

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

|                                 |   |            |
|---------------------------------|---|------------|
| Valerie McCutcheon              | : | C-20065901 |
| Gary M. Chase                   | : | C-20065905 |
| Delaware Valley School District | : | C-20065922 |
| William & Janeth DeGraw         | : | C-20065923 |
| Chaba M. Pallaghy               | : | C-20065924 |
| County of Pike                  | : | C-20065942 |
| Jeff L'Hote                     | : | C-20065943 |
| Gary R. Orben                   | : | C-20065966 |
| Francis L. Hall                 | : | C-20066005 |
| Joseph Demalderis               | : | C-20066028 |
| Joseph Fretta                   | : | C-20066194 |
| William & Irene Loosemore       | : | C-20066258 |
| Samall Properties, Inc.         | : | C-20066260 |
| Three Lane Utilities            | : | C-20066261 |
| Three Lane Corp.                | : | C-20066262 |
| Richard Snyder                  | : | C-20066263 |
| Samall Properties               | : | C-20066264 |
| Michael Trenner                 | : | C-20066265 |
| E.E. Hause                      | : | C-20066266 |
| Kathleen Ferranti               | : | C-20066267 |
| Carol Ann's Linen Closet        | : | C-20066268 |
| Pike County Outfitters          | : | C-20066269 |
| Stebo, Inc.                     | : | C-20066270 |
| STM Management                  | : | C-20066271 |
| Hare Hollow                     | : | C-20066273 |
| Michelle Storms                 | : | C-20066281 |
| Waterwheel Cafe                 | : | C-20066282 |
| Jake & Darryl Wood              | : | C-20066283 |

DOCUMENT  
FOLDER

and

Office of the Consumer Advocate  
Party Intervenor

and

Office of the Small Business Advocate  
Party Intervenor

v. :  
Pike County Power and Light Company :

INTERIM ORDER OF CONSOLIDATION

The above referenced Formal Complaints are all related to the same issue. In the interest of efficiency and judicial economy, they will be consolidated for purposes of hearing and disposition in the ordering paragraphs below.

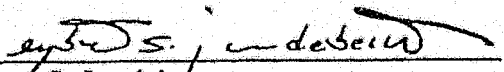
ORDER

THEREFORE,

IT IS ORDERED:

1. The above referenced Formal Complaints are consolidated for purposes of hearing and disposition.

Date: May 9, 2006

  
Ember S. Jandebour  
Administrative Law Judge

PIKE COUNTY COMMISSIONERS

PIKE COUNTY ADMINISTRATION BUILDING

506 BROAD STREET  
MILFORD, PA 18337  
570-296-7613  
FAX: 570-296-6055

ORIGINAL

HARRY FORBES  
RICHARD A. CARIDI  
KARL A. WAGNER JR } COMMISSIONERS



GARY R. ORBEN  
CHIEF CLERK

JAY R. ROSE, ESQUIRE  
COUNTY SOLICITOR

July 12, 2006

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
P.O. Box 3265  
Harrisburg, PA 17105-3265

RECEIVED  
JUL 18 2006

RE: County of Pike  
v.  
Pike County Light & Power Company  
Docket No. C-20065942

Dear Secretary McNulty:

Enclosed for filing are an original and three (3) copies of the Amended Formal Complaint in the above-referenced proceeding.

Copies have been served on the parties of record as indicated on the enclosed Certificate of Service.

Sincerely,  
Pike County Commissioners

*Harry Forbes*  
Harry Forbes, Chairman

*Richard A. Caridi*  
Richard A. Caridi, Vice-Chairman

*Karl A. Wagner Jr.*  
Karl A. Wagner Jr.

DOCKETED

JUL 18 2006

Enclosures

cc: Parties of Record  
Honorable Ember S. Jandebaur

DOCUMENT  
FOLDER

CERTIFICATE OF SERVICE

**ORIGINAL**

County of Pike :  
v. : Docket No. C-20065942  
Pike County Light & Power Company :

I hereby certify that I have this day served a true copy of the foregoing document, Amended Formal Complaint, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below.

Dated this 12 day of July 2006.

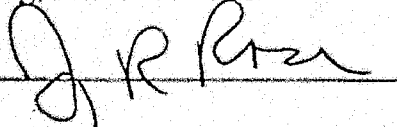
SERVICE BY FIRST CLASS MAIL

Michael Hassell, Esquire  
Post & Schell, PC  
17 North Second Street  
12th Floor  
Harrisburg, PA 17101-1601

Daniel G. Asmus, Esquire  
Assistant Small Business Advocate  
Office of Small Business Advocate  
Commerce Building, Suite 1102  
300 North Second Street  
Harrisburg, PA 17101

Tanya J. McCloskey, Esquire  
James A. Mullins, Esquire  
Aron J. Beatty, Esquire  
Office of Consumer Advocate  
555 Walnut Street, 5<sup>th</sup> Floor  
Harrisburg, PA 17101-1923

John L. Carley  
Assistant General Counsel  
4 Irving Place  
New York, NY 10003-0987

  
\_\_\_\_\_

**DOCKETED**  
JUL 18 2006

**DOCUMENT  
FOLDER**

2006 JUL 16 11:51 AM  
CLERK OF COURT

**ORIGINAL**

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

COUNTY OF PIKE

v.

PIKE COUNTY LIGHT & POWER  
COMPANY

:  
:  
:  
:  
:  
:

Docket No. : C-20065942

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AMENDED COMPLAINT OF THE  
COUNTY OF PIKE

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**DOCKETED**  
JUL 18 2006

Pursuant to Sections 5.22 and 5.91 of the Pennsylvania Code, 52 Pa. Code §§ 5.22 and 5.91, Complainant, County of Pike, hereby files this Amendment to its Formal Complaint of February 24, 2006. All averments set forth in the February 24th Complaint are incorporated herein. The County of Pike hereby amends its Complaint in the above-captioned proceeding as follows:

1. The County of Pike filed a Complaint on February 24, 2006 averring that the Pike County Light & Power Company (PCL&P or Company) has instituted rates that constitute an unfair burden on the customers of the Company. Specifically, on January 1, 2006, PCL&P instituted rates resulting in an average increase in generation rates of 129% and an average increase in overall electric rates of 73%, as compared to rates in effect as of December 31, 2005. Various budgets for County of Pike services had already been established--and taken effect--prior to the January 1, 2006 effective date. The increase, therefore, created an unfair burden on the County of Pike's resources. County of Pike Complaint at ¶ 4.B.

DOCUMENT  
FOLDER

2. On January 27, 2006, the Pennsylvania Public Utility Commission (Commission or PUC) adopted an Order that served to initiate an investigation into the competitive electric market in PCL&P's service territory. Pursuant to its powers under Sections 331(a) and 2811(b) of the Public Utility Code, 66 Pa.C.S. §§ 331(a), 2811(b), the Commission directed the Law Bureau to conduct a sixty day investigation into the retail electric market in the Company's service territory.

3. As part of the investigation, on February 27, 2006, a Public Input hearing was held in PCL&P's service territory in order to gather information from all ratepayers and parties impacted by the Company's January 1, 2006 electric rate increase. Pennsylvania PUC Commissioner William Shane presided over the Public Input hearing and Pennsylvania PUC Vice Chairman James Cawley was also in attendance.

4. On March 10, 2006, Direct Energy Services, LLC (Direct Energy) filed a Petition for Emergency Order Approving a Retail Aggregation Bidding Program for Customers of PCL&P. Direct Energy submitted its proposal in an attempt to provide some immediate rate relief from the rates that took effect on January 1, 2006 in the Company's service territory. In response to Direct Energy's Petition, on April 20, 2006, the Commission issued an Order approving a retail aggregation bidding program for the PCL&P service territory. However, as compared to the rates in effect as of January 1, 2006, the eventual winner of the April 26, 2006 bidding program—Direct Energy—was only able to offer modest savings to PCL&P customers for 2006 and 2007.

5. At its Public Meeting of June 22, 2006, the Pennsylvania Public Utility Commission issued the report of the Commission's Law Bureau captioned: "Report on Competitive Market Conditions Regarding the Pike County Light & Power Company" (Report).

The Report is the result of the Law Bureau's investigation and, based on its review of the comments of various interested parties, the characteristics of the Company's service territory, past Commission proceedings, and other relevant information, the Law Bureau makes eight (8) recommendations for future action.

6. The Law Bureau's eight recommendations are summarized as follows:
  - a. The Commission should explore the integration of the Company's energy procurement after 2007 with either its New York or New Jersey affiliates (O&R and RECO).
  - b. The Commission should consider having an independent study performed regarding the costs and benefits of the interconnection of the Company's electric system with PJM, as well as other needed distribution/transmission improvements in the region.
  - c. The Commission should consider having an independent study performed regarding the costs and benefits of the sale of the Company to another Pennsylvania EDC or a rural electric cooperative.
  - d. The Company should be instructed to file its next default service plan no later than December 31, 2006, so that the Commission and the public have a full 12 months to consider its proposal.
  - e. The Company should consider formally filing an updated PowerSwitch proposal with the Commission later this year.
  - f. If the Company is to remain in NYISO for the long term, the Commission should consider the grant of an indefinite waiver of Pennsylvania EDI rules to facilitate entry of more EGSs into its retail market.
  - g. The Company's service territory should be surveyed for alternative energy/renewable energy potential.
  - h. The Commission should consider the permanent transfer of borderline customer accounts to Metropolitan Edison Company, to the extent that it is both technically feasible and that Metropolitan Edison Company prices are expected to be below the Company's for the foreseeable future.

See, Report at 16-20.

7. The County of Pike avers that the rates of PCL&P are not just and reasonable and are, therefore, in violation of Section 1301 of the Pennsylvania Public Utility Code. 66 Pa. C.S. §1301.

8. The County of Pike avers that the Company's service is not safe and adequate and is, therefore, in violation of Section 1501 of the Pennsylvania Public Utility Code. 66 Pa. C.S. §1501.

9. The County of Pike recommends that the Commission, in addition to implementing the Law Bureau's recommendations, should mandate that the Company be sold to another Pennsylvania electric distribution company or a rural electric cooperative.

10. The sale of PCL&P should be mandated due to: 1) the inferior service quality of PCL&P, 2) the lack of local control and employee services in Pike County on the part of PCL&P, and 3) PCL&P's excessive rate levels as compared to those of other Pennsylvania electric utilities.

11. County of Pike avers that there are no PCL&P employees headquartered in Pennsylvania and Pike maintains no office in Pennsylvania. See, February 27, 2006 Public Input Session transcript at 76.

12. The lack of local control and the lack of employee services in Pike County on the part of PCL&P was attested to by County of Pike Commissioner Harry Forbes at the February 27, 2006 Public Input session. Commissioner Forbes testified:

- [T]his market area is comparatively small in population and geographic size, which creates difficulty with economies of scale to provide economical electric service. It is our understanding that Orange and Rockland has manifested awareness of this problem by withdrawing all on-site services from Pike County over the past several years. Further, Orange and Rockland has made no capital investment within Pike County of any substance in many years other than upgrading the substation in Matamoras. Tr. at 9.

13. The County of Pike avers that PCL&P has made long-standing errors in billing for numerous business customers' demand charges, resulting in substantial overcharges and required refunds to those customers.

14. The magnitude of the present rates, the overwhelming customer desire for another utility provider (as heard at the Public Input session) and the lack of local control and local employees on the part of PCL&P mandate that PCL&P should be sold to another service provider to provide service in the Company's service territory.

15. As set forth in the Law Bureau's Report, there is legal precedent for a Commission-mandated sale of PCL&P to another Pennsylvania EDC. See Pennsylvania Public Utility Commission v. Big Run Telephone Company and Citizens Utilities Company of Pennsylvania, Docket No. C-822983 (Order Entered October 15, 1982). In Big Run Telephone Company, the Commission was presented with a situation similar to that in the proceeding at hand, i.e., significant customer dissatisfaction with the local utility. As a result, the magnitude of consumer concern and level of rates in Big Run prompted the Commission to use its authority and powers in an effort to facilitate a change in utility provider.

#### RELIEF REQUESTED

16. WHEREFORE, the County of Pike, in addition to requesting that the Commission provide the relief set forth in the County of Pike's initial Complaint, respectfully requests the Commission to order the sale of PCL&P to another Pennsylvania EDC or a rural electric cooperative. Furthermore, the Commission should take such other actions, including those set forth in the Law Bureau recommendations, that the Commission determines to be just and reasonable and in the public interest.

17. VERIFICATION AND SIGNATURE

You must print or type your name below on the line provided for the verification paragraph, and you must sign and date (in ink) this form on the lines provided.

Verification:

I HARRY FORBES hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Harry Forbes  
(Signature)

7-12-2006  
(Date)

18. LEGAL REPRESENTATION (IF ANY)

If you are represented by a lawyer in this matter you must provide your lawyer's name, address and telephone number.

Lawyer's Name JAY R ROSE, ESQ

Street 506 BROAD ST

City MILFORD State PA Zip 18337

Area Code/Phone Number (VOICE) (570) 296-3478 (FAX) (570) 296-6055 (E-Mail)

19. FILING

Please return the completed form to one of the addresses listed below:

If using U.S. Postal Service:

If using overnight delivery service:

|   |  |
|---|--|
| Secretary<br>Pennsylvania Public Utility<br>Commission<br>P.O. Box 3265<br>Harrisburg, PA 17105 | Secretary<br>Pennsylvania Public Utility Commission<br>400 North Street<br>Commonwealth Keystone Building, 2 <sup>nd</sup><br>Floor Harrisburg, Pennsylvania 17120 |
|---|--|

Facsimiles and/or electronic filings of the complaint form will not be accepted.

LARRY R. CRAYNE, PC  
Attorney at Law

PLEASE DOCKET

238 Johnston Road  
Pittsburgh, PA 15241

[lcrayne@adelphia.net](mailto:lcrayne@adelphia.net)

(412) 831-5462  
(412) 425-4029

July 17, 2006

ORIGINAL RECEIVED

Hon. David A. Salapa  
P.O. Box 3265  
Harrisburg, PA 17105-3265

JUL 19 2006

Re: Margaret Shafer v. UGI Utilities, Inc.  
Complaint Docket No. C-20065954

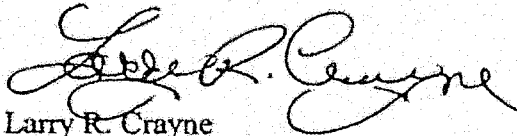
PA PUBLIC UTILITIES COMMISSION  
SECRETARY OF STATE

Dear Judge Salapa:

Enclosed please find three copies of updated Exhibit R-1 through R-5 that UGI Utilities, Inc, ("UGI) intends to present into evidence during the hearing scheduled to take place in this case on July 24, 2006 at 10:00 a.m. A copy of the enclosed Exhibits is being served on parties of record by first class mail.

UGI will be offering the testimony of Ms. Rose Williams, Senior Regulatory Compliance Representative, at the hearing of this matter. The telephone contact number for Ms. Williams is 610-736-5469. My telephone contact number is 412-831-5462.

Sincerely,

  
Larry R. Crayne

cc: Margaret Shafer  
105 N. Lockwillow Ave.  
Harrisburg, PA 17112

Andrew H. Dowling  
Mette Evans & Woodside  
P.O. Box 5950  
Harrisburg, PA 17110-0950

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BTL

RECEIVED  
06 JUL 19 11 09:06  
PA PUC