



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

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

June 15, 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.
PECO Energy Company – 1307(f)
Docket No. R-2026-3062148
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/ac
Enclosures

cc: Administrative Law Judge F. Joseph Brady (*via email* – fbrady@pa.gov)
Pam McNeal, Legal Assistant (*via email* – pmcneal@pa.gov)
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2026-3062148
	:	
PECO Energy Company – 1307(f)	:	

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

TO ADMINISTRATIVE LAW JUDGE F. JOSEPH BRADY:

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 April 30, 2026, PECO Energy Company – Gas Division (“PECO” or “Company”) submitted its pre-filing information in support of its annual reconciliation of purchased gas costs rates.

On May 6, 2026, I&E filed its Notice of Appearance. On May 8, 2026, the Office of Consumer Advocate (“OCA”) filed a Formal Complaint and Public Statement. That same day, the Office of Small Business Advocate (“OSBA”) filed its Notice of Appearance. May 13, 2026, the Philadelphia Area Industrial Energy Users Group (“PAIEUG”) filed a Petition to Intervene. On June 4, 2026, OSBA filed a Formal Complaint and Public Statement.

On May 28, 2026, PECO 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 June 16, 2026 at 1:00 p.m. before Administrative Law Judge (“ALJ”) F. Joseph Brady.

II. ISSUES

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

1. Quarterly E-factor and PGC rates reconciliation
2. Pass-back of suppliers’ refund and penalty credit with interest at 6%
3. Application of proper interest rate for over/under collection of gas cost in the PGC rate calculation
4. Compliance with audit recommendations made in the Commission’s Report on Statements of Purchased Gas Costs
5. Renewable Natural Gas
6. Retainage Rate
7. Spot Market Purchases – Company’s reliance on Spot Market Purchases
8. Capacity Requirements
9. Local Production Purchases
10. Peak Day Forecasts
11. Peak Capacity to Serve Design Day
12. Mix of Capacity

13. Increase in Capacity
14. Meeting Peak Day needs
15. Hedging Practices
16. Incentive Mechanisms
17. Off-system Sales

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. Getachew Bedasa, 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 supports the discovery modifications proposed by PECO.

VI. SCHEDULE

I&E supports the following litigation schedule as proposed by PECO:

Non-Company Direct Testimony	July 8, 2026
Rebuttal Testimony	July 15, 2026
Surrebuttal Testimony	July 20, 2026
Evidentiary Hearings	July 22-23, 2026
Main Briefs	July 31, 2026
Reply Briefs	August 7, 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 dark ink that reads "Michael Podskoch". The signature is written in a cursive, slightly slanted style.

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: June 15, 2026

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
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v.	:	Docket No. R-2026-3062148
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CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Prehearing Memorandum** dated June 15, 2026, in the manner and upon the persons listed below.

Served via Electronic Mail Only

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