

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held December 22, 2022

Commissioners Present:

Gladys Brown Dutrieuille, Chairman
Stephen M. DeFrank, Vice Chairman, Statement
Ralph V. Yanora
Kathryn L. Zerfuss
John F. Coleman, Jr.

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

Docket Number:
P-2022-3034972

OPINION AND ORDER

BY THE COMMISSION:

Before the Commission for consideration is the Petition of PPL Electric Utilities Corporation (PPL) for approval of its third Long-Term Infrastructure Improvement Plan (Third LTIIIP). PPL filed its Third LTIIIP on September 2, 2022. Copies of the Third LTIIIP were served on the statutory advocates and the parties of record from PPL's most recent base rate case proceeding.¹

No comments were received. For the reasons expressed in this Opinion and Order we will approve PPL's Third LTIIIP.

¹ Docket No. R-2015-2469275.

BACKGROUND

Effective April 16, 2012, Act 11 of 2012, (Act 11) provides jurisdictional water and wastewater utilities, electric distribution companies (EDCs), and natural gas distribution companies (NGDCs) or a city natural gas distribution operation with the ability to implement a Distribution System Improvement Charge (DSIC) to recover reasonable and prudent costs incurred to repair, improve, or replace certain eligible distribution property that is part of the utility's distribution system. The eligible property for the utilities is defined in 66 Pa.C.S. § 1351. Act 11 states that as a precondition to the implementation of a DSIC, a utility must file an LTIP with the Commission consistent with 66 Pa.C.S. § 1352.

The Commission promulgated regulations relating to LTIPs at 52 Pa. Code §§ 121.1 – 121.8 that became effective December 20, 2014. In accordance with the regulations, DSIC-eligible utilities must include the following elements in its LTIP:²

- (1) Types and age of eligible property.
- (2) Schedule for its planned repair and replacement.
- (3) Location of the eligible property.
- (4) Reasonable estimates of the quantity of property to be improved.
- (5) Projected annual expenditures and measures to ensure that the plan is cost effective.
- (6) Manner in which replacement of aging infrastructure will be accelerated and how repair, improvement or replacement will maintain safe and reliable service.
- (7) A workforce management and training program; and

² See 52 Pa. Code § 121.3.

- (8) A description of a utility’s outreach and coordination activities with other utilities, PennDOT and local governments on planned maintenance/construction projects.

PPL’S FIRST AND SECOND LTIIPS

PPL is owned by the PPL Corporation. PPL is in the business of selling and distributing electric to retail customers within the Commonwealth of Pennsylvania and is therefore a “public utility” within the meaning of Section 102 of the Public Utility Code, 66 Pa.C.S. § 102, subject to the regulatory jurisdiction of the Commission. PPL is also an EDC as that term is defined under Section 2803 of the Public Utility Code, 66 Pa.C.S. § 2803. PPL manages an electric distribution and transmission system, and default supply services to approximately 1.4 million customers throughout its certificated service territory, which includes all or portions of 29 counties in eastern and central Pennsylvania.

PPL’s First LTIIP spanned five years from January 1, 2013, through December 31, 2017. PPL’s First LTIIP was filed with the Commission on September 18, 2012, and was approved in an Order entered January 10, 2013, at Docket No. P-2012-2325034. According to PPL’s Annual Asset Optimization Plans (AAOP),³ PPL spent approximately \$691 million in DSIC-eligible expenditures during the term of its First LTIIP, which is an approximate 2% underspend of its approved First LTIIP expenditures.

PPL’s Second LTIIP was filed with the Commission on August 31, 2017, and was approved in an Order entered December 21, 2017, at Docket No. P-2017-2622393. PPL’s Second LTIIP spanned five years beginning January 1, 2018 and is set to expire on December 31, 2022. PPL avers that it will have spent approximately \$732 million in

³ PPL’s 2013 through 2017 AAOPs may be found at Docket Nos. M-2014-2413271, M-2015-2469861, M-2016-2531747, M-2017-2591311, and M-2018-3000259, respectively.

DSIC-eligible expenditures during the term of its Second LTIP, which is an approximate 19% underspend of its approved Second LTIP expenditures.

As explained below, PPL’s reliability performance has continued to improve through the Second LTIP period. PPL's annual capital investments in its Second LTIP were documented in its AAOPs, filed with the Commission annually beginning in 2018.⁴ The Commission’s review of each of PPL’s AAOPs for the years 2018 through 2021 found that PPL had substantially adhered to its Second LTIP.

Table 1 below details the planned and actual LTIP expenditures by PPL for all three of its LTIPs. The amounts are a projection based on actual expenditures from 2018 through 2021 and forecast expenditures for the remainder of 2022. While there was some variation in the individual project categories, PPL’s overall expenditures were on target with its expectations.

Table 1: PPL DISC Capital Investment (in millions)

| Period | | Total Spending 5-year period | Avg Annual Spending as Projected by PPL’s LTIPs | Avg Annual Spending as Reported in PPL’s AAOPs |
|-------------|-----------|---------------------------------|--|---|
| Base Line | 2008-2012 | \$440 | \$88 | \$88 |
| First LTIP | 2013-2017 | \$691 actual | \$138 | \$141 actual |
| Second LTIP | 2018-2022 | \$732 actual & expected | \$180 | \$146 actual & expected |
| Third LTIP | 2023-2027 | \$512 proposed | \$102 | \$102 proposed |

⁴ PPL’s 2018 through 2022 AAOPs may be found at Docket Nos. M-2018-3000259, M-2019-3008230, M-2020-3018946, and M-2022-3031185, respectively.

The Commission ensures that EDCs are providing reliable service by requiring EDCs to meet certain reliability performance measures. The Commission established reliability benchmarks and standards to measure the performance of each EDC.⁵ The benchmarks and standards established by the Commission are based on four reliability performance metrics adopted by the Institute of Electrical and Electronic Engineers, Inc. (IEEE): SAIFI, CAIDI, SAIDI, and MAIFI.⁶ Our electric reliability regulations may be found at 52 Pa. Code §§ 57.191-198.

PPL's SAIFI has remained consistently under PPL's established benchmark since 2013,⁷ which was the first year of its First LTIP, and PPL's SAIFI as of the rolling 12-month period ending September 30, 2022, is 0.82, which is below benchmark.⁸ As with most EDCs, PPL has been challenged in the areas of CAIDI and SAIDI since June of 2021, as shown in Table 2 below. PPL's reliability metric numbers are representative of the impact upon EDCs by severe weather events during the past two years.⁹ The Commission believes that PPL's reported reliability metrics are indicative of the common trend among the Pennsylvania EDCs and that with its Third LTIP, PPL's reliability performance should show substantive improvement. PPL's reliability performance during its Second LTIP for the calendar years 2018 through 2021, and for the rolling 12-months ending September 30, 2022, is shown in Table 2 below.

⁵ See Docket No. M-00991220.

⁶ SAIFI is the system average interruption frequency index, or frequency of outages; CAIDI is the customer average interruption duration index, or duration of outages; SAIDI is the system average interruption duration index, or average number of minutes the average customer experiences in the measurement period; and MAIFI is the momentary average interruption frequency index, or occurrences of momentary customer interruptions. There is no benchmark measure for MAIFI.

⁷ See *Electric Service Reliability in Pennsylvania 2021*, available at <https://www.puc.pa.gov/filing-resources/reports/electric-service-reliability-report/>.

⁸ See PPL's *Quarterly Reliability Report* filed November 1, 2022, at Docket No. M-2016-2522508.

⁹ See *Electric Service Reliability in Pennsylvania 2021*, available at <https://www.puc.pa.gov/filing-resources/reports/electric-service-reliability-report/>.

Table 2: Reliability Performance Second LTIP 2018 through 2022

| PPL Reliability Performance 2018 through 2022* | | | | | | | |
|---|--------------------------|------------------|-------------|-------------|-------------|-------------|-------------|
| | 12-month Standard | Benchmark | 2018 | 2019 | 2020 | 2021 | 2022 |
| SAIFI | 1.08 | 0.98 | 0.84 | 0.85 | 0.84 | 0.91 | 0.82 |
| CAIDI | 160 | 145 | 168 | 176 | 137 | 187 | 153 |
| SAIDI | 205 | 142 | 141 | 150 | 116 | 170 | 125 |

*Rolling 12-month average as of September 30, 2022.

PPL'S THIRD LTIP

PPL's Third LTIP addresses each of the eight elements listed in the LTIP regulations. PPL's Third LTIP proposes approximately \$512 million of DISC-eligible spending over the next five years beginning on January 1, 2023. PPL is proposing an average annual spend of \$102 million during its Third LTIP. PPL's historic and proposed DSIC-eligible spending were detailed in Table 1 above.

PPL's Third LTIP proposes 12 program areas to address infrastructure improvement through DSIC-eligible spending. Specific spending amounts for each program area can be seen in Table 3 below.

Table 3: PPL Third LTIIIP Proposed DISC-Eligible Spending by Program (in millions)

| PPL Third LTIIIP | | | | | | |
|---|----------------|-----------------|-----------------|-----------------|----------------|-----------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 | TOTAL |
| Poles | \$17.33 | \$18.96 | \$17.33 | \$17.33 | \$17.33 | \$88.28 |
| New Electronic Reclosers | \$5.07 | \$4.69 | \$4.13 | \$3.63 | \$0 | \$17.52 |
| Distribution Animal Guarding | \$0.50 | \$0.50 | \$0.50 | \$0.50 | \$0.50 | \$2.50 |
| Failed Equipment | \$34.77 | \$34.03 | \$35.18 | \$36.64 | \$36.03 | \$176.64 |
| Underground Cable Replacement | \$0.42 | \$1.11 | \$1.67 | \$1.59 | \$1.59 | \$6.37 |
| Low Tension Network (LTN) Primary Cable, Equipment and Structures | \$0.60 | \$1.54 | \$0.38 | \$2.40 | \$2.40 | \$7.32 |
| Substation | \$3.04 | \$7.71 | \$14.05 | \$13.31 | \$13.08 | \$51.19 |
| LTN Upgrades | \$3.12 | \$12.60 | \$7.63 | \$8.19 | \$0 | \$31.54 |
| Reliability | \$4.08 | \$2.00 | \$2.00 | \$2.00 | \$2.00 | \$12.08 |
| System Reliability Improvement Projects | \$12.77 | \$8.11 | \$13.79 | \$17.80 | \$13.29 | \$65.76 |
| Unreimbursed Highway Relocations | \$6.16 | \$4.90 | \$3.92 | \$2.83 | \$2.83 | \$20.64 |
| Protection and Control | \$4.70 | \$6.06 | \$7.35 | \$6.83 | \$6.83 | \$31.77 |
| Total | \$92.56 | \$102.21 | \$107.92 | \$113.05 | \$95.88 | \$511.62 |

PPL, in its petition, addressed the eight LTIIIP elements required by 52 Pa. Code § 121.3, as discussed below:

(1) TYPES AND AGE OF ELIGIBLE PROPERTY

PPL's Position

PPL avers that the property included in its Third LTIIP meets the definition of eligible property for EDCs found in 66 Pa.C.S. § 1351, which includes the following items: poles; overhead conductors; distribution substation equipment; fixtures and devices related to the eligible property such as circuit breakers, fuses, reclosers, and crossarms; unreimbursed costs related to highway relocation projects; and other related capitalized costs.

PPL avers that nearly half of its distribution system was constructed 50 or more years ago because of the economic expansion and building boom of the 1960s and 1970s. PPL states that as this equipment deteriorates due to age, environmental exposure, and added load, it has become increasingly critical to plan for the repair, upgrade, and/or replacement of these assets through the initiatives outlined in its Third LTIIP. The ages of PPL's DSIC-eligible distribution property are shown in Table 4 below.

Table 4: Average Age of PPL Third LTIP DISC-Eligible Property

| Average Age of Major Units of Distribution Property | | |
|---|---|---------------|
| Utility Account | Description | Avg Asset Age |
| 362.0 - Station Equipment | Direct Current (DC) System Equipment | 18 |
| 362.0 - Station Equipment | Substation Animal Guards | 10 |
| 362.0 - Station Equipment | Power Circuit Breakers | 33 |
| 362.0 - Station Equipment | Power Transformers | 42 |
| 362.0 - Station Equipment | Protection and Control Equipment | 51 |
| 364.4 - Poles and Fixtures | Distribution Wood Poles | 43 |
| 365.0 - Overhead Conductors, Device | Distribution Animal Guards | 7 |
| 365.0 - Overhead Conductors, Device | Overhead (OH) Primary Conductor | 50 |
| 365.0 - Overhead Conductors, Device | Air Break Switches | 13 |
| 365.0 - Overhead Conductors, Device | Automatic Switches (Primarily Oil Circuit Reclosers/Vacuum Circuit Reclosers (OCRs/VCRs)) | 10 |
| 365.0 - Overhead Conductors, Device | Disconnect Switches | 35 |
| 367 - Underground Conductors | Underground (UG) Primary Conductor (includes Getaways and Cross Yard Ties) | 27 |
| 366.0 - Underground Conduit | Equipment Foundation, Man Holes, Transformer Vaults (excl Conduit) | 27 |
| 368.4 - Submersible or Padmt Type | Underground (UG) Transformers (include LTN Transformers and Network Protectors) | 25 |

Comments

No comments were received regarding the types and age of eligible property.

Resolution

Upon review of PPL's Third LTIP, the Commission finds that PPL's Third LTIP fulfills the requirements of 52 Pa. Code § 121.3(a)(1) by identifying the types and ages of eligible property for which it seeks DSIC recovery.

(2) SCHEDULE FOR PLANNED REPAIR AND REPLACEMENT OF ELIGIBLE PROPERTY

PPL's Position

PPL avers that its revision in February 2018 of its Reliability Principles and Practices (RP&P) helped reduce the overall impact to PPL's customers from outages due to various causes including, but not limited to, equipment failures. PPL notes that its RP&P sets forth a set of principles that PPL follows to plan, protect, and operate the Electrical Distribution System (EDS). PPL reports that these principles are implemented through a set of standard practices that are used as guidelines in designing the EDS, carrying out enhanced pole inspections and treatment programs, increasing the use of infrared inspections, using Proactive Circuit Analysis that are performed on each circuit on a four-year cycle, and implementing the Distribution Automation Strategy (Smart Grid) that was launched by PPL in 2010.

PPL avers that these programs have successfully slowed equipment failure rates in the short-term. However, PPL notes that it faces the long-term issue of aging infrastructure. To address this, PPL reports that it has conducted a major condition assessment and maintenance study of its EDS. The result was the implementation of the

Asset Optimization Strategy (AOS). PPL avers that the AOS has been utilized to develop a strategy for accelerated capital replacement improvements that will combat the anticipated effects of the aging infrastructure.

PPL avers that while total projected spending under its Third LTIIP is lower than its Second LTIIP, the continued accelerated capital investment is necessary to maintain or improve the recently flattened trend in equipment failure. PPL's schedule for asset replacement and repair for the years 2023 through 2027 is detailed in Table 5 below.

Table 5: PPL Third LTIP Asset Replacement Schedule

| Planned Replacements and Repair Schedule | | | | | | | |
|--|---|-------------|-------------|-------------|-------------|-------------|---------------|
| | | 2023 | 2024 | 2025 | 2026 | 2027 | Total Scope |
| Poles | Replacement (each) | 2,000-2,500 | 2,000-2,501 | 2,000-2,502 | 2,000-2,503 | 2,000-2,504 | 10,000-12,500 |
| | Reinforcement (each) | 4,000-5,000 | 4,000-5,001 | 4,000-5,002 | 4,000-5,003 | 4,000-5,004 | 20,000-25,000 |
| New Electronic Reclosers | New Electronic Reclosers (each) | 210-250 | 170-200 | 110-140 | 50-70 | 0 | 540-660 |
| Distribution Animal Guarding | Distribution Animal Guarding (units installed) | 240-360 | 240-360 | 240-360 | 240-360 | 240-360 | 1,200-1,800 |
| Failed Equipment | Failed Equipment (units as identified) | As Needed |
| Underground Cable Replacement (units as identified) | Underground Cable Replacement | 25-100 | 75-150 | 135-225 | 100-200 | 100-200 | 435-875 |
| | Primary Cable Replacements | 0-2 | 0-2 | 0-2 | 0-3 | 0-3 | 0-12 |
| Low Tension Network | LTN Equipment (by identified need) | 6-18 | 6-18 | 6-18 | 6-18 | 6-18 | 30-90 |
| Primary Cable, Equipment and Structures | UG Get-a-way cables (by identified need) | 0-4 | 5-12 | 8-15 | 8-15 | 8-15 | 29-61 |
| Substation (equipment or project selected by identified needs or historical data) | Misc. Sub. Equip. | 0-2 | 4-8 | 5-9 | 5-9 | 5-9 | 19-37 |
| | Distribution substation Circuit Breakers | 7-12 | 22-32 | 42-62 | 39-58 | 39-58 | 149-222 |
| | 69/12 kV & 138/12 kV Transformer | 1-2 | 2-4 | 4-6 | 3-5 | 3-5 | 13-22 |
| | Substation DC Equipment | 0-1 | 4-6 | 6-8 | 6-8 | 6-8 | 22-31 |
| | Substation Animal Guarding | 0-1 | 1-3 | 1-3 | 1-3 | 0-1 | 3-11 |
| | 12KV U.G. Tie & Transfer Cables | 2-4 | 3-5 | 4-6 | 4-6 | 4-6 | 17-27 |
| LTN Upgrades | LTN Upgrades (projects) | 21 | 159 | 102 | 195 | 0 | 477 |
| Reliability (projects/work identified by cost effective, identified need or power quality) | Distribution Reliability Preservation | 10-25 | 10-25 | 10-25 | 10-25 | 10-25 | 50-125 |
| | System Reliability Improvement Projects | 6-12 | 6-12 | 6-12 | 6-12 | 6-12 | 30-60 |
| Unreimbursed Highway Relocations | Unreimbursed Highway Relocations | As Required |
| Protection and Control | Protection and Control (projects as identified by need) | 2-6 | 59-89 | 72-108 | 67-100 | 67-100 | 267-403 |

Comments

No comments were received regarding the schedule for planned repair and replacement of eligible property.

Resolution

Upon review of PPL's Third LTIIP, the Commission finds that PPL's Third LTIIP fulfills the requirements of 52 Pa. Code § 121.3(a)(2) by providing a schedule for planned repair and replacement of eligible property.

(3) LOCATION OF THE ELIGIBLE PROPERTY

PPL's Position

PPL reports that all locations of eligible property are within the service territory located within the 29 counties served. The individual program descriptions within in the Third LTIIP provide a further description of the location of eligible property to be repaired and replaced.

Comments

No comments were received regarding the location of eligible property.

Resolution

Upon review of PPL's Third LTIIP, the Commission finds that PPL's Third LTIIP fulfills the requirements of 52 Pa. Code § 121.3(a)(3) by providing a general description of the location of eligible property.

(4) REASONABLE ESTIMATES OF THE QUANTITY OF PROPERTY TO BE IMPROVED and

(5) PROJECTED ANNUAL EXPENDITURES AND MEASURES TO ENSURE THAT THE PLAN IS COST EFFECTIVE

PPL's Position

PPL avers that they routinely review the effectiveness of programs to ensure cost-effective investment. PPL notes that the LTIIP program/project impact on SAIDI and SAIFI, in addition to potential reductions in outage response costs, are compared to the overall program/project costs. PPL states that they utilize a project prioritization process that defines the cost-effectiveness of programs/projects to ensure effective optimization of reliability investments. PPL reports that they are currently improving the use of ongoing asset health indices to further refine asset replacement criteria.

PPL provided estimated quantities and planned scheduled for asset replacement within its Petition for Third LTIIP and specific quantities as detailed in Table 5 above. Estimates of PPL's expected annual expenditures can be seen in Table 3 above.

PPL states that it intends to finance the costs of its DSIC-eligible work through its usual financing mechanisms of debt and equity. In each DSIC rate filing, PPL notes that it will identify its capital structure and cost of debt, in addition to using the return on equity as determined in its base rate case proceeding or as defined in the most recent applicable Commission Quarterly Earnings Summary Report.

Comments

No comments were received regarding the reasonable estimates of the quantity or expenditures of property to be improved, and cost effectiveness of the plan.

Resolution

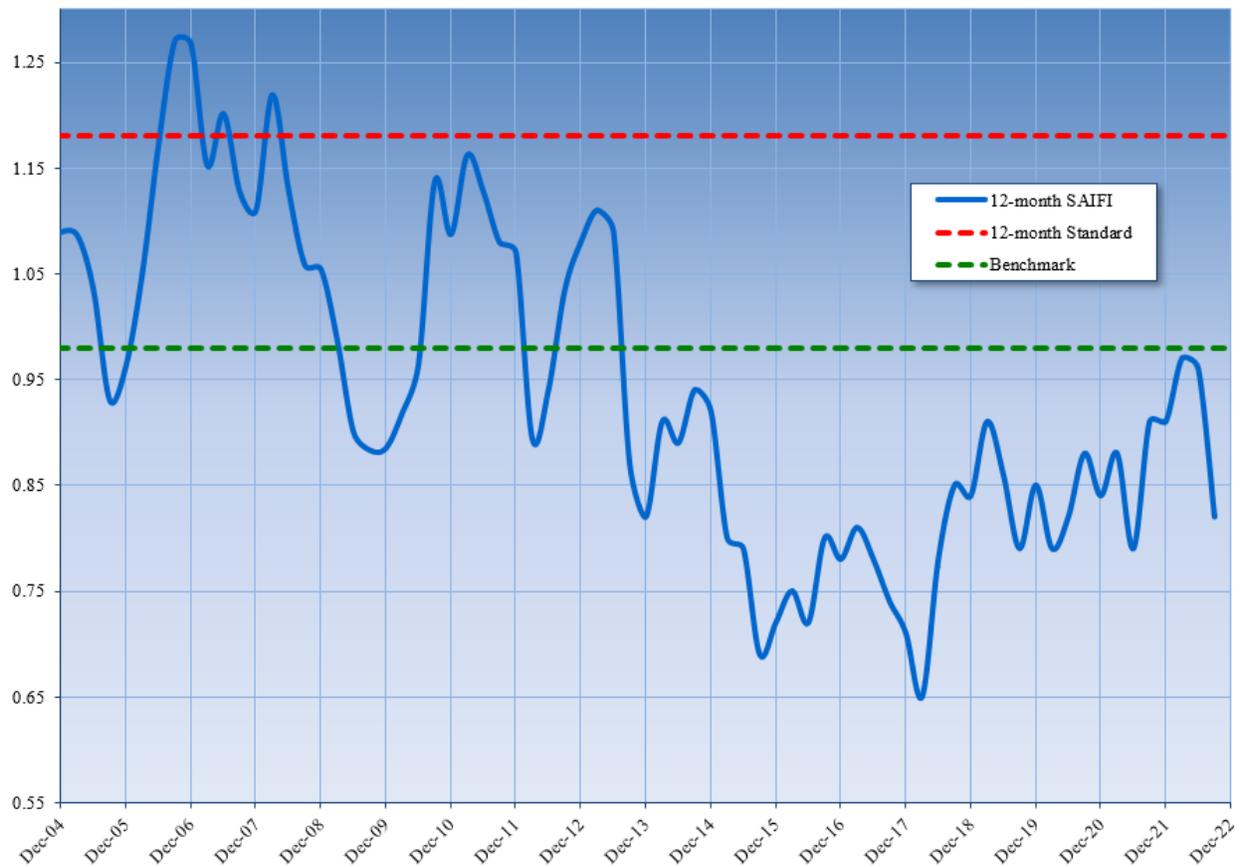
Upon review of PPL's Third LTIIIP, the Commission finds that PPL's Third LTIIIP fulfills the requirements of 52 Pa. Code § 121.3(a)(3) by providing a reasonable estimate of the quantity of property to be improved and projected annual expenditures and measures to ensure that the plan will be cost effective.

(6) ACCELERATED REPLACEMENT AND MAINTAINING ADEQUATE, EFFICIENT, SAFE, RELIABLE AND REASONABLE SERVICE TO CUSTOMERS

PPL's Position

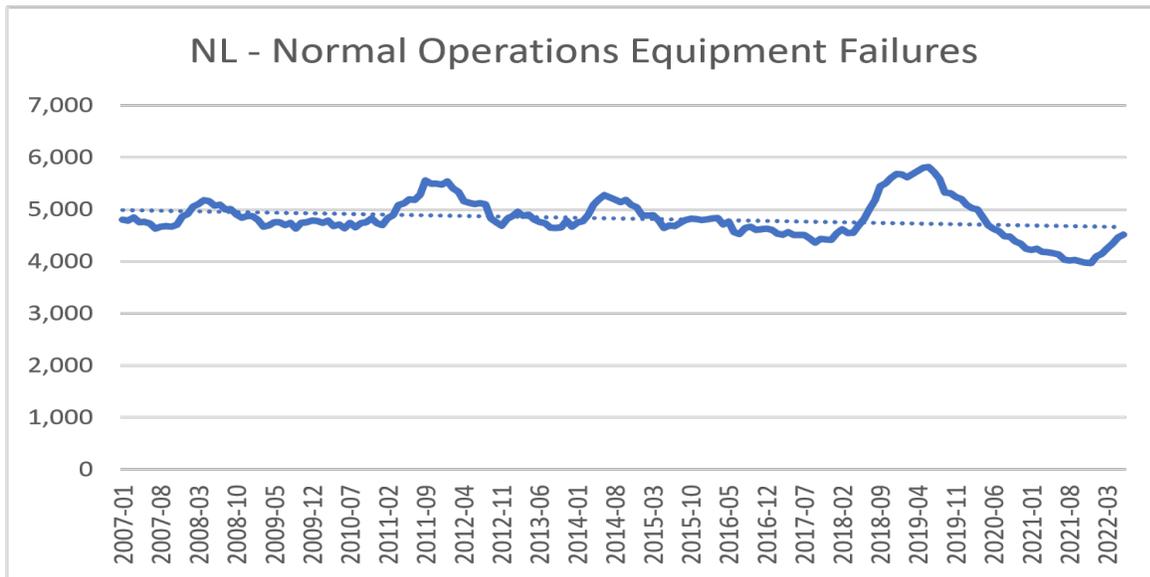
As described in its Third LTIIIP, PPL avers that it has already significantly increased its capital expenditures on distribution-related infrastructure over its historical spend. Specifically, as shown in Table 2 above, PPL reports that its average annual capital investment has increased from approximately \$88 million during the 2008-2012 period to approximately \$146 million during the 2018-2022 period. As a result of these investments, PPL reports that it has arrested the increase in failed equipment issues and that the current failure trend is flat to mildly decreasing. Even with these investments, the average age of equipment has increased slightly since the Second LTIIIP was approved. As shown in Figure 1 below, PPL has maintained SAIFI below its established benchmark since 2013, which was the first year of its First LTIIIP.

Figure 1: PPL 12-Month Rolling SAIFI 2004 through September 2022



PPL avers that the number of no-light cases due to equipment failures is trending slightly downward due to its investments over the past five to ten years. Table 6 below details PPL’s no-light cases due to equipment failures since 2008. PPL also states that the remediation of equipment which is at or near end-of-life continues to maintain or improve this favorable trajectory. PPL advises that the components contributing the most significantly to distribution equipment failures include poles/arms/attachments, overhead and underground conductors, switches, and substation equipment.

Table 6: PPL No-Light Calls from Equipment Failures 2008 through 2022



Comments

No comments were received regarding the manner in which the infrastructure replacement will be accelerated.

Resolution

Upon review of PPL’s Third LTIIP, the Commission finds that PPL’s Third LTIIP fulfills the requirements of 52 Pa. Code §§ 121.3(a)(6) by providing a description of the manner in which infrastructure replacement will be accelerated and how repair, improvement, or replacement will ensure and maintain adequate, efficient, safe, reliable, and reasonable service to customers.

(7) WORKFORCE MANAGEMENT AND TRAINING PROGRAM

PPL's Position

PPL states that it has adopted the definition of a Qualified Electrical Worker from the Occupational Safety and Health Administration Regulation 29 CFR § 1910.269 Electrical Power Generation, Transmission and Distribution, which is defined in the PPL Safety Rule Book and is provided to each employee and is incorporated into the training and qualification process for all electrical workers. In its Third LTIIP petition, PPL avers that it administers a rigorous, formal training and evaluation process for all qualified workers. PPL notes that training is required for all of its employees in order to work on any energized equipment greater than 50 volts. PPL also avers that similar training and qualifications are required for personnel provided through its contractors, including Building Trades Unions and non-union contractors.

PPL states that its Sourcing Department administers a standard process for soliciting contractors to perform work identified to be completed by independent contractors. PPL also states that it utilizes a Request for Proposals (RFP) process. The responses to the RFP are evaluated based on detailed financial, and technical schedules that compare respondents' capabilities. Part of that process includes evaluation of contractor's employee level of qualification.

Comments

No comments were received regarding the workforce management and training program.

Resolution

Upon review of PPL's Third LTIIP, the Commission finds that PPL's Third LTIIP fulfills the requirements of 52 Pa. Code § 121.3(a)(7) by providing a workforce

management and training program that is designed to ensure that PPL will have access to a qualified workforce to perform the work in a cost-effective, safe, and reliable manner.

(8) DESCRIPTION OF OUTREACH AND COORDINATION ACTIVITIES WITH OTHER UTILITIES, PENNDOT AND LOCAL GOVERNMENTS ON PLANNED PROJECTS

PPL's Position

PPL states that it continues to remain engaged in seeking out opportunities with other utilities and government officials on the planning and execution of future construction projects. PPL states that it participates with the Utility Highway Liaison Committee, with whom PennDOT, the Pennsylvania Turnpike Commission, other utilities, and the Energy Association of Pennsylvania meet with quarterly to discuss policy issues, present and future projects, and relocation projects.

PPL avers that it participates in various Pennsylvania Coordinating Committees, including the Northeast PA Regional partnership, the Lancaster County Regional Partnership, the Lehigh Valley Regional Partnership, and the Lycoming County Area Coordinating Committee. PPL states that these meetings are to discuss and share project plans with stakeholders including utility companies, PennDOT, public works officials and planning commission members. PPL states that it currently hosts two of these meetings each calendar year.

Comments

No comments were received regarding the description of outreach and coordination activities with other utilities, PennDOT and local governments on planned projects.

Resolution

Upon review of PPL's Third LTIP, the Commission finds that PPL's Third LTIP fulfills the requirements of 52 Pa. Code § 121.3(a)(8) by providing a description of PPL's outreach and coordination activities with other utilities, PennDOT and local governments on planned projects and roadways that may be impacted by the Third LTIP.

THIRD LTIP SUMMARY

The Commission's review of an LTIP must determine if the LTIP:¹⁰

- Contains measures to ensure that the projected annual expenditures are cost-effective.
- Specifies the manner in which it accelerates or maintains an accelerated rate of infrastructure repair, improvement or replacement.
- Is sufficient to ensure and maintain adequate, efficient, safe, reliable, and reasonable service.
- Meets the requirements of 52 Pa. Code § 121.3(a).

The utility has the burden of proof to demonstrate that its proposed LTIP and associated expenditures are reasonable, cost effective and designed to ensure and maintain efficient, safe, adequate, reliable, and reasonable service to consumers.¹¹

The Commission has reviewed PPL's Third LTIP and finds that PPL has met its burden of proof by demonstrating that its Third LTIP contains measures to ensure that the projected annual expenditures are cost-effective, specifies the manner in which it accelerates or maintains an accelerated rate of infrastructure repair, improvement, or replacement, is sufficient to ensure and maintain safe, adequate, reliable, and reasonable service, and meets the requirements of 52 Pa. Code § 121.3(a). Accordingly, PPL's Third LTIP is approved.

¹⁰ See 52 Pa. Code § 121.4(e).

¹¹ See 52 Pa. Code § 121.4(d).

The Commission finds PPL's Third LTIIP and manner in which it was filed conforms to the requirements of Act 11 and our Regulations. The plan, as approved herein, is designed to maintain safe, adequate, reliable, and reasonable service and, as such, PPL shall be required to comply with the infrastructure replacement schedule and elements of that plan; **THEREFORE,**

IT IS ORDERED:

1. That the Petition of PPL Electric Utilities Corporation for Approval of its Third Long-Term Infrastructure Improvement Plan is approved, consistent with this Order.
2. That the proceeding at Docket No. P-2022-3034972 be closed.

BY THE COMMISSION,



Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: December 22, 2022

ORDER ENTERED: December 22, 2022