



COMMONWEALTH OF PENNSYLVANIA

May 5, 2026

E-FILED

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. – Electric Division /
Docket No. R-2025-3059430**

Dear Secretary Homsher:

Enclosed please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-referenced proceeding.

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Steven C. Gray

Steven C. Gray
Senior Attorney
Assistant Small Business Advocate
Attorney ID No. 77538

Enclosures

cc: Mark Ewen
Parties of Record

II. FILING BACKGROUND

On March 27, 2026, UGI Utilities, Inc. – Electric Division (“UGI Electric” or the “Company”) filed Supplement No. 92 to UGI Electric Tariff – Pa. P.U.C. No. 6 with the Commission.

The OSBA filed a Complaint in opposition to Supplement No. 92 on April 7, 2026.

III. IDENTIFICATION OF WITNESS AND TENTATIVE ISSUES

Assisting in the development and presentation of the OSBA’s case in this proceeding will be:

Mark Ewen
Industrial Economics, Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140
MEwen@indecon.com

The OSBA will participate in this proceeding to ensure that the interests of small business customers are adequately represented and protected.

After an initial review of the materials submitted by UGI Electric, the OSBA has identified the following list of issues that it will evaluate in this proceeding:

- 1) Whether the large cost increases in certain accounts compared to the Company’s base rates filing of just three years ago are reasonable and prudent;
- 2) Whether the shifts in costs between certain accounts and between rate classes compared to the Company’s 2023 base rates filing are reasonable and prudent;
- 3) Whether the Company’s overall revenue requirement proposal is justifiable and affordable;

- 4) Whether the Company's budgeted and adjusted volumes for the FPFTY are consistent with normal weather, the current economic circumstances, and past trends;
- 5) Whether the Company's proposed allocated cost of service study ("ACOSS") reasonably reflects cost causation, normal utility practice, and Commission precedent, including the separate recognition of the flood control rate class;
- 6) Whether the allocation of the rate increase among the various rate classes reasonably reflects the results of the ACOSS and other established regulatory principles;
- 7) Whether the Company's proposed base rate design for the GS-1 and GS-4 rate classes reasonably reflects the underlying costs, established regulatory principles, and market changes affecting the electric utility industry;
- 8) Whether UGI Electric has, in place, a small business payment plan for financially troubled small businesses;
- 9) Whether that small business payment plan program is set forth in UGI Electric's tariff;
- 10) Whether UGI Electric has an outreach program to inform small businesses of the programs those customers can access;
- 11) Whether UGI Electric provides contact information for the Office of Small Business Advocate as it does for other statutory advocates; and
- 12) Whether any distribution rate increase should be awarded to UGI Electric at this time considering the pending purchase of the Company by Argo.

The OSBA reserves the right to address additional issues as they arise throughout this proceeding.

IV. SERVICE OF DOCUMENTS

In accordance with 52 Pa. Code § 1.54(b)(3)(i), the OSBA agrees to accept electronic mail delivery of documents on the due date¹ as satisfying the in-hand requirement. At the time of this writing, hard copy delivery of documents to the OSBA is not possible. The OSBA requests that email delivery of documents also be provided to its witnesses identified above.

In addition to email copies of pleadings, briefs, and exceptions, the OSBA requests email copies of responses to discovery propounded by the OSBA or any other party.

V. SETTLEMENT

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

VI. DISCOVERY

The OSBA does not propose any discovery modifications in this proceeding.

¹ In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

VII. HEARING AND BRIEFING SCHEDULE

At the time of this writing, the parties are working on a proposed procedural schedule.

Respectfully submitted,

/s/ Steven C. Gray

Steven C. Gray, Esq.
Senior Attorney
Assistant Small Business Advocate
Attorney ID # 77538

Commonwealth of Pennsylvania
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
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Dated: May 5, 2026

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	Docket No. R-2025-3059430
v.	:	C-2026-3061591
	:	
UGI Utilities, Inc – Electric Division	:	

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

The Honorable Steven Haas
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Date: May 5, 2026

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