**BEFORE THE**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Borough of Schuylkill Haven :

1307(e) Reconciliation for the Period Ending : M-2013-2355000

January 31, 2013 Including the Calculations of the :

ACA Rate for April, 2013 Through March, 2014 :

**RECOMMENDED DECISION**

Before

Joel H. Cheskis

Administrative Law Judge

HISTORY OF THE PROCEEDINGS

On March 26, 2013, the Borough of Schuylkill Haven (Schuylkill Haven) filed with the Pennsylvania Public Utility Commission (Commission) a 1307(e) reconciliation of Actual Cost Adjustment for April, 2013 through March, 2014. This filing covered the period for the year ending January 31, 2013. The Commission docketed this filing at M-2013-2355000. The filing included a Certification from Gloria Ebling, Treasurer for Schuylkill Haven.

By Hearing Notice dated April 11, 2013, the Commission scheduled the filing for hearing for Friday, May 17, 2013 at 10:00 a.m. in Hearing Room 3 of the Commonwealth Keystone Building in Harrisburg and assigned me to the case. Also on April 11, 2013, Richard A. Kanaskie, Esquire entered his appearance on behalf of the Commission’s Bureau of Investigation and Enforcement (I&E).

The hearing was conducted on May 17, 2013, as scheduled. Mr. Kanaskie appeared in the hearing room on behalf of I&E. No one appeared in the hearing room on behalf of Schuylkill Haven.

The hearing resulted in a transcript of 8 pages. The record closed on May 29, 2013, the date the transcript was filed with the Commission.

FINDINGS OF FACT

1. A public hearing was held on May 17, 2013, to review the Section 1307(e) reconciliation statement filed by the Borough of Schuylkill Haven on March 26, 2013 for the Actual Cost Adjustment for April, 2013 through March, 2014.
2. Schuylkill Haven Exhibit Number 1 is the 1307 reconciliation for the period ending January 31, 2013 submitted on behalf of Gloria J. Ebling, treasurer of the Borough of Schuylkill Haven, and includes an attestation and certification from Ms. Ebling authenticating the filing. Tr. 5; Schuylkill Haven Exh. No. 1.
3. I&E Exhibit Number 1 is a summary of the Section 1307(e) reconciliation statement as reported by the Borough of Schuylkill Haven for the twelve months ending January 31, 2013 compiled by Keith L. Mather from the Commission’s Bureau of Audits, as well as a verification from Mr. Mather attesting to the information contained in I&E Exhibit Number 1. Tr. 6; I&E Exh. No. 1.
4. For the twelve month period ending January 31, 2013, Schuylkill Haven experienced an over collection of $2,580. I&E Exh. No. 1.

DISCUSSION

On March 26, 2013, the Borough of Schuylkill Haven (Schuylkill Haven) filed with the Commission a 1307(e) reconciliation of Actual Cost Adjustment for April, 2013 through March, 2014. This filing covered the period for the year ending January 31, 2013. The Commission docketed this filing at M-2013-2355000. A hearing was conducted on the filing on May 17, 2013.

During the hearing, counsel for I&E presented Schuylkill Haven Exhibit Number 1 – the 1307 reconciliation for the period ending January 31, 2013 submitted on behalf of Gloria J. Ebling, treasurer of the Borough of Schuylkill Haven. Tr. 5; Schuylkill Haven Exh. No. 1. Schuylkill Haven Exhibit Number 1 includes an attestation and certification from Ms. Ebling authenticating the filings. Schuylkill Haven Exhibit Number 1 was admitted into evidence without objection. Tr. 5.

Similarly, I&E Exhibit Number 1 was also presented during the hearing. This Exhibit is a summary of the Section 1307(e) reconciliation statement as reported by the Borough of Schuylkill Haven for the twelve months ending January 31, 2013 compiled by Keith L. Mather from the Commission’s Bureau of Audits, as well as a verification from Mr. Mather attesting to the information contained in I&E Exhibit Number 1. Tr. 6; I&E Exh. No. 1. I&E Exhibit Number 1 was also admitted into the record without objection. Tr. 7. A copy of I&E Exhibit Number 1 is attached to this recommended decision. I&E also offered the following position statement:

It is the position of the Bureau of Investigation and Enforcement that the Commission’s acceptance of these statements at this hearing is subject to further review and revision as it becomes necessary pursuant to Section 1307(d) of the Public Utility Code or through some other formal proceeding.

Tr. 7. Counsel for I&E noted that the Commission’s acceptance of these statements should not constitute approval of either the accuracy of the reported figures or the reasonableness of the underlying transaction. Tr. 7.

No objections were made to either of the exhibits received into evidence at the hearing. No party raised additional issues. As such, the 2013 1307(e) reconciliation statement for the Borough of Schuylkill Haven, dated March 26, 2013, should be approved.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the subject matter and the parties to this proceeding. 66 Pa. C.S. §1307(e).
2. The 1307(e) reconciliation statement filed by the Borough of Schuylkill Haven dated March 26, 2013 shall be deemed an adequate filing within the meaning of Section 1307(e) of the Public Utility Code, 66 Pa. C.S. §1307(e), subject to further review and revision as may be found necessary as a result of a subsequent Commission audit pursuant to Section 1307(d) of the Public Utility Code, 66 Pa. C.S. §1307(d), or some other proceeding.
3. Acceptance of the 1307(e) reconciliation statement filed by the Borough of Schuylkill Haven dated March 26, 2013 does not constitute final approval of the accuracy of those figures or of the reasonableness of the underlying transactions.

ORDER

THEREFORE,

IT IS RECOMMENDED:

1. That the 1307(e) reconciliation statement filed by the Borough of Schuylkill Haven dated March 26, 2013 as set forth in Schuylkill Haven Exhibit Number 1 be, and hereby is, accepted insofar as it is undisputed.

2. That acceptance of the 1307(e) reconciliation statement filed by the Borough of Schuylkill Haven dated March 26, 2013 is expressly subject to such further review and revision as may be found necessary as the result of a subsequent Commission audit pursuant to Section 1307(d) of the Public Utility Code, 66 Pa. C.S. §1307(d), or of some other proceeding.

3. That acceptance of the 1307(e) reconciliation statement filed by the Borough of Schuylkill Haven dated March 26, 2013 shall not constitute approval of either the accuracy of the reported figures or the reasonableness of the underlying transactions.

Date: June 5, 2013 \_\_\_\_\_\_\_/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Joel H. Cheskis

Administrative Law Judge

M-2013-2355000

I&E Exhibit 1

**Summary of Borough of Schuylkill Haven’s**

**Purchased Power Adjustment Clause (PPAC) Section 1307(e) Reconciliation**

**For the Twelve Months Ended January 31, 2013**

|  |  |  |
| --- | --- | --- |
| **PPAC Revenues** | **Excess**  **Power**  **Costs** | **Over/(Under)**  **Collection\*** |
| (1) | (2) | (3) = (1) - (2) |
|  |  |  |
| $44,547 | $41,967 | $2,580 |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

\* The Purchased Power Adjustment Clause does NOT provide for interest.