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File #: 215708

March 4, 2026

VIA ELECTRONIC FILING

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Pennsylvania Public Utility Commission v. UGI Utilities, Inc. - Gas Division
Docket Nos. R-2025-3059523

Dear Secretary Homsher:

Enclosed for filing is the Prehearing Conference Memorandum of UGI Utilities, Inc. – Gas Division in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Alice A. Wade

AAW/bfc
Attachment

cc: Legal Assistant Eric Ball (via email w/ enclosure)
Legal Assistant Pamela McNeal (via email w/ enclosure)
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA EMAIL

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*Counsel for The Retail Energy Supply
Association*

Date: March 4, 2026



Alice A. Wade

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**PREHEARING CONFERENCE MEMORANDUM OF
UGI UTILITIES, INC. – GAS DIVISION**

**TO ADMINISTRATIVE LAW JUDGE F. JOSEPH BRADY AND ADMINISTRATIVE
LAW JUDGE ALPHONSO ARNOLD III:**

Pursuant to 52 Pa. Code § 5.224(c) and the Prehearing Conference Order dated February 20, 2026, issued by the Administrative Law Judges F. Joseph Brady and Alphonso Arnold III (the “ALJs”), UGI Utilities, Inc. – Gas Division (“UGI Gas” or the “Company”) hereby submits this Prehearing Conference Memorandum.

I. SERVICE OF DOCUMENTS

1. UGI Gas requests that all documents be served on:

Garrett P. Lent
Post & Schell, P.C.
17 North Second Street
12th Floor
Harrisburg, PA 17101-1601
Phone: 717-612-6052
Fax: 717-731-1985
E-mail: glent@postschell.com

Please be advised that Mr. Garrett Lent will speak as the lead attorney for UGI Gas for purposes of the prehearing conference. However, other counsel for UGI Gas will be participating and available during the telephonic prehearing conference as needed.

2. UGI Gas agrees to receive service of documents electronically in this proceeding. Further, to the extent that materials are available electronically, it is requested that copies be served upon Michael S. Swerling at SwerlingM@ugicorp.com, David B. MacGregor at dmacgregor@postschell.com, Devin T. Ryan at dryan@postschell.com, Alice W. Wade at alice.wade@postschell.com, and Thomas Connolly at TConnolly@PostSchell.com.

II. PROCEDURAL HISTORY

3. This proceeding was initiated on January 28, 2026, when UGI Gas filed Supplement No. 63 to UGI Gas Tariff – Pa. P.U.C. Nos. 7 and 7S (“Supplement No. 63”) with the Pennsylvania Public Utility Commission (“Commission”) to be effective for service rendered on or after March 29, 2026. It proposed changes to UGI Gas’s base retail distribution rates designed to produce an increase in revenues of approximately \$99.368 million, based upon data for a fully projected future test year (“FPFTY”) ending September 30, 2027 (“2026 Base Rate Case”). The filing was made in compliance with the Commission’s regulations and contains all supporting data and testimony required to be submitted in conjunction with a tariff change seeking a general rate increase.

4. On February 3, 2026, the Commission’s Bureau of Investigation and Enforcement (“I&E”) filed its Notice of Appearance.

5. On February 6, 2026, the Office of Small Business Advocate (“OSBA”) filed a Notice of Appearance and a Formal Complaint

6. On February 6, 2026, the Office of Consumer Advocate (“OCA”) filed its Notice of Appearance, a Public Statement, and a Formal Complaint in the 2026 Base Rate Case, which was docketed at Docket No. C-2026-3060342.

7. On February 9, 2026, the OSBA filed a Public Statement, a Formal Complaint, and a Verification in the 2026 Base Rate Case, which was docketed at Docket No. C-2026-3060353.

8. On February 10, 2026, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) filed a Notice of Appearance, Formal Complaint, and Verification in the 2026 Base Rate Case, which was docketed at Docket No. C-2026-3060448.

9. On February 19, 2026, the Commission issued an Order suspending Supplement No. 63 until October 29, 2026, unless permitted by Commission Order to become effective at an earlier date.

10. On February 19, 2026, the Commission issued a Call-In Telephone Prehearing Conference Notice. This issuance scheduled a Telephone Prehearing Conference to occur on March 6, 2026.

11. On February 20, 2026, Administrative Law Judge (“ALJ”) F. Joseph Brady and ALJ Alphonso Arnold III (collectively, “the ALJs”) issued a Prehearing Conference Order.

12. Also on February 20, 2026, The Retail Energy Supply Association (“RESA”) filed a Petition to Intervene.

13. UGI Gas plans to file a Motion for Protective Order, which it has circulated for the review of OCA, OSBA, I&E, RESA, and CAUSE-PA. (collectively, the “Other Parties”).

14. As of the date of this Prehearing Memorandum, UGI Gas is aware of the following Formal Complaints by individuals on the dates and at the dockets indicated:

- On January 29, 2026, Thomas Nagies filed a *pro se* Formal Complaint. The Complaint was docketed at C-2026-3060116. UGI Gas received service of this Complaint on February 26, 2026.
- On January 29, 2026, Mustafa Kirisci filed a *pro se* Formal Complaint. The Complaint was docketed at C-2026-3060190. UGI Gas received service of this Complaint on February 26, 2026.
- On February 2, 2026, Rik Bhattacharyya filed a *pro se* Formal Complaint. The Complaint was docketed at C-2026-3060305. UGI Gas received service of this Complaint on February 26, 2026.

- On February 2, 2026, Josh Durham filed a *pro se* Formal Complaint. The Complaint was docketed at C-2026-3060434. UGI Gas received service of this Complaint on February 26, 2026.
- On February 4, 2026, Daniel J. Luce II filed a *pro se* Formal Complaint. The Complaint was docketed at C-2026-3060290. UGI Gas received service of this Complaint on February 26, 2026.
- On February 5, 2026, Serafima Zhuravska filed a *pro se* Formal Complaint. The Complaint was docketed at C-2026-3060439. UGI Gas received service of this Complaint on February 26, 2026.
- On February 6, 2026, Roberta Zeek filed a *pro se* Formal Complaint. The Complaint was docketed at C-2026-3060442. UGI Gas received service of this Complaint on February 26, 2026.
- On February 10, 2026, Cassandra Price filed a *pro se* Formal Complaint. The Complaint was docketed at C-2026-3060450. UGI Gas received service of this Complaint on February 26, 2026.
- On February 10, 2026, Nathan Bahn filed a *pro se* Formal Complaint. The Complaint was docketed at C-2026-3060451. UGI Gas received service of this Complaint on February 26, 2026.
- On February 11, 2026, Robert L. Spradley, Jr. filed a *pro se* Formal Complaint. The Complaint was docketed at C-2026-3060452. UGI Gas received service of this Complaint on February 26, 2026.
- On February 13, 2026, Joseph Kohler filed a *pro se* Formal Complaint. The Complaint was docketed at C-2026-3060526. UGI Gas received service of this Complaint on February 26, 2026.

15. Pursuant to 52 Pa. Code § 5.224(c) and the Prehearing Conference Order dated February 20, 2026, UGI Gas hereby submits this Prehearing Conference Memorandum.

III. ISSUES

16. UGI Gas will demonstrate that its request for an overall annual distribution revenue increase of approximately \$99.368 million, based on an FPFTY ending September 30, 2027, and

a proposed allowed rate of return on equity of 10.75%, is just and reasonable and should be approved by the Commission.

17. One primary contributor to the Company's need for rate relief is its continued significant capital investment in its distribution system. Additionally, this case incorporates general price increases for products and services, the costs of enhanced information technology systems, business processes and personnel effectiveness and an extension of the Company's Weather Normalization Adjustment ("WNA") pilot for an additional 5 year period.. The combined impact of these items leaves UGI Gas without an opportunity to earn a fair rate of return on its investments at present rate levels.

18. The principal reasons for UGI Gas's request for rate relief are to establish rates that provide the Company a reasonable opportunity to earn a fair return on its investments that are used to serve the public safely and reliably. Unless UGI Gas receives the requested rate relief, those returns will continue to decline and jeopardize the Company's ability to attract the capital needed to make the system investments necessary to support and ensure continued system reliability, safety, and customer service performance.

19. UGI Gas also will demonstrate that its proposed 10.75% return on equity is the minimum required for the Company to attract the capital needed to make system investments that will enhance the reach and capacity of its distribution system and to replace older, obsolete facilities. These ongoing enhancements are prudent to ensure continued system reliability, safety, and customer service performance.

IV. WITNESSES

20. UGI Gas presently intends to offer the following witnesses to testify in this proceeding on the following subject matters:

Statement No.	Witness	Subjects Addressed
1.	Hans G. Bell President UGI Utilities, Inc. 1 UGI Drive Denver, PA 17517	Purpose of Testimony and Rate Filing Overview Need for Rate Relief
2.	Tracy A. Hazenstab Sr. Manager – Utility Rates UGI Utilities, Inc. 1 UGI Drive Denver, PA 17517	Revenue Requirement Operating Revenues and Expenses
3.	Jill E. Walter Director of Operations – South Region UGI Utilities, Inc. 2121 City Line Ave Bethlehem, PA 18107	Gas Safety and Operations
4.	Vivian K. Ressler Director – Utility Financial Planning & Analysis UGI Utilities, Inc. 1 UGI Drive Denver, PA 17517	Budgeting Process Operating Expense Adjustments Capital Treatment of Certain Information Technology Costs
5.	Amy M. Keller Senior Manager, Regulatory and Plant Accounting UGI Utilities, Inc. 1 UGI Drive Denver, PA 17517	Accounting Process and Historic Costs FPFTY Rate Base Operating Expense Adjustments
6.	John F. Wiedmayer C.D.P. Project Manager, Depreciation and Valuation Studies Gannett Fleming Valuation and Rate Consultants, LLC 1010 Adams Avenue Audubon, PA 19403	Depreciation and Net Salvage
7.	Vicky A. Schappell Sr. Manager, Capital Planning UGI Utilities, Inc. 1 UGI Drive Denver, PA 17517	Capital Planning

8.	Dylan W. D'Ascendis Partner ScottMadden, Inc. 18020 Chapel Ave, W., Suite 300 Cherry Hill, NJ 08003	Return on Equity
9.	Darin T. Espigh Sr. Manager – Natural Gas Tax Accounting UGI Corporation 1 UGI Drive Denver, PA 17517	Taxes and Tax Adjustments
10.	Sherry A. Epler Senior Manager, Tariff & Supplier Administration UGI Utilities, Inc. 1 UGI Drive Denver, PA 17517	Test Year Sales and Revenue Tariff Changes
11.	John D. Taylor Managing Partner Atrium Economics, LLC 10 Hospital Center Commons Suite 400 Hilton Head Island, SC 29926	Cost of Service Revenue Allocation Rate Design Weather Normalization Adjustment (WNA)
12.	Brian Meilinger Director, Customer Programs & Public Relations UGI Utilities, Inc. 1 UGI Drive Denver, PA 17517	Universal Service Programs Strategic Initiatives Low-Income Customer Counts Weather Normalization Adjustment ("WNA") Communications Revisions

UGI Gas previously filed copies of the witnesses' written direct testimony and exhibits, which fully support UGI Gas's proposed rate increase, allocation of that increase among the customer classes, and the design of rates to recover that increase from customers.

21. UGI Gas also reserves the right to call and present additional witnesses to address any issues that may arise during the course of the proceeding.

V. DISCOVERY

22. To date, UGI Gas has received over 200 discovery requests from parties in this proceeding and is diligently preparing responses.

23. Based on the litigation schedule to be adopted in this proceeding, UGI Gas proposes the following modifications to the standard timelines for discovery set forth in the Commission's regulations as necessary or appropriate.

- a) Answers to written interrogatories and requests for document production, entry for inspection, or other purposes shall be served in-hand within ten (10) calendar days of service.
- b) Objections to interrogatories and/or requests for production shall be communicated orally to the propounding party within three (3) calendar days of service of the interrogatories; unresolved objections shall be served in writing to the propounding party within five (5) calendar days of service of the interrogatories and/or requests for production.
- c) Motions to dismiss objections and/or direct the answering of interrogatories and/or requests for production shall be filed within five (5) business days of service of written objections.
- d) Answers to motions to dismiss objections and/or answering of interrogatories and/or requests for production shall be filed within three (3) business days of service of such motions.
- e) Requests for admissions will be deemed admitted unless answered within ten (10) calendar days or objected to within five (5) calendar days of service.
- f) Answers to on-the-record data requests shall be served in-hand within five (5) calendar days of the requests.

- g) Any discovery or discovery-related pleadings (such as objections, motions, and answers to same) served after served after 4:30 p.m. Monday through Thursday or after 1:30 p.m. on a Friday or the day before a holiday will be deemed to have been served on the next business day for purposes of calculating the due date for any responsive filing.

24. UGI Gas further proposes that the following modifications take effect as of the date of service of Rebuttal Testimony in this matter.

- a) Answers to interrogatories and responses to requests for document production, entry for inspection, or other purposes shall be served within five (5) calendar days of service of the interrogatories or requests for production.
- b) Objections to interrogatories and/or requests for production shall be communicated orally to the propounding party within two (2) calendar days of service; unresolved objections shall be served on the propounding party in writing within three (3) calendar days of service of the interrogatories and/or requests for production.
- c) Motions to dismiss objections and/or direct the answering of interrogatories and/or requests for production shall be filed within three (3) business days of service of written objections.
- d) Answers to motions to dismiss objections and/or direct the answering of interrogatories and/or requests for production shall be filed within three (3) business days of service of such motions.

- e) Requests for admission shall be deemed admitted unless answered or objected to within three (3) calendar days of service.
- f) Discovery requests and discovery related pleadings (such as objections, motions, and answers to same) served after 4:30 p.m. Monday through Thursday or after 1:30 p.m. on a Friday or the day preceding a holiday shall be deemed to have been served on the next business day.

25. These modifications have been circulated to the Other Parties and as of the date of this Memorandum no party has objected.

26. UGI Gas also encourages the use of informal discovery to expedite the discovery process.

27. UGI Gas proposes that parties serving any testimony either: (a) include with each piece of testimony the electronic workpapers, cited studies, and other documents relied on by the witness; or (b) provide the parties with the same in workable electronic format within two (2) business days of the testimony being served.

28. Finally, UGI Gas began using electronic service of discovery responses. Specifically, UGI Gas will post all discovery responses to a secure file transfer portal maintained by Post & Schell, P.C. (*i.e.*, "OneDrive"), to which the parties will be given access. UGI Gas will file and serve a letter notifying the parties when the applicable discovery responses have been posted to the OneDrive website. Once posted, parties will be able to access, review, download, and/or print the discovery responses as needed, subject to any conditions in stipulated protective agreements or a protective order entered in this proceeding. Access has been provided to each party that has appeared or intervened in this matter as of the date of this prehearing memorandum.

VI. LITIGATION SCHEDULE

29. UGI Gas has discussed the schedule with the parties that have intervened in the 2026 Base Rate Case as of the time of this writing. Based on these discussions and the Reply Brief date provided in the Prehearing Conference Order, UGI Gas proposes that the following schedule be adopted:

Filing	January 28, 2026
Prehearing Conference	March 6, 2026
Direct Other Parties	Monday, April 13, 2026
Rebuttal	Wednesday, May 13, 2026
Surrebuttal	Wednesday, May 27, 2026
Written Rejoinder	Monday, June 1, 2026 ¹
Hearings	June 2-3, 2026
Main Brief	Tuesday, June 23, 2026
Reply Brief	Monday, July 6, 2026

30. This schedule been circulated to the Other Parties and as of the date of this Memorandum no party has objected. UGI Gas proposes that the hearings in this matter be held in person, in a Commission hearing room in Harrisburg, PA.

31. UGI Gas is also willing to work with the parties to accommodate potential scheduling conflicts for the parties’ witnesses to attend and testify at the evidentiary hearings. UGI Gas proposes to advise Your Honors of any scheduling or witness conflicts that may require witnesses to testify out of order and/or on specific hearing dates by no later than the date for service of surrebuttal testimony.

¹ UGI Gas witnesses Hans G. Bell, Jill E. Walter, and Vivian K. Ressler are not available on June 2, 2026, but are available on June 3, 2026. UGI Gas understands that other parties have similar conflicts and will work with the other parties to secure accommodations for these conflicts to the extent these witnesses are required to testify at hearing.

VII. PUBLIC INPUT HEARINGS

32. UGI Gas proposes that any public input hearings be telephonic and live-streamed by the Commission, rather than held on multiple dates in multiple locations throughout UGI Gas's service territory.

33. The Commission's use of telephonic and live-streamed public input hearings has been successful in prior cases and promotes transparency in public proceedings.

34. To the extent that any in person public input hearings are scheduled, UGI Gas requests that adequate security is provided to ensure the safety of company representatives, Commission employees, and any members of the public who may attend in person, consistent with measures adopted in other recent proceedings before the Commission.

VIII. SETTLEMENT

36. As of this time, no settlement discussions have been held. UGI Gas remains open and available for settlement discussions with the other parties and would support initiatives to begin settlement discussions at the earliest possible date.

Respectfully submitted,



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Dated: March 4, 2026

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