

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement,	:	
	:	
Complainant	:	
	:	C-2026-3061133
v.	:	
	:	
UGI Utilities, Inc. – Gas Division	:	
	:	
Respondent	:	

ORDER
TRANSFERRING CASE TO MEDIATION UNIT

On March 18, 2026, the Pennsylvania Public Utility Commission’s Bureau of Investigation and Enforcement (BI&E) filed a Formal Complaint against UGI Utilities, Inc. – Gas Division (UGI) related to a gas explosion that occurred at the R.M. Palmer Candy Factory in West Reading, Pennsylvania in March of 2023. The explosion and resulting fire destroyed one factory building, severely damaged a second factory building and destroyed a nearby apartment building. The explosion killed seven factory workers and injured ten other people. The explosion caused approximately \$42 million in property damage.

In its Complaint, BI&E alleges multiple violations of the Pennsylvania Public Utility Code, the Commission’s regulations and federal pipeline safety standards. BI&E is seeking over \$2.5 million in civil penalties as well as a number of corrective actions by UGI that it argues would strengthen pipeline safety oversight, address risks associated with aging plastic pipeline materials and enhance advanced methane leak detection capabilities.

On May 21, 2026, UGI filed an Answer and New Matter in which it admitted or denied the various allegations raised in the Complaint. I was assigned by the Commission to preside over this proceeding.

Upon review of BI&E's Complaint and UGI's Answer and New Matter, I believe that the case may be appropriate for mediation to provide the parties with the opportunity to attempt to resolve this matter without the need for formal litigation. To that end, our office contacted the parties to determine their willingness to engage in mediation. Both parties have agreed to have the case referred to the Commission's Mediation Unit.

THEREFORE,

IT IS ORDERED:

1. That this proceeding be transferred to the Mediation Unit of the Office of Office of Administrative Law Judge.

Date: August 24, 2026

Administrative Law Judge

/s/
Steven K. Haas

**C-2026-3061133 - PENNSYLVANIA PUBLIC UTILITY COMMISSION BUREAU OF
INVESTIGATION & ENFORCEMENT v. UGI UTILITIES INC - GAS DIVISION**

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