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

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

May 5, 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. – Electric Division
Docket No. R-2025-3059430
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,

Adam J. Williams
Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 310019
(717) 787-8754
adawilliam@pa.gov

AJW/ac
Enclosures

cc: Administrative Law Judge Steven K. Haas (*via email – sthaas@pa.gov*)
Administrative Law Judge Chad L. Allensworth (*via email – callenswor@pa.gov*)
Per Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

PREHEARING MEMORANDUM OF THE
BUREAU OF INVESTIGATION AND ENFORCEMENT

TO ADMINISTRATIVE LAW JUDGES STEVEN K. HAAS AND CHAD L. ALLENSWORTH:

The Bureau of Investigation and Enforcement (I&E) of the Pennsylvania Public Utility Commission (Commission) hereby submits this Prehearing Memorandum in the above-captioned dockets. The I&E prosecutor assigned to this proceeding is Adam J. Williams, who may be contacted as follows:

By mail: Adam J. Williams
Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

By e-mail: adawilliam@pa.gov

By telephone: (717) 787-8754

I. INTRODUCTION

On March 27, 2026, UGI Utilities, Inc. – Electric Division ("UGI Electric" or "Company"), filed Supplement No. 92 to UGI Electric Tarriff – PA P.U.C. No. 6 ("Supplement 92", seeking a general rate increase, with a proposed effective date of March 29, 2026. Supplement 92 as proposed, if approved by the Commission, would increase UGI Electric's annual jurisdiction revenues by $17.283 million, or 11.89%.

Adam J. Williams of I&E entered his appearance on March 31, 2026. The Office of Small Business Advocate ("OSBA") entered their appearance on March 31, 2026, and filed a Formal Complaint on April 7, 2026. The Office of Consumer Advocate ("OCA") filed their appearance as well as a Formal Complaint on April 8, 2026. Also on April 8, 2026, the Commission on Economic Opportunity ("CEO") filed a Petition to Intervene in this proceeding. On April 16, 2026, the Commission issued an Order pursuant to Section 1308(d) of the Public Utility Code suspending the implementation of the proposed Supplement by operation of law until January 1, 2027, and opening an investigation into the lawfulness, justness, and reasonableness of the proposed rates, rules and regulations contained within. The case was assigned to the office of Administrative Law Judge for the scheduling of such hearings as may be necessary, culminating in the issuance of a Recommended Decision. Pursuant to the Prehearing Conference Order issued on April 23, 2026, a prehearing conference is scheduled for Thursday, May 7, 2026, at 10 a.m. before Administrative Law Judges Steven K. Haas and Chad L. Allensworth ("The ALJs"). I&E submits this Memorandum in compliance with the April 23, 2026 Order.

II. ISSUES

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

1. Miscellaneous general expenses
2. Outside services employed
3. Advertising expense
4. Charges imposed by affiliates
5. Salaries/wages, Payroll Taxes and Related Benefits
6. Vegetation management
7. Employee activity costs
8. Cash Working Capital
9. Income taxes
10. Purchased Power Expense
11. Rate case expense
12. Uncollectibles
13. Customer accounts expense
14. Universal service program
15. Energy efficiency and conservation programs
16. Inflation adjustments
17. Plant In Service
18. Plant Additions and Retirements
19. Rate Base
20. Accrued Deprecation
21. Annual Depreciation Expense
22. Customer Deposits, and
23. FTY and FPFTY Reports
24. Cost of Service;
25. Present Rate Revenue
26. Forfeited Discounts
27. Revenue Allocation
28. Customer Charge
29. Customer Cost Analysis
30. Proposed Rates
31. Scale Back of Rates
32. Proxy Group Composition
33. Capital Structure
34. Cost of Debt
35. Cost of Equity Analysis (including the methods and data used)
36. Reasonableness of Return on Equity
37. Size Risk Adjustment
38. Flotation Cost Adjustment
39. Business and Financial Risks Assessment
40. Sale of UGI Electric Division to Argo Infrastructure

The list is as complete as can be made at this time. I&E reserves the right to address other issues, as it deems appropriate if any such relevant issues arise.

III. WITNESSES

I&E expects to call the following expert witnesses at these dockets without being limited thereto:

- Getachew Bedassa, Fixed Utility Financial Analyst
- Ethan H. Cline, Fixed Utility Valuation Engineer
- D.C. Patel, Fixed Utility Financial Analyst

I&E witnesses may be contacted through the information listed above for Mr. Williams. The witness list is provided without the benefit of complete discovery or analysis of the positions of other parties to this proceeding. Accordingly, I&E reserves the right to call additional witnesses or withdraw the names 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 hearing. Moreover, I&E intends to rely on the Company's filing, 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 Commission policy or legal representation that are not properly the subject of testimony or there may be factual issues that are clear on the record and need not be supported by testimony. I&E reserves the right to dispense with testimony, when, in its opinion, an issue can be adequately addressed through briefing.

V. DISCOVERY

Due to the time limitations in the proceedings, I&E requests that the Commission's Rules of Practice and Procedure for the conduct of discovery be modified as follows:

1. Answers to written interrogatories shall be served in-hand within ten (10) calendar days of service.
2. Objections to interrogatories shall be communicated orally to the opposing party within three (3) calendar days of service; unresolved objections shall be served to the other party in writing within five (5) days of service of interrogatories.
3. Motion to dismiss objections and/or direct the answering of interrogatories shall be filed within five (5) calendar days of service of written objections.
4. Answers to motions to dismiss objections and/or direct the answering of interrogatories shall be filed within three (3) calendar days of service of such motions.
5. Discovery or discovery-related pleadings served after 12:00 noon on a Friday or after 12:00 p.m. on any business day preceding a state holiday will be deemed to be served on the next business day.

VI. SCHEDULE

I&E is committed to cooperating with all parties and with the ALJS to finalize an acceptable procedural schedule. Schedule discussion among the parties is ongoing at the time of this filing.

VII. SERVICE OF DOCUMENTS

For purposes of satisfying in-hand requirements for discovery responses, prepared testimony and briefs, I&E proposes to both only serve and accept electronic delivery of documents. If the ALJs and/ or any party prefers to have additional service (or "hard copies") of documents by mail, I&E will certainly provide such service.

VIII. SETTLEMENT

I&E intends to participate in any settlement discussions and is willing to work with the parties to reach a resolution of any or all issues. In the event settlement discussions fail to result in a complete resolution of the matter, I&E is prepared to fully or partially litigate this proceeding as warranted.

Respectfully Submitted,

Adam J Williams
Prosecutor
PA Attorney ID No. 310019

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

Dated: May 5, 2026

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Prehearing Memorandum** dated May 5, 2026, in the manner and upon the persons listed below.

Served via Electronic Mail Only

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