

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17120**

**Petition of PPL Electric Utilities
Corporation for Approval of its
Long-Term Infrastructure
Improvement Plan**

**Public Meeting January 10, 2013
2325034-FUS
Docket No. P-2012-2325034**

**JOINT STATEMENT OF
CHAIRMAN ROBERT F. POWELSON
AND COMMISSIONER PAMELA A. WITMER**

Before us today for consideration is the Petition for approval of the Long-Term Infrastructure Improvement Plan ("LTIIIP") of the PPL Electric Utilities Corporation ("PPL Electric"). Also before us today are the Comments on the LTIIIP submitted by the Office of Consumer Advocate and PPL Industrial Customer Alliance. This proceeding is the first to consider long-term infrastructure plans which are required by Act 11.

PPL conducted an Asset Study in 2008, which found that accelerated replacement of infrastructure is the most cost-effective strategy to address aging infrastructure and to ensure system reliability as well as the overall integrity of the distribution system. We agree and applaud PPL for being proactive here today in submitting their plan.

Act 11 recognized the essential and integral nature of a comprehensive LTIIIP with eligibility to recover costs through use of a Distribution System Improvement Charge ("DSIC"). These plans must include:

- Identification of the types and age of eligible property;
- A schedule for planned repair and replacement;
- Location of the property;
- An estimate of the quantity of property to be improved;
- Projected annual expenditures to implement the plan;
- Measures taken to ensure cost-effectiveness, and the manner of acceleration of repair and replacement.

Additionally, the PPL LTIIIP will include a project prioritization process that optimizes investment. The PPL plan goes a step further by implementing a procedure to routinely review the effectiveness of its LTIIIP programs. These are two plan elements are just plain common sense and should be replicated. Along these common sense principles, we expect PPL and all utilities to proactively coordinate LTIIIP efforts with other utilities, municipalities, townships and agencies to both minimize customer disruption and maximize cost mitigation where possible.

In conclusion, LTIIIP's are a critical component of the enhanced customer protections and safeguards included in Act 11 and a key first step in implementing ratemaking tools that support the accelerated replacement of distribution infrastructure in the Commonwealth.



Robert F. Powelson
Chairman



Pamela A. Witmer
Commissioner

Dated: January 10, 2013