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February 28, 2018

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, Filing Room
Harrisburg, PA 17120

In re: Joint Application of Pike County Light and Power Company, Corning Natural Gas Holding Corporation and Orange and Rockland Utilities, Inc. for: a Certificate or Certificates of Public Convenience Evidencing the Pennsylvania Public Utility Commission's Approval of: the Transfer by Sale of 100% of the Issued and Outstanding Stock of Pike County Light & Power Company; Docket Nos. A-2015-2517036 *et al.*; **PIKE COUNTY LIGHT & POWER QUARTERLY STATUS REPORT PURSUANT TO AUGUST 11, 2016 ORDER.**

Dear Secretary Chiavetta:

Enclosed you will find Pike County Light & Power Company's Quarterly Status Report pursuant to the directives in the August 11, 2016 Order in the above-captioned docket. Copies have been served in accordance with the attached Certificate of Service.

Should you have any questions or comments, please feel free to contact me directly.

Very truly yours,

Thomas J. Sniscak
Whitney E. Snyder

TJS/WES/das

Enclosure

cc: Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of Pike County Light	:	
And Power Company, Buyer Corning Natural	:	
Gas Holding Corporation and Seller Orange	:	A-2015-2517036
And Rockland Utilities, Inc. for a Certificate	:	A-2015-2517111
Of Public Convenience Approving the Transfer	:	G-2015-2517113
By Sale of 100% of the Stock of Pike County	:	G-2015-2517114
Light And Power Company from Seller Orange	:	S-2015-2517115
And Rockland Utilities, Inc. to Buyer Corning	:	S-2015-2517116
Natural Gas Holding Corporation	:	

**PIKE COUNTY LIGHT & POWER COMPANY
QUARTERLY STATUS REPORT PURSUANT TO AUGUST 11, 2016 ORDER**

NOW COMES Pike County Light & Power Company (“PCL&P”), by its attorneys, and submits the following verified information in compliance with and pursuant to Paragraph 36(i) and Ordering Paragraph 19 of Administrative Law Judge Susan Colwell’s Recommended Decision¹ that the Commission by Order adopted on August 11, 2016 (“Order”),² PCL&P hereby provides its quarterly status report for September 2017 – November 2017. Pike notes this is the final quarterly report that it must submit pursuant to the Order.

1. **Permanent Staff Retained.** PCL&P previously provided notice on September 30, 2016 that it hired a General Manager and Customer Service Manager. In the first quarter of 2017, PCL&P hired a billing clerk to perform general responsibilities related to collection of meter

¹ Joint Application of Pike County Light and Power Company, Recommended Decision, Docket Nos. A-2015-2517036 *et al.* (Jun. 30, 2016)

² Joint Application of Pike County Light and Power Company, Docket Nos. A-2015-2517036 *et al.* (Order entered Aug. 11, 2016).

readings, programming route devices, perform meter reading adjustments, coordinate the creation and mailing of all customer bills and provide overall meter operation function support. PCL&P, pursuant to Commission approval issued March 3, 2017, hired an Administrative Assistant and two Customer Service Representatives through an employment agency. As of August 7, 2017, the two Customer Service Representatives passed their probationary period and are full-time PCL&P employees. PCL&P indicated in its last report that it was restructuring the Administrative Assistant position, and was using a temporary employee for this function at that time. PCL&P has now hired a full-time employee (starting 3/12/18) for this position that will function as both an additional customer service representative and an administrative assistant. PCL&P has now hired a General Technician. (starting 3/26/18) PCL&P plans to hire another full-time technician in the upcoming month. PCL&P also has hired a Planner/Construction position (started 1/9/18). In sum, PCL&P has hired seven full time employees to date.

Consistent with the “deliberative approach” approved by the Order, PCL&P is continuing to explore its permanent staffing needs during this transitional period.

2. **Contractors in use.** On July 25, 2017, pursuant to Paragraph 36(h) of the Order, PCL&P filed a letter requesting Commission approval for the use of five contractors: (1) pole inspection and repair; (2) underground facility locating; (3) storm assistance and recovery service; (4) gas and electric meter reading, construction and installation of mains, and surveys; and (5) an electric contractor. On August 4, 2016, the Commission issued a secretarial letter approving this request. PCL&P has now retained all of these contractors.

PCL&P intends to fill the electric contractor position in the next quarter.

3. **Transition Services Agreement.** During this quarter, pursuant to the Transition Services Agreement (“TSA”) approved by the Commission in its Order, Orange and Rockland

continued to provide electrical construction and emergency response to electric outages and gas odor calls and SCADA support. PCL&P has extended the TSA for one additional month and will continue to take these services. PCL&P expects to no longer have O&R perform electrical construction and emergency response to electric outages and gas odor calls during the month of March. PCL&P has negotiated the option to extend the TSA an additional month into April, if necessary.

4. **Quarterly Meetings with OCA, OSBA and TUS Reliability and Emergency Preparedness Sections.** PCL&P has conducted the quarterly meetings required by the settlement, and on an ongoing basis meets or has discussions with TUS Reliability and Emergency Preparedness regarding the reliability, preparedness and recordkeeping provisions of the Commission's Order approving the settlement.

5. **Meetings with Local Officials, Economic Development Councils or Agencies.** PCL&P management continues to meet with local officials at meetings or on individual inquiries and have attended Pike County Chamber of Commerce & Economic Development Agency meetings.

6. **Studies.** On August 25, 2017, PCL&P filed with the Commission an unopposed motion for additional time in which to complete its Alternate Gas and Electric Supply Study. On August 29, 2017, the Commission granted PCL&P's motion, extending the deadline to February 28, 2018.

PCL&P is submitting both its Alternative Supply Study and Cast Iron Bare Steel Study today.

Pursuant to Paragraph 36(o), PCL&P has studied "the feasibility and cost implication of an interest rate swap, or similar switch to fixed rate debt, to hedge variable rate debt" and attached

its findings to its quarterly report for December 2016 – February 2017. As of the last quarterly report, PCL&P received a term sheet from M&T bank to refinance the loan and planned to file a securities certificate in the next quarter. PCL&P has since filed that securities certificate.

Respectfully submitted,



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Attorneys for Pike County Light & Power Co.

Date: February 28, 2018

VERIFICATION

I, Steven L. Grandinali, General Manager of Pike County Light and Power Company, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).



Steven L. Grandinali
General Manager
Pike County Light and Power Company

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct 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).

BY ELECTRONIC AND FIRST CLASS MAIL

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Thomas J. Sniscak
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DATED: February 28, 2018