjustment (WNA)
26. Long-Term Infrastructure Improvement Plan (LTIIP)
27. Methane Detector Pilot Program

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.

### **III. WITNESSES**

It is currently expected that I&E may call the following expert witnesses without being limited thereto:

1. Zachari Walker, Fixed Utility Financial Analyst
2. Drew Breuning, Fixed Utility Financial Analyst
3. Ethan H. Cline, Fixed Utility Valuation Engineer
4. Divya Dorairajan, Fixed Utility Valuation Engineer
5. Anna Ritchie, Fixed Utility Valuation Engineer

The I&E witnesses may be contacted through the information listed above for Mr. Podskoch and Ms. Toft-Funk. The witness list is provided without the benefit of complete discovery or analysis of the positions of the other parties to this proceeding. Accordingly, I&E reserves the right to call additional witnesses or withdraw the name of the witnesses listed above.

### **IV. EVIDENCE**

I&E expects to present all written direct, rebuttal, and surrebuttal testimony and accompanying exhibits at the evidentiary hearings. Moreover, I&E intends to rely on the Company's filing, supplemental testimony, answers to data requests and interrogatories, 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. However, there may be issues of law or Commission policy that are not properly the subject of testimony or factual issues that are clear on the record and need not be supported by testimony. I&E thereby reserves the right to dispense with testimony when, in its opinion, an issue can be adequately addressed through briefing.

## **V. DISCOVERY**

Discovery in this matter has begun and is ongoing. I&E supports the OCA's standard discovery modifications.

## **VI. SCHEDULE**

The parties have agreed to the following litigation schedule:

Non-Company Direct Testimony	April 13, 2026
Rebuttal Testimony	May 13, 2026
Surrebuttal Testimony	May 27, 2026
Rejoinder	June 1, 2026
Hearings	June 2-3, 2026
Main Briefs	June 23, 2026
Reply Briefs	July 6, 2026

I&E proposes that the evidentiary hearings be held in Harrisburg in order to save the Commission the expense of sending the I&E prosecutors and witnesses to out-of-town hearings.

## **VII. PUBLIC INPUT HEARINGS**

I&E proposes the use of telephonic public input hearings to encourage increased participation by ratepayers.

## **VIII. SERVICE OF DOCUMENTS**

I&E requests that all documents in this proceeding be served on:

Michael A. Podskoch, Jr., Esq.  
Joanna Toft-Funk, Esq.  
Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120  
[mpodskoch@pa.gov](mailto:mpodskoch@pa.gov)  
[jtoftfunk@pa.gov](mailto:jtoftfunk@pa.gov)

For purposes of satisfying in-hand requirements for discovery responses, prepared testimony, briefs, and other documents during this proceeding, and consistent with Commission regulations and policy, I&E proposes to both only serve and accept electronic delivery of documents.

## **IX. SETTLEMENT**

I&E will maintain an open dialogue and 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,



Michael A. Podskoch, Jr.  
Prosecutor  
PA Attorney ID No. 330132

Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

Dated: March 4, 2026

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission :  
 :  
 v. : Docket No. R-2025-3059523  
 :  
 UGI Utilities, Inc. – Gas Division :

**CERTIFICATE OF SERVICE**

I hereby certify that I am serving the foregoing **Prehearing Memorandum** dated March 4, 2026, in the manner and upon the persons listed below.

**Served via Electronic Mail Only**

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