

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	R-2016-2531550
Office of Consumer Advocate	:	C-2016-2566526
Office of Small Business Advocate	:	C-2016-2567115
	:	
v.	:	
	:	
Citizens' Electric Company	:	
of Lewisburg PA	:	
	:	
	:	
Pennsylvania Public Utility Commission	:	R-2016-2531551
Office of Consumer Advocate	:	C-2016-2566522
Office of Small Business Advocate	:	C-2016-2567132
	:	
v.	:	
	:	
Wellsboro Electric Company	:	

BRIEFING ORDER

On August 31, 2016, Citizens' Electric Company of Lewisburg, PA (Citizens'), Utility Code 110050, filed Supplement No. 110 to Tariff Electric – Pa. P.U.C. No. 14, and Wellsboro Electric Company (Wellsboro), Utility Code 111200, filed Supplement No. 102 to Tariff Electric – Pa. P.U.C. No. 8, both tariffs to become effective October 30, 2016, and containing proposed increases in distribution rates and other tariff changes. Citizens' is seeking an overall revenue increase of \$592,000 per year, or 12.8% over present revenues, producing a 7.54% rate of return. Wellsboro is seeking an overall revenue increase of \$1,000,000 per year, or 21.3% over present revenues, producing a 7.38% rate of return.

Citizens' requested an increase in distribution base rates due to replacing its aging distribution infrastructure, a \$6 million increase for utility plant in service, Electronic Data

Interchange (EDI) implementation, an increase in vegetation management efforts, and workforce training.

Wellsboro requested an increase in distribution base rates due to replacing its aging distribution infrastructure, an \$8 million increase for utility plant in service, ongoing vegetation management, EDI implementation, and large customer facility closures.

Formal complaints were filed on both docket numbers by the Office of Consumer Advocate (OCA) on September 14, 2016, and by the Office of Small Business Advocate (OSBA) on September 19, 2016.

Pursuant to 66 Pa. C.S. §1308(d), these filings were suspended by Order dated October 6, 2016, until May 30, 2017, unless permitted by Commission Order to become effective at an earlier date. In that Order, the Commission concluded that investigation and analysis of these proposed tariff filings and the supporting data indicate that the proposed changes in rates, rules, and regulations may be unlawful, unjust, unreasonable, and contrary to the public interest. The Commission also ordered that this matter be assigned to the Office of Administrative Law Judge (OALJ) for the prompt scheduling of such hearings as may be necessary in order to issue a Recommended Decision to the Commission, giving consideration to the reasonableness of the Respondents' existing rates, rules, and regulations.

By Notice dated October 13, 2016, the OALJ scheduled an Initial Prehearing Conference for Monday, October 31, 2016 at 10:00 a.m. in Hearing Room 4 of the Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120 before Administrative Law Judges Joel H. Cheskis and Andrew M. Calvelli. The Initial Prehearing Conference was held as scheduled and various procedural matters were discussed. Most notably, the following procedural schedule was agreed upon and memorialized in a Scheduling Order served upon the parties by the OALJ on November 3, 2016:

All Parties' Direct Testimony (other than Office of Small Business Advocate)	December 1, 2016
Office of Small Business Advocate Direct Testimony	December 2, 2016
Settlement Discussions	Prior to December 15, 2016
Rebuttal Testimony	December 22, 2016
Surrebuttal Testimony	January 10, 2017
Oral Rejoinder Outlines	January 13, 2017 (noon)
Hearings (including Oral Rejoinder)	January 17, 2017 and January 18, 2017
Main Brief	February 2, 2017
Reply Brief	February 10, 2017

In the week prior to the scheduled hearing dates, the parties had various discussions concerning possible settlement of the case. In various email exchanges between the parties and the Presiding Officers, the parties advised that settlement in principle of all issues, except for the issue of revenue allocation, had been achieved. The parties further advised that they agreed to waive cross-examination of all witnesses other than a few witnesses identified in a cross-examination matrix submitted by counsel for Citizens' and Wellsboro. Given those representations, the parties were advised that the hearing would be held on January 18, 2017 and that there would be no hearing on January 17, 2017.

The hearing was held on January 18, 2017 and Citizens' and Wellsboro presented two witnesses. The parties were provided the opportunity to cross-examine those witnesses. Following the witness presentations, pre-served testimony was admitted into the record with accompanying verifications without objection. The following counsel appeared at the hearing: Adeolu Bakare, Esquire, Matthew Garber, Esquire and Pamela Polacek, Esquire on behalf of Citizens' and Wellsboro; Aron Beatty, Esquire on behalf of OCA; Scott Granger, Esquire and Erika McLain, Esquire on behalf of I&E; and Sharon Webb, Esquire on behalf of OSBA.

In addition to the witness presentations and the admission of pre-served testimony into the record, the parties were advised of the previous briefing schedule set forth in the

Scheduling Order. The parties agreed to limit their briefs to a discussion of the issue of revenue allocation, as all other issues had previously been settled between the parties. The parties also agreed that any full or partial settlement will be submitted no later than February 2, 2017. Any settlement should be accompanied by detailed Statements in Support of the Settlement from each party signing the settlement, as well as proposed findings of fact, conclusions of law and ordering paragraphs in support of the settlement. To the extent a full settlement of all contested issues is submitted, no briefs will be required. If, however, a partial settlement is submitted, the parties are required to brief the remaining contested issues. Therefore, the following Briefing Order is being issued to establish various requirements regarding briefs.

ORDER

THEREFORE,

IT IS ORDERED:

1. That the parties shall file and serve Main Briefs on or before February 2, 2017 and Reply Briefs on or before February 10, 2017 in conformance with the Commission's regulations at 52 Pa.Code §§ 5.501, *et seq.* unless otherwise modified by the Presiding Officer.
2. That the briefs must contain: (a) a concise statement or counter-statement of the case; (b) an argument, with sufficient citations to record evidence, preceded by a summary; (c) a conclusion with requested relief; (d) proposed Findings of Fact, together with page references to statements of testimony, the hearing transcript and exhibits; (e) proposed Conclusions of Law, together with legal citations and (f) proposed Ordering Paragraphs.
3. That the parties shall file the original copies of the Main Brief and Reply Brief with the Commission no later than 4:30 p.m. on the date due, addressed as follows:

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, Pa. 17105-3265

4. That, consistent with 52 Pa. Code §1.54, the parties shall serve one copy of the Main Brief and Reply Brief on each other and the Presiding Officer in-hand no later than 4:30 p.m. on the date due. Parties may serve the brief via e-mail to meet this requirement, with hard copy to follow, sent to the addresses set forth on the attached service list and as follows:

Joel H. Cheskis
Andrew M. Calvelli
Administrative Law Judges
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
Telephone: (717) 783-5452, (717) 525-5084
Email: jcheskis@pa.gov, acalvelli@pa.gov

5. That any brief not filed and served on or before the dates set forth above will not be accepted except by special permission.

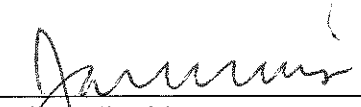
6. That the parties are advised not to include any extra-record evidence in their briefs.

7. That a party shall not introduce evidence or argument in the Reply Brief that is repetitive, should have been included in the Main Brief or substantially varies from the party's case-in-chief.


8. That if a brief contains a citation to an unreported decision which is not available on LEXIS or the Commission's website, a copy of that unreported decision must be appended to the brief.

9. That all briefs, testimony and other documents submitted in this proceeding are to be provided to the Presiding Officer in Microsoft Word format.

Date: January 19, 2017



Joel H. Cheskis
Administrative Law Judge



Andrew M. Calvelli
Administrative Law Judge

PENNSYLVANIA PUBLIC UTILITY COMMISSION v.
R-2016-2531550 - CITIZENS ELECTRIC COMPANY OF LEWISBURG PA
R-2016-2531551 - WELLSBORO ELECTRIC COMPANY

PAMELA C POLACEK ESQUIRE
ADEOLU A BAKARE ESQUIRE
MCNEES WALLACE & NURICK LLC
PO BOX 1166
HARRISBURG PA 17108-1166
Accepts e-Service

ARON J BEATTY ESQUIRE
AMY E HIRAKAS ESQUIRE
OFFICE OF CONSUMER ADVOCATE
555 WALNUT STREET
5TH FLOOR FORUM PLACE
HARRISBURG PA 17101-1923
Accepts e-Service
C-2016-2566526 - Citizens
C-2016-2566522 - Wellsboro

SHARON WEBB ESQUIRE
OFFICE OF SMALL BUSINESS ADVOCATE
300 NORTH SECOND STREET SUITE 202
HARRISBURG PA 17101
C-2016-25677115 - Citizens
C-2016-2567132 - Wellsboro

SCOTT B GRANGER ESQUIRE
PA PUBLIC UTILITY COMMISSION
BUREAU OF INVESTIGATION & ENFORCEMENT
PO BOX 3265
HARRISBURG PA 17105-3265
Accepts e-Service