



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

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

March 18, 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.
Philadelphia Gas Works – 1307(f)
Docket No. R-2026-3060186
I&E Prehearing Memorandum

Dear Secretary Homsher:

Enclosed for electronic filing please find the Prehearing Memorandum of the Bureau of Investigation and Enforcement (I&E) 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 grey ink 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

MAP/nb
Enclosures

cc: Administrative Law Judge Marta Guhl (*via email* – mguhl@pa.gov)
Eric Ball, Legal Assistant (*via email* – erball@pa.gov)
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

| | | |
|--|---|---------------------------|
| Pennsylvania Public Utility Commission | : | |
| | : | |
| v. | : | Docket No. R-2026-3060186 |
| | : | |
| Philadelphia Gas Works – 1307(f) | : | |

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

TO ADMINISTRATIVE LAW JUDGE MARTA GUHL:

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 this proceeding will be Michael A. Podskoch, Jr. Contact information is as follows:

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

By e-mail: mpodskoch@pa.gov

By telephone: (717) 783-6151

I. INTRODUCTION

On January 30, 2026, Philadelphia Gas Works (“PGW”) submitted its pre-filing information in support of its annual reconciliation of purchased gas costs rates.

On February 3, 2026, the Office of Consumer Advocate (“OCA”) filed a Formal Complaint and Public Statement. On February 4, 2026, I&E filed its Notice of Appearance. On February 6, 2026, the Office of Small Business Advocate (“OSBA”) filed its Notice of Appearance. On February 9, 2026, the Philadelphia Industrial and Commercial Gas Users Group (“PICGUG”) filed a Petition to Intervene. On March 9, 2026, OSBA filed a Formal Complaint and Public Statement.

On February 27, 2026, PGW made its Annual Purchased Gas Cost Rate filing in accordance with Section 1307(f) of the Public Utility Code.

A telephonic Prehearing Conference is scheduled on March 19, 2026, at 1:00 p.m. before Administrative Law Judge (“ALJ”) Marta Guhl.

II. ISSUES

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

1. Unaccounted for Gas
2. Off System Sales/Capacity Release
3. Heating Degree Days
4. Capacity Requirements
5. Natural Gas Contracts
6. LNG
7. C-Factor
8. E-Factor
9. Supplier Refunds
10. Pipeline Refunds
11. Interest Rate on Over/Under Collections
12. Purchase of Receivables
13. Other Post Employment Benefit Surcharge
14. Receivables Program/Merchant Function Charge

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. Ethan Cline, Fixed Utility Valuation Engineer

The I&E witnesses may be contacted through the information listed above for Mr. Podskoch. 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 has not proposed any discovery modifications. I&E will work with the parties to determine the appropriate discovery modifications in this proceeding.

VI. SCHEDULE

I&E has reviewed the proposed schedule for hearings and briefs set forth in the Prehearing Conference Order. I&E does not object to those dates proposed for hearings and briefing. Additionally, the parties have agreed to the following litigation schedule:

| | |
|----------------------------------|----------------|
| Non-Company Direct Testimony | March 27, 2026 |
| Rebuttal Testimony | April 1, 2026 |
| Surrebuttal Testimony | April 6, 2026 |
| Rejoinder & Evidentiary Hearings | April 9, 2026 |
| Main Briefs | April 28, 2026 |
| Reply Briefs | May 8, 2026 |

I&E proposes the use of telephonic hearings in this proceeding. However, to the extent that evidentiary hearings will be convened in person, I&E requests that those hearings be held in Harrisburg in order to save the Commission the expense of sending the I&E prosecutor and witnesses to out-of-town hearings.

VII. SERVICE OF DOCUMENTS

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

Michael A. Podskoch, Jr., Esq.
Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
mpodskoch@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.

VIII. 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,

A handwritten signature in cursive script that reads "Michael Podskoch".

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 18, 2026

