



COMMONWEALTH OF PENNSYLVANIA

February 16, 2024

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

**Re: Application of FirstEnergy Pennsylvania Electric Company, Under Section 507, 1102(a)(1), and 1102(a)(3) of the Public Utility Code, for All of the Necessary Authority, Approvals and Certificates of Public Convenience for: (1) the Acquisition of Certain Electric Distribution Facilities from the Letterkenny Industrial Development Authority; (2) FirstEnergy Pennsylvania Electric Company's Right to Initiate and Provide Electric Distribution Service in the Portions of Letterkenny, Greene, and Hamilton Townships, Franklin County, Pennsylvania Currently Served by the Letterkenny Industrial Development Authority; and (3) Any Other Approvals Necessary to Complete the Contemplated Transaction / Docket No. A-2023-3043428**

Dear Secretary Chiavetta:

Pursuant to 52 Pa. Code § 5.94(b), the Office of Small Business Advocate (“OSBA”) files this Notice of the Withdrawal of its November 6, 2023, Protest (docketed at A-2023-3043428) against the Application of West Penn Power Company (“West Penn”), Under Sections 507, 1102(a)(1), and 1102(a)(3) of the Public Utility Code.

If you have any questions, please do not hesitate to contact me.

Sincerely,

*/s/ Steven C. Gray*

Steven C. Gray  
Senior Supervising  
Assistant Small Business Advocate  
Attorney ID No. 77538

*Enclosures*

cc: Mark Ewen  
Parties of Record



Portions of Letterkenny, Greene, and Hamilton Townships, Franklin County, Pennsylvania Currently Served by the Letterkenny Industrial Development Authority (“LIDA”); and (3) Any Other Approvals Necessary to Complete the Contemplated Transaction (“Application”) with the Pennsylvania Public Utility Commission (“Commission”).

On November 6, 2023, pursuant to 52 Pa. Code § 5.51(a), the Office of Small Business Advocate (“OSBA”) filed a Protest and Notice of Intervention in response to the Application.

**Withdrawal of Pleadings in a Contested Proceeding**

52 Pa. Code § 5.94(b) states, as follows:

A protest to an application may be withdrawn by filing a notice of withdrawal directed to the Commission or the presiding officer. The notice must state that the protest is withdrawn and provide the reasons for the withdrawal.

Pursuant to Section 5.94(b), the OSBA respectfully submits this Notice of Withdrawal of its November 6<sup>th</sup> Protest to Administrative Law Judges (“ALJs”) Alphonso Arnold and Gail Chiodo.

**Reasons for the Withdrawal**

The OSBA has conducted discovery in this matter and has engaged in discussions with both West Penn Power and LIDA. As a result of the information obtained, and in accordance with 52 Pa. Code § 5.94(b), the OSBA states the following reasons as the basis for this withdrawal.

The proposed transaction is relatively small, involving the regional economic development entity, LIDA, and the electrical distribution systems it owns that provides service to 135 customers. One of these customers is the Army, and the remaining 134 are commercial customers (basically businesses attracted to this development after the partial closure of the Army installation in the 1990s).

First Energy West Penn has been running the electrical system under an operating agreement with LIDA for over a decade.

LIDA has a mandate to get out of the provision of utility services (it recently also sold its water system). It makes economic sense to merge LIDA's system with a larger utility, regulated by the Commission.

First Energy West Penn has a priority right to purchase the LIDA system under its current operating agreement. The transaction is supported by LIDA's board and other regional economic development officials.

Existing LIDA commercial customers will experience a rate benefit from the transaction, as they will be ported over to First Energy West Penn's existing rate schedules. These rates are lower than those they currently experience under LIDA's ownership.

Existing First Energy West Penn customers will not experience a burden from the transaction, as rates won't change, and no new infrastructure is required to provide the LIDA service.

First Energy West Penn has over 720,000 customers in Pennsylvania. The transaction value of \$6.2 million is approximately 0.3% of First Energy West Penn's current net plant valuation of \$2.23 billion.

**Conclusion**

Therefore, the Office of Small Business Advocate respectfully requests that ALJ Arnold and ALJ Chiodo permit the withdrawal of the OSBA's November 6, 2023 Protest.

Respectfully submitted,

*/s/ Steven C. Gray* \_\_\_\_\_  
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*/s/ Steven C. Gray*

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DATE: February 16, 2024