



CITIZENS' ELECTRIC COMPANY

1775 INDUSTRIAL BLVD • P.O. BOX 551 • LEWISBURG, PA 17837-0551 • (570) 524-2231 • FAX: (570) 524-5887

July 26, 2016

Ms. Rosemary Chiavetta
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

RE: Docket M-2016-2522508

Dear Ms. Chiavetta,

Enclosed please find the Second Quarter, 2016 Reliability Report for Citizens' Electric Company.

Please contact me at 570-522-6143 or kelchnerj@citizenselectric.com if I can answer any questions.

Sincerely,

A handwritten signature in cursive script that reads "John A. Kelchner". The signature is written in dark ink and is positioned above the typed name.

John A. Kelchner, PE
Vice President, Engineering & Operations

cc: Pennsylvania Office of Consumer Advocate
Pennsylvania Office of Small Business Advocate
Dan Searfoorce (via email)
David Washko (via email)

Citizens' Electric Company
Quarterly Service Reliability Report
Second Quarter, 2016
Prepared by John A. Kelchner, PE
Vice President of Engineering & Operations
570-522-6143
kelchnerj@citizenselectric.com
July 26, 2016

§ 57.195(e)(1) - A description of each major event that occurred during the preceding quarter, including the time and duration of the event, the number of customers affected, the cause of the event and any modified procedures adopted in order to avoid or minimize the impact of similar events in the future.

The Company experienced no Major Events during the preceding quarter.

§ 57.195(e)(2) - Rolling 12-month reliability index values (SAIFI, CAIDI, SAIDI, and if available, MAIFI) for the EDC's service territory for the preceding quarter. The report shall include the data used in calculating the indices, namely the average number of customers served, the number of sustained customer interruptions, the number of customers affected, and the customer minutes of interruption. If MAIFI values are provided, the report shall also include the number of customer momentary interruptions.

Index	Rolling 12-Month Value for Quarter
SAIFI	0.23
SAIDI	25
CAIDI	105

Total # of Customers Served	# of Interruptions	# of Customers Affected	Customer Minutes
6,936	39	1,622	170,437

The following outages were approved for exclusion as Major Events during the preceding 12-month period and are not included in the above calculations:

Date	# of Customers Affected	Customer Minutes
9/17/2015	1,387	51,319
3/30/2016	1,409	132,895

§ 57.195(e)(5) - A rolling 12-month breakdown and analysis of outage causes during the preceding quarter, including the number and percentage of service outages, the number of customers interrupted, and customer interruption minutes categorized by outage cause such as equipment failure, animal contact, tree related, and so forth. Proposed solutions to identified service problems shall be reported.

Outage Cause	Number of Interruptions	% of Interruptions	Number of Customers Affected	Customer Interruption Minutes
On R/W Trees	0	0	0	0
Animals	9	23	75	3,588
Equipment	9	23	518	43,071
Off R/W Trees	9	23	912	112,606
Weather	4	10	72	6,143
Vehicle	1	3	3	222
Other	7	18	42	4,807
Total	39		1,622	170,437

Discussion

The Company experienced a slight increase in SAIFI, SAIDI, and CAIDI. Although the total number of outages remained constant compared to last quarter, there was an increase in the number of customers affected and a corresponding increase in total customer minutes. The Company believes this is a normal statistical variation and not an indication of any specific reliability or maintenance issue.