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

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

October 28, 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 Exceptions

Dear Secretary Homsher:

Enclosed for electronic filing please find the Exceptions of the Bureau of Investigation and Enforcement 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
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Bureau of Investigation and Enforcement
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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*)
Office of Special Assistants (*via email – ra-OSA@pa.gov*)
Per Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
Office of Small Business Advocate	:	
Office of Consumer Advocate	:	Docket Nos. R-2025-3059430
Kory Boothe	:	C-2026-3061591
Mary Hibbard	:	C-2026-3061676
Elizabeth Saxton	:	C-2026-3061698
Carol Buchalski	:	C-2026-3061790
	:	C-2026-3062281
v.	:	C-2026-3062957
	:	
UGI Utilities, Inc. – Electric Division	:	

EXCEPTIONS OF THE BUREAU OF INVESTIGATION AND ENFORCEMENT TO THE RECOMMENDED DECISION

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: October 28, 2026

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Pa. PUC v. Columbia Gas of Pennsylvania, Inc.,
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52 Pa. Code § 5.535 1

I. INTRODUCTION

Pursuant to 66 Pa. C.S. § 332(h) of the Public Utility Code and 52 Pa. Code § 5.535 of the Public Utility Commission regulations, the Bureau of Investigation and Enforcement ("I&E") of the Pennsylvania Public Utility Commission ("Commission") respectfully submits these Exceptions to the Recommended Decision ("Recommended Decision" or "RD") of Administrative Law Judges Steven K. Haas and Chad L. Allensworth (the "ALJs") issued on October 16, 2026.

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%. During this proceeding, UGI Electric updated its proposal to an increase in its annual base rate operating revenues of $16.050 million as part of the Company's rebuttal testimony, which was a reduction from the $17.283 million increase the Company originally proposed in the initial filing.

The parties to this base rate proceeding are UGI Electric; I&E; the Office of Consumer Advocate ("OCA"); the Office of Small Business Advocate ("OSBA"); and the Center for Economic Opportunity ("CEO"). Additionally, there were four formal complaints filed by UGI Electric ratepayers that were consolidated into this proceeding.

The evidentiary hearing was convened as scheduled on August 12, 2026, and concluded on August 13, 2026. Counsel for Columbia, I&E, OCA, OSBA and CEO appeared. No individual Complainant attended the evidentiary hearing.

After the conclusion of the hearing and the closing of the record, UGI Electric and OSBA reached a non-unanimous settlement of all issues that further reduced the Company's proposed revenue increase to $10.70 million. All the other Parties including I&E, OCA and CEO oppose the Settlement, and the pro se Complainants did not join the Settlement. The parties were given the opportunity to submit briefs on the substantive issues of the case as well as file statements/comments in favor of or opposing the Joint Petition for Settlement, which was filed on September 10, 2026. I&E submitted its Main Brief on September 8, 2026 ("I&E MB") as did UGI Electric and OCA[1]. I&E then submitted its Reply Brief ("I&E RB") as well as Comments in Opposition of the Joint Petition for Settlement ("I&E Comments") on September 18, 2026.

On October 16, 2026, the ALJs issued their Recommended Decision calling for rejection of the settlement and reaching a full conclusion on the merits of the case. Though I&E supports rejection of the settlement and applauds the ALJs for reaching a predominately reasonable decision in this matter, the RD does contain some conclusions which I&E will argue should be modified by the Commission in reaching the final decision in this matter.

[1] OSBA and CEO did not file Main Briefs in this matter.

II. I&E EXCEPTIONS

I&E recommends that the Commission modify the RD as per the exception below.

A. I&E Exception No. 1 - The RD calls for inappropriately high customer charges (RD pp. 146-154, Ordering Paragraph No. 5)

In their RD, the ALJs erred in adopting UGI Electric's position regarding fixed customer charges. In doing so, the RD authorizes an increase to the residential customer charge from $10.75 to $22.00, a nearly 105% increase, with several other class charges also raised by more than 100%. Though I&E did not dispute the Company's Allocated Cost of Service Study ("ACOSS") in testimony, and does recognize the value in moving customer charges closer to the true cost of service, the increases proposed by the RD create a significant risk of rate shock and should be reduced. I&E's proposal to limit the increases to roughly two times the overall system average increase, based in part on the Commission's ruling in the recent Columbia Gas base rate case[2], would allow for movement toward the Company's stated goal to transition to a cost-based rate structure and away from block rates, while limiting the risk of rate shock and mitigating the impact of such an increase on low income customers. A more measured approach, consistent with the principle of gradualism, would ultimately strike a better balance between the Company's desire to achieve more stable revenues and the customer's desire to better control their bill through conservation.[3] Irrespective of the final decision as to fixed customer charges, I&E agrees with the ALJs that, as the RD authorizes a lesser increase

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2 *Pa. PUC v. Columbia Gas of Pennsylvania, Inc.*, Docket No. R-2025-3053499 (Order Entered December 9, 2025), p. 281.

3 *See* I&E MB pp. 37-39.

than that requested by the Company, a scale-back of rates should be applied to both customer charges and usage rates.[4]

III. CONCLUSION

Wherefore, I&E respectfully submits that for all the foregoing reasons, the Recommended Decision of Administrative Law Judges Steven K. Haas and Chad L. Allensworth, issued on October 16, 2026, be modified by the Commission pursuant to the I&E Exception set forth above.

Respectfully submitted,



Adam J. Williams
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Bureau of Investigation and Enforcement
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Dated: October 28, 2026

[4] RD, p. 154.

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 **Exceptions** dated October 28, 2026, in the manner and upon the persons listed below.

Served via Electronic Mail Only

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