



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

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

August 26, 2026

Via Electronic Filing

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Investigation of UGI Utilities, Inc. – Gas Division relating to plastic pipe fusion, inspection, and installation issues in construction projects in Allentown, Bethlehem, Nazareth, and Emmaus, Pennsylvania
Docket No. M-2026-3051981

Joint I&E and UGI Utilities, Inc. – Gas Division Comment

Dear Secretary Homsher:

The Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E”) and UGI Utilities, Inc. – Gas Division (“UGI Gas”) (hereinafter referred to collectively as the “Parties”) hereby jointly submit this comment to the Parties’ Joint Petition for Approval of Settlement (“Settlement” or “Settlement Agreement”).

At the Commission’s July 16, 2026 Public Meeting, Vice Chair Kimberly M. Barrow requested the Parties “file comments clarifying what work and associated costs related to these incidents/investigation would be barred from recovery of ratepayers” as it relates to the Settlement Term found at paragraph 81(B) of the Settlement. Paragraph 81(B) provides that:

UGI Gas will not seek recovery, through ratepayers, of the costs for the work performed by SKODA to investigate, inspect, and remediate the projects, identified in this settlement, performed by SKODA in 2022.

This Settlement Term prohibits UGI Gas from recovering, from ratepayers, any of the costs associated with investigating, inspecting, and remediating SKODA’s alleged failure to follow UGI Gas’s construction procedures and the installation of visually unacceptable plastic fusions. This prohibition applies to the projects specifically identified in the Settlement, all of which were installed in calendar year 2022. The prohibition would bar UGI Gas from recovering any costs associated with investigating, inspecting, and remediating those projects, regardless of whether the investigation,

inspection, or remediation took place during or after calendar year 2022. For purposes of clarity, please see Table 1 below, which sets forth the projects addressed by the Settlement identified by applicable Settlement paragraph as well as the actual costs incurred to originally complete those projects (prior to any investigation or remediation). In order to remedy the issues identified in the Settlement, SKODA Contracting (“SKODA”) did not charge UGI Gas any additional costs to investigate, inspect, and remediate those projects. Thus, any costs associated with the investigation, inspection, and remediation of those projects have been and will be excluded from UGI Gas’s rates.

Table 1

Project Identifier – Settlement Para.	<u>Original Project Costs</u>
11-20 – Liberty Street Project	\$1,050,687
27-30 – Market Street Project	\$324,455
31-34 – Prospect Street Project	\$1,196,552
35-38 – Green Street Project	\$1,026,853
39-42 – North Street Project 1	\$304,790
43-46 – Center Street Project	\$661,157
47-50 – 1st Street Project	\$828,293
51-54 – Spruce Street Project	\$951,703
55-58 – 4th Avenue Project	\$799,151
59-62 – North Street Project 2	\$1,721,434
63-66 – Spring Street Project	\$1,133,673

The Pennsylvania Public Utility Commission's Bureau of Investigation and Enforcement and UGI Utilities, Inc. – Gas Division respectfully request that the Commission issue an Order approving the terms of this Settlement Agreement in their entirety, without modification, as being in the public interest.

Respectfully Submitted,

Pennsylvania Public Utility Commission,
Bureau of Investigation and Enforcement

UGI Utilities, Inc. - Gas Division

By:



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Date: August 26, 2026

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CBW/ac
Enclosure

cc: Per Certificate of Service
Office of Special Assistants (*via email* – ra-OSA@pa.gov)
Stephanie M. Wimer, I&E Deputy Chief Prosecutor (*via email* – stwimer@pa.gov)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Investigation of UGI Utilities, Inc. – Gas	:	
Division relating to plastic pipe fusion,	:	
inspection, and installation issues in	:	Docket No. M-2026-3051981
construction projects in Allentown,	:	
Bethlehem, Nazareth, and Emmaus,	:	
Pennsylvania	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

Service by Electronic Mail

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Dated: August 26, 2026