



Regulation is a maze. We can show you the way!

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December 30, 2024

**VIA ELECTRONIC FILING**

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

Re: Pike County Light & Power Company; Docket No. R-2024-3052357; **SUPPLEMENT NO. 127 TO TARIFF GAS PA P.U.C. NO. 6**

Dear Secretary Chiavetta:

Pursuant to Section 1308(d) of the Pennsylvania Public Utility Code, (66 Pa C.S. § 1308(d)) and the Commission's Regulations at 52 Pa Code §§ 1.37(a), 53.45 and 53.51, on behalf of Pike County Light & Power Company, enclosed for filing is Supplement No. 127 to Tariff Gas Pa. P.U.C. No. 6, which constitutes a general base rate increase. The filing also contains the following supporting information:

Accounting Panel Direct Testimony of Charles Lenns and Matthew Lenns  
Exhibits G-1 through G-5  
Direct Testimony of Paul Normand  
Exhibits G-6 through G-8  
Direct Testimony of Edward Verbraak  
Affidavit of Customer Notice  
Responses to 52 Pa. Code § 53.52  
Verification

If you have any questions regarding this filing, please contact me.

Very truly yours,

*/s/ Whitney E. Snyder*

Whitney E. Snyder

*Counsel for Pike County Light & Power Company*

WES/jld

Enclosure

cc: Per Certificate of Service

**PIKE COUNTY LIGHT & POWER COMPANY**

**RATES AND RULES**

**GOVERNING THE**

**FURNISHING OF**

**GAS SERVICE**

**IN**

**THE BOROUGHS OF MATAMORAS AND MILFORD**

**AND VICINITY,**

**PIKE COUNTY, PENNSYLVANIA**

(See Leaf No. 5)

ISSUED: December 30, 2024

EFFECTIVE: February 28, 2025

ISSUED BY: Michael German  
President and CEO  
Corning, New York

**NOTICE**

This supplement increases base rates (See Leaf 2).

PIKE COUNTY LIGHT & POWER COMPANY

115th REVISED LEAF NO. 2  
SUPERSEDING 114th REVISED LEAF NO. 2

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**2. CHANGES MADE BY THIS SUPPLEMENT**

Supplement No. 127 makes the following changes:

- 1) Increased delivery (i.e., customer, per CCF) charges applicable to Service Classification Nos. 1 and 2.
- 2) Roll-in of Weather Normalization Adjustment ("WNA") into delivery rates.

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ISSUED: December 30, 2024

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President and CEO  
Corning, New York

PIKE COUNTY LIGHT & POWER COMPANY

106th REVISED LEAF NO. 3  
SUPERSEDING 105th REVISED LEAF NO. 3

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(Continued)

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ISSUED: December 30, 2024

EFFECTIVE: February 28, 2025

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President and CEO  
Corning, New York

**PIKE COUNTY LIGHT & POWER COMPANY**

108th REVISED LEAF NO. 4A  
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ISSUED: December 30, 2024

EFFECTIVE: February 28, 2025

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President and CEO  
Corning, New York

PIKE COUNTY LIGHT & POWER COMPANY

3rd REVISED LEAF NO. 44A  
SUPERSEDING 2nd REVISED LEAF NO. 44A

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**WEATHER NORMALIZATION ADJUSTMENT** (C)

A Weather Normalization Adjustment ("WNA") shall be applied to bills of Residential customers under Service Classification No. 1 to reflect the impact of degree day variations from normal levels for each billing cycle, for the months of October through May, inclusive.

The monthly volume deviation shall be computed for each billing period for which adjustment is made using the formula described below. The weather adjustment is made by adding to or subtracting from the customer's bill the amount determined by multiplying the customer's consumption during the billing period by the weather adjustment factor.

$$\text{WNF} = \text{Rate} \times \frac{\text{HSF} \times (\text{NDD} - \text{ADD})}{\text{BLF} + (\text{HSF} \times \text{ADD})}$$

Where: WNF = Weather Normalization Factor  
RATE = Tailblock margin by service class  
HSF = Heat Sensitivity Factor\*  
NDD = Normal heating degree days for the billing period  
ADD = Actual heating degree days for the billing period  
BLF = Base Load Factor\*

\* The Heat Sensitivity Factor and the Base Load Factor calculations are based on actual normalized gas sales from the previous fiscal year

(C) Indicates Change

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ISSUED:	December 30, 2024	EFFECTIVE:	February 28, 2025
ISSUED BY:	Michael German President and CEO Corning, New York		

PIKE COUNTY LIGHT & POWER COMPANY

42nd REVISED LEAF NO. 44C  
SUPERSEDING 41st REVISED LEAF NO. 44C

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**STATE TAX ADJUSTMENT SURCHARGE**

In addition to the charges provided in this tariff, except for charges or credits applied under the Gas Cost Rate and/or the Income Tax Adjustment, a credit rate of 0% will be applied for all service rendered on and after the effective date of this leaf. I

The State Tax Adjustment Surcharge will be recomputed using the elements prescribed by the Commission whenever the Company experiences a material change in any of the taxes used in calculation of the surcharge. Such recalculation will be submitted to the Commission within 10 days after the occurrence of the event which occasions such recomputation. If the recomputed surcharge is less than the one in effect the utility will, or if the recomputed surcharge is more than the one in effect the utility may, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge. The effective date of such tariff or supplement shall be ten days after filing. Any charges or credits in the surcharge shall be rolled into base rates in the Company's next base rate proceeding.

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ISSUED: December 30, 2024

EFFECTIVE: February 28, 2025

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President and CEO  
Corning, New York

SUPPLEMENT NO. 127 TO  
GAS - PA. P.U.C. NO. 6

**PIKE COUNTY LIGHT & POWER COMPANY**

4th REVISED LEAF NO. 44D  
SUPERSEDING 3rd REVISED LEAF NO. 44D

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**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)**

In addition to the net charges provided for in this Tariff, a charge of 0% will apply.

**(D)**

ISSUED: December 30, 2024

EFFECTIVE: February 28, 2025

ISSUED BY: Michael German  
President and CEO  
Corning, New York

**PIKE COUNTY LIGHT & POWER COMPANY**

**SERVICE CLASSIFICATION NO. 1**

**APPLICABLE TO USE OF SERVICE FOR:**

Residential Service and Residential Space Heating Service

**RATE - FOUR PART - MONTHLY:**

- (1) Service Charge . . . . . \$ 9.50 (I)
- (2) Delivery Charge  
All Ccf . . . . . @ 145.93¢ per Ccf (I)
- (3) Gas Cost Rate

All sales made hereunder shall be subject to the Gas Cost Rate as explained in Rider A of this tariff. At the effective date of this tariff the Gas Cost Rate ("GCR") shall be 76.322¢per Ccf.

- (4) State Tax Adjustment Surcharge  
The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Gas Cost Rate.
- (5) Distribution System Improvement Charge (DSIC)  
The Distribution System Improvement Charge included in this Tariff is applied to charges under this rate excluding amounts billed for the State Adjustment Surcharge (STAS).

**MINIMUM CHARGE EACH CONTRACT EACH LOCATION:**

Not less than \$8.00 net per month during which service is furnished to a Customer at each location.

**TERMS OF PAYMENT:**

Bills are due and payable on or before twenty days from date bill is mailed to Customer. If bill is not paid within twenty days, service may be discontinued after suitable written notice as outlined in the Rules and Regulations.

(D) Indicates Decrease (Continued)

ISSUED:	December 30, 2024	EFFECTIVE:	February 28, 2025
ISSUED BY:	Michael German President and CEO Corning, New York		

**PIKE COUNTY LIGHT & POWER COMPANY**

**SERVICE CLASSIFICATION NO. 2**

**APPLICABLE TO USE OF SERVICE FOR:**

General Service and Non-Residential Space Heating Service

**RATE - FOUR PART - MONTHLY:**

(1) Service Charge . . . . . \$ 14.25 (I)

(2) Delivery Charge

First 300 Ccf. . . . . @ 69.38¢ per Ccf (I)

All Over 300 Ccf. . . . . @ 52.04¢ per Ccf (I)

(3) Gas Cost Rate

All sales made hereunder shall be subject to the Gas Cost Rate as explained in Rider A of this tariff. At the effective date of this tariff the Gas Cost Rate ("GCR") shall be 76.322¢ per Ccf.

(4) State Tax Adjustment Surcharge

The State Tax Adjustment Surcharge included in this tariff is applied to charges under this rate except for charges made under the Gas Cost Rate.

(5) Distribution System Improvement Charge (DSIC)

The Distribution System Improvement Charge included in this Tariff is applied to charges under this rate excluding amounts billed for the State Adjustment Surcharge (STAS).

**MINIMUM CHARGE EACH CONTRACT EACH LOCATION:**

Not less than \$12.23 net per month during which service is furnished to a Customer at each location.

**TERMS OF PAYMENT:**

Bills are due and payable on or before fifteen days from date bill is mailed to Customer. If bill is not paid within fifteen days, service may be discontinued after suitable written notice as outlined in the Rules and Regulations.

(D) Indicates Decrease

(Continued)

ISSUED: December 30, 2024

EFFECTIVE: February 28, 2025

ISSUED BY: Michael German  
President and CEO  
Corning, New York

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility :  
Commission :  
 :  
v. : DOCKET NO. R-2024-3052357  
 :  
Pike County Light :  
& Power Company (gas) :

**Pike County Light and Power Company  
Statement No. 2  
Direct Testimony of  
Accounting Panel  
Chuck Lenns and Matthew Lenns**

PIKE COUNTY LIGHT & POWER COMPANY  
GAS RATE CASE  
STATEMENT NO. 2  
DIRECT TESTIMONY OF ACCOUNTING PANEL  
CHUCK LENNS AND MATTHEW LENNS

1 Q. Would the witnesses please state your names and  
2 business addresses?

3 A. Charles Lenns, 330 West William Street, Corning, New  
4 York 14830. Matthew Lenns, 330 West William Street,  
5 Corning, New York 14830.

6 Q. By whom are you employed and in what capacity?

7 A. (C.Lenns) I am employed by Corning Energy Corporation  
8 ("CEC") where I hold the position of Senior Vice  
9 President and Chief Financial Officer.

10 (M.Lenns) I am employed by Corning Energy Corporation  
11 ("CEC") where I hold the position of Controller.

12 Q. Please explain the relationship between CEC and Pike  
13 County Light & Power Company ("Pike")

14 A. (C.Lenns) CEC is a New York State Holding Corporation  
15 and Pike is a wholly owned subsidiary of CEC.

16 Q. Please explain your educational background, work  
17 experience, and current general responsibilities.

18 A. (C.Lenns) I received my Accounting Degree from the  
19 University of Scranton, where I currently teach in the  
20 business school. I also hold a law degree from Duquesne  
21 University Law School, and I am a certified public  
22 accountant. Both of my professional licenses are in the

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DIRECT TESTIMONY OF  
ACCOUNTING PANEL  
CHUCK LENNS AND MATTHEW LENNS**

1 Commonwealth of Pennsylvania. I began my professional  
2 career in the tax practice of Ernst & Young, LLP ("EY"),  
3 and I served clients in the firm's power and utilities  
4 tax and M&A practice. I was a tax partner from 1989 until  
5 retiring from EY in 2012. From 2012 until 2018 I served  
6 as Vice President - Tax for Consolidated Edison Inc.  
7 ("CEI") until I reached the mandatory retirement age for  
8 Officers with that Corporation. I joined CEC as Vice  
9 President and Chief Financial Officer in July of 2020  
10 for the parent and all of its subsidiaries, including  
11 Corning Natural Gas Corporation ("CNG") and Pike County  
12 Light and Power Company ("Pike" or "the Company").

13 **(M. Lenns)** I graduated from the University of Scranton  
14 in 2007 with a Bachelor of Science, having majored in  
15 accounting. After graduation from the University of  
16 Scranton in 2007, I joined PricewaterhouseCoopers LLP  
17 as an audit associate in their Technology, Information  
18 & Communication and Entertainment practice. I  
19 performed financial statement audits of clients  
20 primarily in publishing, healthcare and technology  
21 sectors. I joined Corning Energy Corporation in July

**PIKE COUNTY LIGHT & POWER COMPANY  
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CHUCK LENNS AND MATTHEW LENNS**

1           2022, and I oversee the financial reporting and  
2           monthly accounting close process for the Company.

3       **Q. Have you previously submitted testimony before the**  
4       **Pennsylvania Public Utility Commission ("PAPUC")?**

5       A.    **(C. Lenns)** Yes.

6       **(M. Lenns)** No.

7       **Q. What is the purpose of your testimony in this**  
8       **proceeding?**

9       A.    We will address the following topics:

10           ▪ Discuss the major costs driving the gas rate  
11           increase Pike is seeking.

12       **Q. Are you sponsoring any exhibits in this filing?**

13       A.    Yes. We are sponsoring Exhibits G-1 through G-5, which  
14       explain and detail the following:

15           ▪ Historic financial data and Intercompany cost  
16           allocations between CNG and Pike (Exhibit G-1);

17           ▪ Actual and forecast capital structures and rate  
18           of return (Exhibit G-2);

19           ▪ Historic and forecast gas rate base (Exhibit G-  
20           3); and

21           ▪ Historic and forecast cost of service (Exhibit G-  
22           4).

**PIKE COUNTY LIGHT & POWER COMPANY  
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- 1           ▪ Historic and forecast gas sales by service  
2           classification (Exhibit G-5).

3

4

**COSTS DRIVING RATE INCREASE**

5 **Q. When were Pike's gas delivery rates last changed?**

6 A. Pike has been operating under gas rates that went into  
7 effect on July 28, 2021.

8 **Q. Please explain why Pike is seeking a gas base rate  
9 increase at this time.**

10 A. As indicated above, the Company has been operating  
11 under rates that have been in place since 2021.  
12 Since that time Pike has invested significant amounts  
13 of capital to improve its infrastructure in order to  
14 increase reliability and modernize its gas system in  
15 order to better serve its customers. Assuming new  
16 rates go into effect in the fourth quarter of 2025; it  
17 will be over three years since Pike has had any rate  
18 relief. Overall sales for the last several years have  
19 remained fairly constant from the levels upon which  
20 rates were based, requiring the Company to absorb  
21 increases in operating costs.

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1 Q. Was Pike's last base rate case fully litigated or  
2 settled?

3 A. Pike negotiated a settlement in its last rate case  
4 with PAPUC, the Bureau of Investigation and  
5 Enforcement, the Office of Consumer Advocate, and the  
6 Office of Small Business Advocate that was then  
7 approved by the Commission.

8 Q. How large a rate increase is Pike seeking?

9 A. Pike is seeking to increase its delivery rates by  
10 \$905,900; representing an increase, as compared to  
11 rates established in the Company's 2021 gas rate  
12 order, of approximately 35.8 percent on total customer  
13 bills net of DSIC surcharge rolled into base rates.

14 Q. What is driving the rate increase the Company is  
15 seeking?

16 A. The increase of \$905,900 can be attributed to the  
17 following:

18	• Change in Rate Base	-	\$782,976
19	• Change in Return	-	84,246
20	• Revenue Growth	-	(109,300)
21	• O&M Expenses	-	194,000

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1	• Depreciation & Amortization Expense	-	208,100
2	• Income Taxes and Other	-	<u>(254,121)</u>
3	Total Net Increase		<u>\$905,900</u>

4 **Q. The Company is requesting the aggregation of costs for**  
5 **customer credit card and debit card transactions,**  
6 **replacing individual fees to customers. Please give**  
7 **details about the updates with payment options and any**  
8 **changes the Company is recommending.**

9 A. The Company is recommending that electronic payment  
10 fees charged by our third-party vendor become  
11 aggregated and included in the Company's cost of  
12 service. Customers can pay online, or through IVR  
13 with the payment vendor, using credit or debit cards,  
14 or checking or savings accounts. Other payment  
15 options have recently been added with the vendor,  
16 which include paying with PayPal, Venmo, Apple Pay,  
17 Amazon Pay, Google Pay, and through the Instant  
18 Payment Network (IPN) which includes Walmart Pay.  
19 With customer transaction fees aggregated, the Company  
20 can accept credit and debit payments in the office  
21 with the assistance of an encrypted swipe device. The  
22 Company has added features for customers to be

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1 notified of bill generation and due dates by SMS text  
2 message and PDF bill presentment by email. Customers  
3 have an option to pay by replying to the SMS message  
4 or email. Currently the fees are charged to, and paid  
5 by the customer who uses one of these electronic  
6 payment options at a cost of \$2.64 per transaction.  
7 If a customer is paying through the IPN, there is no  
8 fee. If fees are aggregated, the Company will be able  
9 to negotiate a lower fee per transaction with the  
10 vendor. Customer fees would be \$1.10 for a checking  
11 or savings account payment. All other payment options  
12 would have a fee of \$2.04 per transaction, except for  
13 IPN payments, for which there is no fee. For the test  
14 year of October 1, 2023 through September 30, 2024,  
15 customers paid a total of \$40,663.92 in electronic  
16 transaction fees. If the fees were aggregated, this  
17 total would have been \$28,290.04, which reflects a  
18 customer cost savings of \$12,373.88. Customers  
19 frequently complain about being charged a fee for  
20 paying their bills electronically. The Company is  
21 projecting an aggregated fee cost of \$30,000 each rate  
22 year. The Company is anticipating additional

**PIKE COUNTY LIGHT & POWER COMPANY  
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1 customers opting to pay through the vendor if the fee  
2 is aggregated and as new features continue to be  
3 added. This cost is included in our revenue  
4 requirement in this rate case.

5 **Q. What cybersecurity updates does the Company plan to**  
6 **undertake?**

7 A. The next step in cybersecurity for the Company is  
8 Network Segmentation. Network Segmentation is the  
9 division of a computer network into smaller parts,  
10 separating Information Technology (IT) from  
11 Operational Technology (OT). Network Segmentation is  
12 crucial. IT and OT networks have different security  
13 needs. IT networks focus on protecting data  
14 confidentiality and integrity, while OT networks  
15 prioritize system availability and safety. Segregating  
16 these networks reduces the risk of a cybersecurity  
17 breach spreading from one to the other. IT and OT  
18 systems require different management and maintenance  
19 practices. When OT is integrated with IT networks,  
20 integration can lead to potential disruptions or  
21 inefficiencies in OT operations. By segregating IT and  
22 OT networks, the Company can more effectively manage

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1 risks, including minimizing the impact of potential  
2 incidents and ensuring that critical operational  
3 systems remain unaffected by issues occurring in the  
4 IT network. The Company was quoted a cost of  
5 \$11,745.00 to complete the Network Segmentation by  
6 Micro-Solutions, one of the Company's third-party IT  
7 vendors.

8 **Q. Does the Company competitively bid its gas commodity  
9 purchase prices with gas suppliers?**

10 A. No, Pike operates under a gas supply and gas  
11 transportation agreement with Orange & Rockland  
12 Utilities, Inc. ("O&R"). The Company purchases all of  
13 its gas from O&R on a "full services contract" basis,  
14 meaning that O&R is required to sell to Pike all of  
15 the natural gas that Pike needs to serve its  
16 customers. O&R delivers Pike's purchased gas to Pike's  
17 gate station in Port Jervis, New York.

18 **Q. Is Pike able to purchase gas from other suppliers?**

19 A. Currently, Pike cannot purchase gas from other  
20 suppliers because Pike is unable to transport gas over  
21 the O&R gas system. No other gas pipeline is available  
22 to Pike. However, Pike and O&R are currently

**PIKE COUNTY LIGHT & POWER COMPANY  
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1 negotiating an amendment to Pike's gas supply and  
2 transportation agreement with O&R that would allow  
3 Pike to purchase gas from gas marketing companies to  
4 be delivered to O&R's gate station in New York. O&R  
5 would then deliver the purchased gas to Pike's gate  
6 station in Port Jervis, New York.

7 **Q. When Pike's contract with O&R is amended, will Pike**  
8 **have the ability to competitively bid its gas**  
9 **purchases from both O&R and from gas marketers?**

10 A. Yes, Pike expects to negotiate a contract with O&R  
11 that would allow Pike to purchase gas either from O&R  
12 or from gas marketers. O&R will transport Pike's gas  
13 purchased from gas marketing companies to Pike's gate  
14 station in Port Jervis. The ability to competitively  
15 bid Pike's gas commodity cost should reduce its gas  
16 commodity price. The savings resulting from Pike's  
17 renegotiated contract will be passed on to Pike's gas  
18 customers. Pike will seek Commission approval for the  
19 amended contract in an appropriate future proceeding.

20 **Q. Does Pike Gas propose to develop a Weather**  
21 **Normalization Adjustment ("WNA") in this rate case to**  
22 **apply to customer billings?**

**PIKE COUNTY LIGHT & POWER COMPANY  
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1 A. Yes.

2 **Q. How are weather normalized gas volumes used to derive**  
3 **a gas utility's base rates?**

4 A. Typically, as part of the rate design in a base rate  
5 proceeding, a utility's volumetric unit rates for gas  
6 service are derived by dividing the appropriate costs  
7 to be recovered through volumetric based rates by the  
8 anticipated weather-normalized gas sales volumes.  
9 This calculation produces rates that are designed.  
10 These rates are designed to provide the utility with  
11 an opportunity to recover the costs it incurs to  
12 provide utility service, at the levels determined in  
13 the utility's rate case under normal weather  
14 conditions. To the extent any costs are subject to  
15 recovery in a volumetric charge, the recovery of such  
16 amounts is entirely dependent upon the volumes of gas  
17 usage experienced by the utility. Therefore, the  
18 recovery of costs in a volumetric component of rates  
19 will almost always lead to a difference in recovery of  
20 actual costs because actual weather conditions will by  
21 and large never match the normalized weather  
22 conditions used to set rates.

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1 Q. Please explain how weather influences the recovery of  
2 costs for a gas utility and costs to customers.

3 A. As a result of the volumetric rates described above,  
4 if actual temperatures are normal, the utility has a  
5 reasonable opportunity to fully recover its fixed  
6 costs of service at established sales levels, as  
7 reflected in the calculation described above, and the  
8 customers' payment for service reflects the costs of  
9 the utility. Unfortunately, normal temperatures  
10 seldom, if ever, occur. Therefore, because of abnormal  
11 weather and a rate design that is based, in  
12 substantial part, on customer usage, the amount of  
13 distribution revenue collected from customers can vary  
14 widely from the revenue requirement level authorized  
15 by the regulator. In the case of warmer weather, the  
16 utility may under recover its costs and need to pursue  
17 cost management efforts that help stabilize and  
18 support the overall financial health and performance  
19 of the company. In the case of colder weather,  
20 customers experience higher bill cost burdens which  
21 may negatively impact customer abilities to manage  
22 utility costs.

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1 Q. Please explain how fluctuations in weather over time  
2 impact a gas utility's temperature-sensitive customers  
3 and the utility's financial performance.

4 A. Since the bills of gas customers are largely based on  
5 the level of gas usage, temperature-sensitive  
6 customers' monthly bills can vary widely due to  
7 changing weather conditions. Under traditional  
8 ratemaking methods, if actual temperatures were colder  
9 than normal, the typical gas customer would use more  
10 gas, pay more for service (through volumetric  
11 charges), and potentially overpay its share of fixed  
12 costs. This occurs because the unit rates used to  
13 recover fixed costs are not reduced to recognize the  
14 higher gas volumes used by customers during colder  
15 weather. Since the gas utility's level of fixed costs  
16 does not change, the higher gas volumes applied  
17 against the same unit rate would generate  
18 comparatively higher distribution revenues than the  
19 level of fixed costs established for ratemaking  
20 purposes. Conversely, in warmer than normal weather,  
21 the reverse situation would occur. Customers' gas  
22 usage decreases with warmer temperatures, thus

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1           generating comparatively lower distribution revenues  
2           than required to recover the gas utility's total fixed  
3           costs that do not decrease due to warm weather.

4   **Q.   Please define and describe the concept of a WNA**  
5           **mechanism.**

6   A.   The utility's distribution rates, which are  
7           established to allow the utility to recover its  
8           authorized level of distribution revenues, are based  
9           on expected throughput during normal weather. When  
10          actual weather deviates from normal weather, there  
11          will be a difference between actual and projected  
12          distribution revenues. A WNA mechanism adjusts a  
13          customer's bill due to these variations from normal  
14          weather (i.e., temperature variations or heating  
15          degree day variations) in order to have the bill  
16          reflect normal weather conditions. For billing periods  
17          that are colder than normal, a credit will be applied  
18          to the bill. For billing periods that are warmer than  
19          normal, a surcharge is applied to the bill. WNA  
20          mechanisms are typically effective for usage during  
21          the heating season calendar months (e.g., October  
22          through May). WNA's reduce the amount of variation in

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1           both customer bills and utility revenues by making a  
2           compensating adjustment for the difference between  
3           actual weather and normal weather.

4   **Q.   Do WNA mechanisms differ in their design?**

5   A.   Yes.  Gas utilities typically use two types of WNA  
6           mechanisms: (1) a mechanism that adjusts current  
7           billings on a monthly billing basis as the bill is  
8           being calculated and issued; and (2) a mechanism that  
9           adjusts billings on a lagged basis where the  
10          adjustment appears on the customer's bill(s) from a  
11          few to several months after a variation from normal  
12          weather is experienced.

13   **Q.   Which type of WNA mechanism is the Company proposing**  
14          **to implement?**

15   A.   The Company proposes to implement a WNA mechanism that  
16          adjusts billings on a monthly billing basis as the  
17          bill is being calculated and issued.

18   **Q.   Does the Company propose to apply weather**  
19          **normalization to all customer bills?**

20   A.   No.  The Company seeks to apply a WNA adjustment only  
21          to residential customer monthly bills.  Other  
22          customers are generally better able to manage

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1           fluctuations in monthly bills caused by variations  
2           from normal weather than our residential customers.

3   **Q. For what months of the year does the Company propose**  
4           **to apply a WNA adjustment to residential customer**  
5           **bills?**

6   A. The Company proposes to apply a WNA adjustment to  
7           residential customer bills issued for the months of  
8           October through May, since these months are most  
9           likely to produce large variations from normal  
10          weather.

11  
12

13                           **EXHIBIT G-1 HISTORICAL FINANCIAL DATA**

14   **Q. Please describe Exhibit G-1.**

15   A. Exhibit G-1 contains the historic financial data for  
16           Pike as required by PAPUC regulations. Schedule 1  
17           shows the balance sheets of Pike at September 30, 2024  
18           and September 30, 2023. Schedule 2 provides the  
19           account balances comprising the Company's net  
20           investment in electric, gas and common utility plant  
21           in service at September 30, 2024. Schedule 3 is an  
22           income statement that shows the derivation of net

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1 income for gas and gas operations for the year ended  
2 September 30, 2024. Schedule 4 is a comparative  
3 income statement for Pike's gas operations for the  
4 twelve months ended September 30, 2024 and September  
5 30, 2023. Schedule 5 shows the intercompany charges  
6 billed to Pike under the terms of the intercompany  
7 agreement with CNG for the twelve months ended  
8 September 30, 2024. Schedule 6 shows the intercompany  
9 cost allocation factors currently in effect. Schedule  
10 7 show the activity impacting the Intercompany Payable  
11 between Pike and Corning Natural Gas Corporation  
12 ("CNG"), also a wholly owned subsidiary of CEC,  
13 between September 30, 2023 and September 30, 2024.  
14 These charges and credits are in accordance with the  
15 terms of the intercompany agreement between Pike and  
16 CNG.

17  
18  
19

20 **INTERCOMPANY COST ALLOCATIONS**

21 **Q. Are you familiar with Pike's books and records, as**  
22 **well as the intercompany cost allocations between Pike**

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1           and CNG, pursuant to which certain Administrative and  
2           General costs, including but not limited to, wages,  
3           shared services and taxes, are allocated to Pike?

4    A.    Yes.

5    Q.    Are the accounts of the Company kept in accordance  
6           with the Uniform System of Accounts as prescribed by  
7           the PAPUC?

8    A.    Yes.

9    Q.    Please describe Exhibit G-1, Schedule 5 in more  
10           detail.

11   A.    Exhibit G-1, Schedule 5, "Statement of Charges Made by  
12           Corning Natural Gas Corporation to Pike County Light &  
13           Power Company's Gas Operations" is submitted in  
14           support of the charges for gas operations billed by  
15           CNG to Pike. The schedule sets forth by prime account  
16           each item for which a direct charge is made or which  
17           was the result of an allocation.

18   Q.    What types of services are billed by CNG to Pike based  
19           on direct charges?

20   A.    As part of the approval process for the acquisition of  
21           Pike by CNG, the New York State Public Service  
22           Commission (NYPSC) and PAPUC have required CNG to bill

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1 Pike on a direct charge basis for services rendered by  
2 CNG whenever it is practical, based on payroll  
3 records, direct payments to vendors and contractors,  
4 and usage studies supporting the distribution of  
5 clearing accounts. Further CNG is required to develop  
6 and update Cost Allocation factors annually for shared  
7 expenses. The factors that are currently in effect  
8 are shown on Schedule 6 of Exhibit G-1. The direct and  
9 allocated charge billings are for activities and  
10 services rendered that are for the exclusive benefit  
11 of Pike's customers, and are primarily shared  
12 administrative costs such as customer billing and  
13 collection, processing of invoices, administration of  
14 benefit plans, Accounting, Tax and Financing  
15 functions, Information Technology and Computer  
16 Services.

17 **Q. Please describe the types of costs allocated by CNG to**  
18 **Pike and the methods of allocation used.**

19 A. The types of costs allocated and the basis for such  
20 allocations are shown on Schedule 6 of Exhibit G-1.  
21 Costs that are impractical to charge on a direct basis  
22 are allocated to Pike based on the relationship in

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1       accordance with our affiliate interest agreement for  
2       the type of expense of Pike to the total expenses  
3       incurred by CNG and its utility subsidiaries. The  
4       schedules contain the percent of shared costs  
5       allocated to expense or capital projects, depending on  
6       the nature of the service.

7       With regard to Federal income taxes, CEC and its  
8       subsidiaries file a consolidated Federal Income Tax  
9       return with its new parent company, ACP Crotona  
10      Holdings, LP, and any tax liability or benefit is  
11      allocated among CEC and its subsidiaries as provided  
12      for in Treasury Reg. Section 1.1502-33. Tax  
13      liabilities or benefits are computed and allocated to  
14      each company on the separate return basis, with tax  
15      liabilities or benefits allocated to the company that  
16      generated the liability or benefit, and each member  
17      corporation's tax liability generally does not exceed  
18      its separate return liability.

19   **Q. How does Pike allocate common costs between electric  
20   and gas operations?**

21   A. Pike allocates 85 percent of common costs to electric  
22   operations and 15 percent to gas operations. The

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1 allocation is based on the ratio that net plant for  
2 each service bears to total net electric and gas  
3 plant.

4

5

**EXHIBIT G-2 CAPITALIZATION**

6 **Q. Please describe Exhibit G-2.**

7 A. Exhibit G-2 shows the actual and forecast capital  
8 structures.

9 **Q. What capital structure is Pike requesting in this**  
10 **proceeding?**

11 A. The Company is requesting a capital structure at  
12 September 30, 2025 as shown below:

	<u>Ratio</u>
14 Long-Term Debt	40.72%
15 Short-Term Debt	8.64%
16 Common Equity	<u>50.63%</u>
17 Total	<u>100.00%</u>

18

19 **Q. Do you believe that this is a reasonable capital**  
20 **structure to be employed in this proceeding?**

21 A. Yes, we do.

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1 Q. Please explain why this capital structure is  
2 appropriate?

3 A. It reflects the forecasted ratios of capital being  
4 employed by Pike, as set forth on Exhibit G-2,  
5 Schedule 1 for the twelve months ending September 30,  
6 2025. The capital structure reflects the proportions  
7 of the actual capital being used in the utility's  
8 business plus a projected debt financing. We would  
9 note that Exhibit G-2, Schedule 2, page 2 of 2  
10 includes new refinanced long-term debt that Pike  
11 issued on September 12 of 2024 with its parent entity  
12 CEC, in the amount of \$17.584 million at a coupon rate  
13 of 6.31%. The average daily short-term debt balance  
14 for the Twelve Months Ended September 30, 2024 of  
15 \$2,006,792 was reflected in the Capital Structure as  
16 of September 30, 2025 as a proxy for the average  
17 short-term debt balance at September 30, 2024, and  
18 adjusted for our anticipated level of spend over the  
19 next year. The current cost of short-term debt of  
20 7.58% was used in calculating the cost of this debt.  
21 This capital structure is reasonable when compared to  
22 the capital structure of other companies and weighted

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1 to a 50/50 split between debt and equity.

2 **Q. What is your conclusion as to the reasonableness of**  
3 **Pike's requested common equity ratio in this**  
4 **proceeding?**

5 A. Based on the above discussion, we conclude that the  
6 50.63 percent common equity ratio requested by Pike in  
7 this proceeding is reasonable. The equity ratio  
8 reflects Pike's forecast of net earnings during the  
9 Twelve Months Ended September 30, 2025 and thus is  
10 appropriate to use in this proceeding.

11 **Q. What cost of equity return is the Company requesting**  
12 **in this proceeding?**

13 A. As shown on Exhibit G-2, Schedule 3, the cost of  
14 equity return is 10.20 percent. For revenue  
15 requirement purposes, we rounded the return on equity  
16 from the Gas Distribution System Improvement Charge  
17 (DSIC) Eligible Utilities Return on Equity Summary, as  
18 published for September 18, 2024. The Company is  
19 willing to accept the generic ROE return made by the  
20 commission in order to minimize rate case costs to its  
21 customers.

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1 Q. What overall rate of return ("ROR") is the Company  
2 requesting in this proceeding?

3 A. As shown on Exhibit G-2, Schedule 3, the overall ROR  
4 is 8.59 percent.

5

6 **Exhibit G-3 GAS RATE BASE**

7 Q. Please describe Exhibit G-3.

8 A. Exhibit G-3 consists of a summary and eleven schedules  
9 containing Pike's historic and future gas rate base.  
10 Schedules 10 and 11 are discussed by Company Witness  
11 Verbraak.

12 Q. Please describe the method used to calculate the  
13 historic gas rate base at September 30, 2024 as shown  
14 on the summary page.

15 A. We began with actual gas utility plant and plant  
16 reserves to arrive at net plant at September 30, 2024.  
17 To net plant, we added cash working capital, materials  
18 and supplies, prepayments, and deferred debits.  
19 Finally, we deducted deferred credits, accumulated  
20 deferred income taxes, and customer deposits to arrive  
21 at gas rate base.

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1 **Q. Please describe the method used to calculate the**  
2 **forecast gas plant balance at March 31, 2025.**

3 A. We began with the actual gas plant in service balance  
4 per books at September 30, 2024. The completed  
5 construction work in progress ("CWIP") projects were  
6 transferred to plant as shown on Exhibit G-3, Schedule  
7 1, pages 1 and 4. We would note that because of  
8 Pike's small size and the effort required to summarize  
9 the CWIP projects, they are normally transferred to  
10 plant-in service at the end of its fiscal year (i.e.,  
11 December 31<sup>st</sup>). Company Witness Verbraak provided us  
12 with the budgeted gas distribution expenditures and  
13 additions scheduled for October 1, 2024 through March  
14 31, 2026 (18 month lookforward) shown on Exhibit G-3,  
15 Schedules 10 and 11. Retirements were projected  
16 through March 31, 2026. For distribution plant  
17 retirements were based on historic levels. Common  
18 general plant, other than computer software, is  
19 amortized over five years. As a result, assets placed  
20 in service during 2020 - 2021, will be retired in 2025  
21 - 2026. The calculated adjustment for distribution  
22 plant of \$4,020,642 is shown on Exhibit G-3, Schedule

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1           1, page 1 of 4. The adjustment for common general  
2           plant allocated to gas of \$68,100 is shown on Exhibit  
3           G-3, Schedule 1, page 2 of 4.

4   **Q.   What is the purpose of Exhibit G-3, Schedule 1, page 3**  
5           **of 4?**

6   A.   Exhibit G-3, Schedule 1, page 3 of 4 is necessary to  
7           allocate shared net plant related to administrative  
8           offices, equipment, and computers used by CNG  
9           employees that provide services to Pike. Office space  
10          was allocated on the basis of square footage utilized  
11          by those employees (i.e., 0.68%). Furniture,  
12          equipment, and computers were also allocated on that  
13          basis.

14   **Q.   What is the purpose of Exhibit G-3, Schedule 1, page 4**  
15           **of 4?**

16   A.   As discussed above Exhibit G-3, Schedule 1, page 4 of  
17          4 is necessary to reclassify completed plant additions  
18          from construction work in progress to plant in  
19          service. The offset is shown in Exhibit G-3, Schedule  
20          1, page 1 of 4.

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1 Q. Please describe the calculation of the accumulated  
2 provision for depreciation of gas plant in service for  
3 the period ending March 31, 2026.

4 A. We began with the per books balance at September 30,  
5 2024, added accruals projected for the 18 months  
6 ending March 31, 2026 and subtracted projected  
7 retirements for the same period to arrive at the  
8 ending balance at March 31, 2026. Our calculated  
9 adjustment of \$185,400 for the gas plant reserve is  
10 shown on Exhibit G-3, Schedule 2, page 1 of 2.

11 Q. Please describe the calculation of the accumulated  
12 provision for depreciation of common plant in service  
13 for the period ending March 31, 2026.

14 A. We began with the per books balance at September 30,  
15 2024 and added accruals projected through March 31,  
16 2026 and subtracted projected retirements for the same  
17 period to arrive at the ending balance at March 31,  
18 2026. The calculated adjustment of \$(900) is shown on  
19 Exhibit G-3, Schedule 2, Page 2.

20 Q. How did you calculate the cash working capital for the  
21 twelve months ending September 30, 2024 and 2025?

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1 A. We prepared a lead/lag study. The results of the  
2 study are shown on Exhibit G-3, Schedule 3 pages 1 and  
3 2.

4 **Q. Please provide an overview of the lead/lag study and**  
5 **describe its results.**

6 A. The lead/lag study utilizes accounting information and  
7 financial studies for the twelve months ended  
8 September 30, 2024 to determine the net lag days. The  
9 net lag days are applied to the cost of service inputs  
10 for the years ending September 30, 2025, in order to  
11 determine the cash working capital requirements  
12 reflected in rate base. The study indicates a cash  
13 working capital requirement of \$118,831 for the twelve  
14 months ended September 30, 2025 as shown on Exhibit G-  
15 3, Schedule 3, page 2 of 2. We would note that the  
16 working capital requirement for the Twelve Months  
17 Ended September 30, 2024 is shown on Exhibit G-3,  
18 Schedule 3, page 1 of 2. The purpose of the cash  
19 working capital component of rate base is to  
20 compensate the Company for funds it provides to pay  
21 operating expenses in advance of receipt of revenue.  
22 It reflects the amount of capital over and above

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1 investment in plant and other separately identified  
2 rate base items provided by the Company to bridge the  
3 gap between the time the Company provides service and  
4 the time the Company collects revenue for that  
5 service. A lead or lag reflects the amount of time  
6 that elapses between when a utility provides a product  
7 or service, and when that providing utility is  
8 compensated for the product or service provided. For  
9 the purpose of this study, the amount of lead or lag  
10 times was calculated in days. We note that the while  
11 the study period was a leap year (i.e., contained 366  
12 days), we reflected 365 days in our calculations,  
13 since the twelve months ended September 30, 2025 has  
14 365 days.

15 **Q. Please describe the revenue component of the lead/lag**  
16 **study.**

17 A. The lag on revenue collection consists of three  
18 components:

- 19 • the time between rendering of service and meter  
20 reading;
- 21 • the time between meter reading and billing of  
22 services; and

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- 1           • The time between billing of services and  
2           collection of revenue.

3           Pike's customers are billed on a monthly cycle. The  
4           average time from the rendering of service to customer  
5           payment is calculated to be a normal average of 17.49  
6           days. We then did a weighted average calculation in  
7           buckets of 1-10 days, 11-20 days and over 20 days.  
8           Using this weighted average approach we calculated  
9           that approximately 62 percent of our customers pay  
10          within 1-20 days, however some of our larger customers  
11          pay in more than 20 days. Using total balances in  
12          those buckets we calculated a weighted average of 21.3  
13          days.

14   **Q. Please describe the treatment of cost of service in**  
15   **the study.**

16   A. The cost of service was broken down into the basic  
17   components of operating expense and operating income.  
18   Operating income, which represents a return on  
19   invested capital, is included as a component of the  
20   cost of service.

21   **Q. Please describe the treatment of purchased power**  
22   **expenses in the study.**

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1 A. The cost of purchased gas and related expenses are  
2 billed monthly and are required to be paid within 10  
3 days of receiving the invoice. Invoices are normally  
4 received within the first few days following the  
5 service month. As such we used 10 days.

6 **Q. Please describe the treatment of salaries and wages.**

7 A. The lag for salaries and wages was calculated to be 8  
8 days. All employees are paid Bi-Weekly on the  
9 Thursday following the weeks worked (service period 14  
10 days) / 2 = 7 day midpoint. We utilized 8 days for  
11 salaries as a result.

12 **Q. Please describe the lag days associated with pensions.**

13 A. The Company sponsors a 401K plan that includes a  
14 partial match of employee contributions. The match is  
15 paid at the same time as payroll, so the 8 day lag was  
16 assigned to fund contributions.

17 **Q. Please describe the lags associated with employee  
18 welfare expenses.**

19 A. Employee welfare premiums for health, life and  
20 Workers' Compensation insurance are administered by  
21 CNG. Pike reimburses CNG once per reporting month. We  
22 utilized 30 days for intercompany charges for the

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1 month close procedures, and 23 days for employee  
2 welfare charges based on the calculated timing of  
3 payments made during the test period ended September  
4 30, 2024.

5 **Q. How was the lag for intercompany payments calculated?**

6 A. As with employee welfare expenses discussed above, the  
7 lag is measured as once per month per cycle close  
8 period, or 30 days.

9 **Q. Please describe the lag associated with uncollectible**  
10 **accounts expense.**

11 A. Uncollectible accounts expense was lagged at 8 days,  
12 due to the fact that our uncollectible balance for the  
13 year ended September 30, 2024 is consistently low  
14 (\$43,714) with the revenue collections on \$15.5  
15 million on total operating revenues for gas and  
16 electric for the period ended September 30, 2024.

17 **Q. Please describe the lag associated with other**  
18 **Operation and Maintenance ("O&M") expenses.**

19 A. The lag on other O&M expenses was calculated to be 23  
20 days. This calculation is based on an analysis of  
21 accounts payable payments made to vendors for  
22 materials and services charged to O&M expense. Lag

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1 days were measured from the mid-point of the month  
2 (365 days / 12 / 2 = 15.2) to the date of payment for  
3 services (8.0 days), totals 23.2 days.

4 **Q. Please describe the lead or lag associated with taxes**  
5 **other than income taxes.**

6 A. FICA payroll taxes are funded at the same time as  
7 payroll and assigned the same 11.0 day lag.  
8 Pennsylvania property taxes are amortizations of  
9 prepaid costs and were assigned zero lag days. The  
10 average unamortized prepaid balance for property taxes  
11 is shown and included in Rate Base on Exhibit G-3,  
12 Schedule 5. If the prepaid balances are eliminated  
13 from Rate Base it will be necessary to adjust the Lead  
14 Lag Study to include the (lead) / lag times for  
15 prepaid expenses.

16 **Q. Please describe the lag days associated with Federal**  
17 **and state income taxes.**

18 A. The Federal Income Tax ("FIT") and state income tax  
19 lag assumes four annual payments (i.e., September 15<sup>th</sup>,  
20 December 15<sup>th</sup>, April 15<sup>th</sup>, and June 15<sup>th</sup>). We  
21 determined that there was a lag of 30 days by the

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1           number of days that elapsed from the service period to  
2           payment within 30 days.

3   **Q.   Please describe the lag days associated with the**  
4           **amortization of deferred expenses, deferred federal**  
5           **and state income taxes, depreciation, and return on**  
6           **invested capital.**

7   A.   These components were assigned zero lag days because  
8           they are non-cash items.

9   **Q.   How did you calculate the Plant Materials and Stores**  
10           **component of gas working capital?**

11   A.   We used the average balance for the twelve months  
12           ended November 30, 2024 as a proxy for the plant  
13           material balances for the twelve-month period ended  
14           September 30, 2025. The calculation is shown on  
15           Exhibit G-3, Schedule 4.

16   **Q.   How did you calculate the prepayments component of gas**  
17           **working capital?**

18   A.   We used the same method we used to calculate the plant  
19           material balances. The components of prepayments and  
20           the balances used for the calculations are shown on  
21           Exhibit G-3, Schedule 5.

22   **Q.   Please describe Exhibit G-3, Schedule 6.**

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1 A. Schedule 6 contains the forecast deferred rate case  
2 cost that is included in rate base. The Company  
3 estimates that it will incur \$250,000 of outside legal  
4 and consulting costs related to the electric and gas  
5 rate filings. \$37,500 of these costs was allocated to  
6 gas operations based on a net plant split. On  
7 Schedule 6, we calculated the after-tax amount for  
8 this item to be approximately \$27,100.

9 **Q. Please describe Exhibit G-3, Schedule 7.**

10 A. At September 30, 2024, the Company had a negative  
11 deferred credit balance of \$6,029 related to timing  
12 differences created by the Federal Tax Cuts and Jobs  
13 Act (TCJA) that will turn around in the future. The  
14 net of Tax balance for this item is forecast to be  
15 \$6,000 at September 30, 2025 and is reflected as a  
16 rate base addition in Exhibit G-3, Summary.

17 **Q. Please describe the calculation of customer deposits**  
18 **as shown on G-3 Schedule 8.**

19 A. We used the average balance for the twelve months  
20 ending November 30, 2024 as a proxy for the twelve-  
21 month period ending September 30, 2025.

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1 Q. Did you calculate the deferred income taxes for the  
2 twelve months ending September 30, 2025?

3 A. Yes. This calculation, shown on Exhibit G-3, Schedule  
4 9, presents the difference between the balances of  
5 accumulated deferred income taxes at September 30,  
6 2024 and September 30, 2025, respectively.

7

8

**EXHIBIT G-4 GAS COST OF SERVICE**

9 Q. Please describe Exhibit G-4.

10 A. Exhibit G-4 consists of a summary and ten schedules  
11 containing the historic and future gas cost of service.  
12 The Accounting Panel supports all schedules. Page 1 of  
13 the Summary shows the historic and forecast cost of  
14 service, page 2 of the Summary shows the calculation of  
15 the revenue requirement, and page 3 of the Summary lists  
16 all of the adjustments to the cost of service.

17 Q. How did you develop the historical and forecast cost of  
18 service?

19 A. We began with the actual per books information for the  
20 twelve months ended September 30, 2024. This  
21 information is shown in Column 1 of Exhibit G-4, Summary,  
22 Page 1 of 3. Column 3 sets forth the adjustments

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1           necessary to bring historical revenues, expenses, and  
2           rate base in line with the levels of revenues, expenses  
3           and rate base projected for the twelve months ending  
4           September 30, 2025.

5   **Q.   Please describe how the revenue requirement of \$905,900**  
6   **shown on page 2 of the Summary was calculated?**

7   A.   We began with the projected September 30, 2025 rate base  
8           from Exhibit G-3, Summary. To this balance we applied  
9           the overall rate of return shown on Exhibit G-2, Schedule  
10          3. This produced a return of \$917,330. We compared  
11          this number to the earned return projected on page 1,  
12          column 4 of the Summary, which was \$260,700. The  
13          difference between these two amounts is \$656,630, which  
14          we factored up for customer uncollectibles and income  
15          taxes to arrive at a revenue requirement of \$905,892 or  
16          \$905,900 rounded.

17   **Q.   Please describe Exhibit G-4, Schedule 1, Page 1 of 2.**

18   A.   Exhibit G-4, Schedule 1, Page 1 of 2 compares the  
19          forecast billed gas sales and revenues for the Twelve  
20          Months Ended September 30, 2025 to the actual gas  
21          sales and revenues for the Twelve Months Ended  
22          September 30, 2024. The calculation of the forecast

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1 delivery revenues and gas cost recoveries for the  
2 Twelve Months Ended June 30, 2025 come from Exhibit G-  
3 5, Schedule 6.

4 **Q. Please continue with page 2 of Schedule 1.**

5 A. Exhibit G-3 Schedule 1, page 2 of 2 shows Other  
6 Operating Revenues for the Twelve Months Ended  
7 September 30, 2024 and 2025. The forecast of Late  
8 Payment Charge ("LPC") revenues was calculated by  
9 taking the ratio of actual LPC revenues to total  
10 billed gas revenues for the twenty-four months ended  
11 September 30, 2024. This resulted in a LPC factor of  
12 0.17%, which was multiplied by the forecast of gas  
13 revenues shown on Page 2 of Schedule 1 to project LPC  
14 revenues of \$3,775.

15 **Q. Please describe Exhibit G-4, Schedule 2.**

16 A. Exhibit G-4, Schedule 2 reflects the change in  
17 purchased gas costs and matches projected gas cost  
18 recoveries through the GCR for the Twelve Months Ended  
19 September 30, 2025.

20 **Q. Please explain the increases in salaries shown in**  
21 **Exhibit G-4, Schedule 3.**

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1 A. Page 1 of Exhibit G-4, Schedule 3 contains the  
2 calculation of the annual wage increases. We took  
3 both direct and allocated payroll that was charged to  
4 Pike's gas operations and first removed the May 2024  
5 increase in order to determine base wages before the  
6 increase that went into effect during the twelve  
7 months Ended September 30, 2024. We then annualized  
8 the May 2024 wage increase by multiplying the base  
9 salaries before the increase by 58.33% of 4.0%,  
10 representing the seven months beyond the historic test  
11 year, representing the increase that will go into  
12 effect during October 2024 - April 2025. We next  
13 applied the estimated annual overall increase of 4.0%  
14 that will go into effect in October 2025 to the actual  
15 payroll for the Twelve Months Ended September 30, 2024  
16 plus the annualized increase. This Schedule will be  
17 updated for the actual overall wage increase  
18 percentage when the Company files an update.

19 **Q. What is the basis for the wage increase factor of 4.0**  
20 **percent?**

21 A. The Company's overall general wage increase guidelines  
22 were set at 4.0 percent. While some employees may

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1 receive more than a 4.0 percent increase due to  
2 promotions and changes in responsibilities, others may  
3 receive less. There is always a small level of  
4 employee turnover in the mix of salaries, due to  
5 retirements and employees leaving for other reasons.  
6 In some cases the salary for the replacement is at a  
7 lower wage rate and sometimes they are at a higher one  
8 than the current incumbent. The Company tries to keep  
9 the overall level of increases in wages to be no more  
10 than 4.0 percent.

11 **Q. Please continue.**

12 A. Page 2 of Exhibit G-4, Schedule 3 reflects the cost of  
13 two new positions to be added during the Twelve Months  
14 Ended September 30, 2025. Both positions would be  
15 full time Pike employees. The first position is for  
16 an Assistant General Manager, and this person to be  
17 hired will perform multi-functions; including project  
18 budgeting, materials management and procurement,  
19 analyzing actual results vs. budget on a monthly  
20 basis, oversee customer service, and will report to  
21 corporate management on a regular basis. 14.3 percent  
22 of the expense portion of the salary for this position

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1 (\$20,000) was allocated to Pike's gas operations based  
2 on the current gas vs. electric customer split.  
3 \$50,000 will be allocated to Pike Electric expense,  
4 and the remaining \$70,000 will be allocated to capital  
5 between electric and gas at the 85/15 split. The  
6 second position is an electric Systems Planner, which  
7 will be allocated 100% to Pike Electric.

8 **Q. Please continue with a description of Adjustment No.**  
9 **(4), Changes in Operation and Maintenance Expense to**  
10 **Reflect the Estimated Increase in Payroll Ancillary**  
11 **Costs and Adjustment No. (9), Changes in Taxes Other**  
12 **Than Income Taxes to Reflect Increases in Payroll**  
13 **Taxes, as shown on Exhibit G-4, Summary, as well as on**  
14 **Exhibit G-4, Schedule 4 and Schedule 9, Page 1,**  
15 **respectively.**

16 A. The estimated increase in payroll ancillary costs,  
17 which amounts to \$13,500, was calculated by applying a  
18 fringe benefit rate of 36.05% to the forecasted wage  
19 increase amounts, shown on Exhibit G-4, Schedule 4.  
20 The 36.05% fringe benefit rate includes the cost of  
21 health and life insurance at 22.02%, Workers'  
22 Compensation insurance at 11.49%, and Pike's 401K

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1 matching contribution of 2.54%. These rates were  
2 developed based on the historic cost of each benefit  
3 item in relation to the total historic labor costs for  
4 the twelve months ended September 30, 2024. The  
5 estimated Payroll Taxes of \$23,839 was calculated by  
6 applying the payroll tax rate of 7.65% to the  
7 forecasted wages shown on Exhibit G-4, Schedule 9,  
8 page 2 of 2. The \$23,839 represents an increase of  
9 \$3,106 from the historical level shown on Exhibit G-4,  
10 Schedule 9, page 1 of 2. The 7.65% payroll tax rate  
11 includes the cost of Federal Insurance Contribution  
12 Act Tax at 6.20% (capped at \$168,600 of annual salary  
13 per employee) and Medicare at 1.45%. These tax rates  
14 are based on the current statutory rates.

15 **Q. Please describe Adjustment No. (5), Changes in**  
16 **Operation and Maintenance Expense to reflect the**  
17 **amortization of estimated rate case expenses, as shown**  
18 **on Exhibit G-4, Schedule 5.**

19 A. Adjustment No. (5) Represents an increase in O&M  
20 expense of \$9,400 to reflect a four-year amortization  
21 of estimated incremental costs associated with this  
22 rate case. As shown on Schedule 5, Pike estimates

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1           that it will incur \$37,500 of costs in the preparation  
2           and filing of this case, which are primarily for  
3           consultant fees to prepare the exhibits and testimony  
4           in support of the revenue requirement, cost service  
5           study, rate design, and outside legal fees.

6   **Q.   Please describe Adjustment No. (6), for intercompany**  
7           **administrative and operating charges, as shown on**  
8           **Exhibit G-4, Summary, as well as on Exhibit G-4,**  
9           **Schedule 6.**

10   **A.**   This adjustment reflects the test year level of  
11           intercompany charges not reflected in other schedules  
12           of \$780,177, (e.g., payroll, taxes other, etc.). To  
13           this amount we applied the current Consumer Price  
14           Index of 1.0% to escalate these costs for the Twelve  
15           Months Ended September 30, 2025. This adjustment  
16           increases O&M expense by \$7,802 which was rounded to  
17           \$7,800.

18   **Q.   Please address Adjustment No. (7), as shown in G-4,**  
19           **Schedule 7.**

20   **A.**   Adjustment No. (7) adjusts the uncollectible expense  
21           recorded on the Company's books to reflect the actual  
22           net bad debt write-offs experienced during the twenty-

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1 four months ended September 30, 2024. We took the  
2 actual net write-offs (i.e., customer bills written  
3 off as uncollectible less recoveries), as a percentage  
4 of billed revenues during the same period of time.  
5 This produced a factor of 0.28 percent. This  
6 percentage was applied to the projected revenues for  
7 the twelve months ended September 30, 2025 to  
8 calculate the annual bad debt expense of \$6,322. This  
9 expense was compared to the uncollectible accruals  
10 recorded during the twelve months ended September 30,  
11 2024, which was a positive expense of \$14,475 to  
12 arrive at the adjustment of \$8,153 or \$8,200 rounded.

13 **Q. Please explain Adjustment (8) to depreciation expense.**

14 A. Exhibit G-4, Schedule 8 consists of four pages. The  
15 first page shows the calculation of depreciation  
16 expense for the rate year, the Twelve Months Ended  
17 September 30, 2025. Page 2 shows the calculation of  
18 the composite book depreciation rate for gas  
19 distribution and general plant that was utilized on  
20 page 1 of this Exhibit. Page 3 shows the calculation  
21 of the average amortization rate for common general  
22 plant that was reflected page 1 of this Exhibit.

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1 Finally, page 4 shows the current allowance for net  
2 salvage and the amortization of an unallocated reserve  
3 established in Case R-2020-3022134.

4 **Q. Please explain how the adjustment to depreciation**  
5 **expense shown on page 1 of Schedule 8 was calculated.**

6 A. We started with the gas distribution and common  
7 general plant balances allocated to gas at September  
8 30, 2024. To these balances we eliminated non-  
9 depreciable plant. We then reflected the plant  
10 additions and retirement as shown on Exhibit G-3,  
11 Schedule 1, pages 1 and 2 to calculate the plant  
12 balance subject to depreciation at September 30, 2025.  
13 The plant balances were then multiplied by the  
14 composite depreciation rates from pages 2 and 3 to  
15 calculate the rate year level of depreciation expense  
16 of \$333,062. This level was compared to the Test Year  
17 level of \$208,161 and resulted in the depreciation  
18 adjustment of \$124,902 which was rounded to \$124,900.

19 **Q. What is the purpose of the depreciation reserve**  
20 **calculations shown at the bottom of page 1 of Exhibit**  
21 **G-4, Schedule 8?**

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1 A. The calculated increases in the depreciation reserve  
2 are reflected in Rate Base Exhibit G-3, Schedule 2,  
3 pages 1 and 2.

4 **Q, Are the depreciation, amortization, net salvage rates**  
5 **shown on pages 2 through 4 the same as contained in**  
6 **the Settlement Agreement approved by the PAPUC in Case**  
7 **R-2020-3022134?**

8 A. Yes, with the exception of some general plant accounts  
9 that did not exist at the time of the Agreement.

10 **Q. With regards to the current allowance for removal and**  
11 **net salvage shown Exhibit G-4, Schedule 8 on page 4,**  
12 **why hasn't the Company proposed any changes to the**  
13 **current allowances?**

14 A. Pike has not proposed any changes to the current  
15 allowances for removal and net salvage because we do  
16 not have adequate historic data to recommend changes  
17 at this time. The current allowance of \$29,409 is  
18 shown on Exhibit G-4, Schedule 8, Page 4.

19 **Q. Please discuss the recovery of net salvage.**

20 A. In lieu of recovering net salvage costs through the  
21 annual depreciation rate, the PAPUC establishes an  
22 annual allowance to be collected from, or returned to,

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1 customers through base rates which is computed by  
2 averaging the Company's annual actual expenditures for  
3 net salvage costs. That amount is then added to or  
4 subtracted from annual depreciation expense.

5 **Q. Please explain the amortization of the reserve**  
6 **deficiency of \$900, shown on the bottom of Exhibit G-**  
7 **4, Schedule 8, Page 4.**

8 A. As a result of a previous gas base rate case (Docket  
9 No. R-2008-2046520), the Company moved the deficiency  
10 in the depreciation reserve out of the allocated  
11 portion of the reserve, which maintains a reserve for  
12 each plant account to an unallocated account. The  
13 Company is in the process of collecting that  
14 deficiency from customers.

15 **Q. Are you proposing any changes to the unallocated**  
16 **reserve and its associated amortization to collect**  
17 **that money from customers?**

18 A. No, we are not.

19 **Q. Please describe Adjustment No. (9), Changes in Taxes**  
20 **Other, as shown Exhibit G-4, Schedule 9, Page 1.**

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1 A. Adjustment No. (9), in addition to the change to  
2 payroll taxes discussed above, reflects the change in  
3 payroll and property taxes for the Twelve Months  
4 Ending September 30, 2025. Property tax expense was  
5 based on the latest actual tax bills.

6 **Q. Please describe Adjustment No. (10), Calculation of**  
7 **Income Tax Expense for the Twelve Months Ending**  
8 **September 30, 2025, as shown Exhibit G-4, Schedule 10.**

9 A. Adjustment No. (10) shows the necessary additions and  
10 subtractions that must be made to operating income  
11 before taxes in order to determine taxable income to  
12 which the statutory tax rates are applied.

13 **Q. Please explain page 3 of Schedule 10.**

14 A. Page 3 shows the calculation of the interest deduction  
15 included in page 1 of Schedule 10. The weighted cost  
16 of debt of 7.21 percent comes from Exhibit G-2,  
17 Schedule 3 after combining the weighted interest cost  
18 for both long and short term debt and is multiplied by  
19 Pike's rate base to determine the interest deduction  
20 reflected on pages 1 and 2 of this Exhibit.

21

22

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1

2

**EXHIBIT G-5 GAS SALES AND REVENUES**

3

**Q. What were Pike's actual total delivery volumes for the  
12 months ended September 30, 2024?**

4

5

A. Pike's actual total delivery volumes for the 12 Months  
Ended September 30, 2024 were 1,312,666 CCFs as shown  
on Exhibit G-5, Schedules 1 and 5. The associated  
actual monthly billed revenues for the 12 Months Ended  
September 30, 2024, are shown on Exhibit G-5, Schedule  
3.

6

7

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11

**Q. Please summarize, in aggregate form, your delivery  
volume forecasts for the 12 months ending September  
30, 2025.**

12

13

14

A. For the 12 months ending September 30, 2025, the total  
delivery volume forecast is 1,526,104 CCFs, which is  
an increase of 213,438 CCFs from the 12 months ended  
September 30, 2024 and reflects a 16.2 percent growth  
for the period. The calculation of the forecast sales  
is shown on Exhibit G-5, Schedule 5.

15

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**Q. How did you project the Company's gas billed delivery  
volumes?**

21

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1 A. As shown on Exhibit G-5, Schedule 5, we started with  
2 the actual delivery volumes for the Twelve months  
3 ended September 30, 2024. To this level we added  
4 154,703 CCFs in order to weather normalize the  
5 historic level of sales. To this level of sales we  
6 made an additional adjustment to reflect forecasted  
7 growth in residential and commercial customers of an  
8 additional 58,743 CCFs. The projected growth in  
9 residential and commercial customers was based on the  
10 actual growth between the Twelve Months Ended  
11 September 30, 2023 and September 30, 2024.

12 **Q. Please explain how you estimated Pike's gas revenues**  
13 **for the forecast period.**

14 A. The projected gas revenues are shown on Exhibit G-5,  
15 Schedule 6 and are based on our 2025 forecasted year.

16 **Q. Does that conclude your testimony?**

17 A. Yes, it does. We reserve the right to update or amend  
18 this testimony.

**Pike County Light and Power Company**  
**Index of Schedules**  
**Balance Sheet and Supporting Schedules, Income Statement,**  
**and Joint Operating Agreement Charges for the Test Year**

**Exhibit G-1**

<u>Schedule</u>	<u>Title of Schedule</u>	<u>Witness</u>
(1)	Balance Sheet as of September 30, 2024 and September 30, 2023	C. Lenns & M. Lenns
(2)	Detail of Electric, Gas and Common Plant in Service and associated Depreciation Reserves as of September 30, 2024	C. Lenns & M. Lenns
(3)	Pike Income Statement for the Test Year, for the Twelve Month Period Ending September 30, 2024	C. Lenns & M. Lenns
(4)	Income Statement - Gas, for the Twelve Month Period Ending September 30, 2024 and September 30, 2023	C. Lenns & M. Lenns
(5)	Intercompany Charges for the Test Year, for the Twelve Month Period Ending September 30, 2024	C. Lenns & M. Lenns
(6)	Current Intercompany Common Expense Allocation Factors in effect from October 1, 2023 through September 30, 2024	C. Lenns & M. Lenns
(7)	Intercompany Accounts Payable to Corning Natural Gas Corporation the Twelve Month Period Ending September 30, 2024	C. Lenns & M. Lenns

**Pike County Light and Power Company**  
**Balance Sheet**  
**As of September 30, 2024 and 2023**

**Exhibit G-1**  
**Schedule 1**  
**Page 1 of 2**

	<b>September 30 2024</b>	<b>September 30 2023</b>
<b><u>ASSETS AND OTHER DEBITS</u></b>		
<b><u>Utility Plant</u></b>		
Electric Plant in Service	\$ 34,737,197	\$ 26,195,778
Gas Plant in Service	7,193,512	6,182,000
Common Plant in Service	1,463,869	1,700,322
Construction Work in Progress	3,020,281	5,777,071
Total Utility Plant	46,414,860	39,855,171
<b><u>Accumulated Provision for Depreciation</u></b>		
Electric	4,247,701	3,402,324
Gas	569,683	418,338
Common	1,328,583	1,038,894
Total Accumulated Provision for Depreciation	6,145,966	4,859,557
Net Utility Plant	40,268,894	34,995,614
<b><u>Other Property and Investments</u></b>		
Nonutility Property	-	-
Accumulated Provision for Depreciation	-	-
Net Other Plant	-	-
<b><u>Current and Accrued Assets</u></b>		
Cash	820,047	395,466
Customer Accounts Receivable	1,727,192	1,568,338
Other Accounts Receivable	(24,235)	(76,788)
Accumulated Provision for Uncollectible Accounts	(43,714)	12,510
Accounts Receivable from Associated Companies	154,076	82,021
Materials and Supplies	1,893,323	2,934,718
Prepayments	(96,386)	(680,976)
Total Current and Accrued Assets	4,430,302	4,235,288
<b><u>Deferred Debits</u></b>		
Unamortized Debt Expense	632,375	78,178
Other Regulatory Assets	1,571,972	902,248
Clearing Accounts	-	-
Miscellaneous Deferred Debits	369,174	206,347
Regulatory Asset State Provision	970,799	779,751
Total Deferred Debits	3,544,320	1,966,524
Total Assets and Other Debits	\$ 48,243,515	\$ 41,197,426

**Pike County Light and Power Company**  
**Balance Sheet**  
**As of September 30, 2024 and 2023**

**Exhibit G-1**  
**Schedule 1**  
**Page 2 of 2**

	<b>September 30 2024</b>	<b>September 30 2023</b>
<u><b>LIABILITIES AND OTHER CREDITS</b></u>		
<u>Proprietary Capital</u>		
Common Stock Issued	\$ -	\$ -
Miscellaneous Paid-In Capital	12,450,000	9,950,000
Retained Earnings	7,303,955	6,556,769
Total Proprietary Capital	19,753,955	16,506,769
<u>Long Term Debt</u>		
Bonds - Long-Term	17,487,035	15,285,319
Total Capitalization	37,240,990	31,792,088
<u>Noncurrent Liabilities</u>		
Long Term Obligations	-	-
Total Noncurrent Liabilities	-	-
<u>Current and Accrued Liabilities</u>		
Notes Payable	1,869,665	2,617,121
Accounts Payable	1,857,957	1,688,121
Accounts Payable to Associated Companies	3,403,766	1,328,167
Tax Collections Payable	(297,427)	(288,355)
Customer Deposits	395,955	365,261
Taxes Accrued - Federal	(41,107)	223,527
- Other	1,541	126,767
Interest Accrued	17,403	9,966
Other Current Liabilities	(23,469)	(28,251)
Total Current and Accrued Liabilities	7,184,284	6,042,324
<u>Deferred Credits</u>		
Other Deferred Credits	164,448	173,565
Other Regulatory Liabilities	3,616	(3,467)
Accumulated Deferred Income Taxes - Other Property	1,671,885	1,766,758
Accumulated Deferred Income Taxes - Other	1,978,292	1,426,159
Total Deferred Credits	3,818,241	3,363,015
Total Liabilities and Equity	\$ 48,243,515	\$ 41,197,426

**Pike County Light and Power Company**  
**Net Book Value of Electric, Gas and Common Plant-in-Service**  
As of September 30, 2024

**Exhibit G-1**  
**Schedule 2**

	<b>Electric Plant-in-Service</b>	<b>Accumulated Provision for Depreciation &amp; Amortization</b>	<b>Net Book Value</b>
<u>Intangible Plant</u>			
Franchise and Consents	\$ -	\$ -	\$ -
Total Intangible Plant	<u>-</u>	<u>-</u>	<u>-</u>
<u>Distribution Plant</u>			
Land and Land Rights	1,090,953	-	1,090,953
Structures and Improvements	(2,832)	10	(2,842)
Station Equipment	1,272,591	246,881	1,025,710
Poles, Towers, and Fixtures	13,037,686	1,293,534	11,744,152
Overhead Conductors and Devices	7,090,175	869,846	6,220,329
Underground Conduit	299,714	17,913	281,801
Underground Conductors and Devices	656,996	82,797	574,199
Line Transformers	4,619,252	499,340	4,119,912
Services	2,444,132	295,671	2,148,461
Meters	956,931	261,696	695,234
Street Lighting & Signal Systems	735,150	57,174	677,976
Total Distribution Plant	<u>32,200,747</u>	<u>3,624,862</u>	<u>28,575,885</u>
<u>General Plant</u>			
Structures and Improvements	2,339,399	387,796	1,951,603
Small Tools	365,052	235,043	130,010
Total General Plant	<u>2,704,451</u>	<u>622,839</u>	<u>2,081,612</u>
Electric Excess Reserve	(168,000)	-	(168,000)
Total Electric Plant-in-Service	<u>\$ 34,737,197</u>	<u>\$ 4,247,701</u>	<u>\$ 30,489,497</u>
<u>Gas</u>			
	<b>Gas Plant-in-Service</b>	<b>Accumulated Provision for Depreciation &amp; Amortization</b>	<b>Net Book Value</b>
<u>Distribution Plant</u>			
Land and Land Rights	\$ 744	\$ -	\$ 744
Mains	4,353,729	249,602	4,104,127
Meas. And Reg. Equip. - General	131,501	30,369	101,132
Services	1,693,812	119,902	1,573,910
Meters	62,823	13,215	49,607
Meter Installations	536,759	52,697	484,062
House Regulator Installations	9,539	1,662	7,877
Industrial Measuring and Regulating Equipment	36,151	7,482	28,669
Total Gas Plant	<u>6,825,059</u>	<u>474,930</u>	<u>6,350,129</u>
<u>General Plant</u>			
Small Tools	346,404	94,753	251,650
Total General Plant	<u>346,404</u>	<u>94,753</u>	<u>251,650</u>
Gas Excess Reserve	22,050	-	22,050
Total Gas Plant-in-Service	<u>\$ 7,193,512</u>	<u>\$ 569,683</u>	<u>\$ 6,623,829</u>
<u>Common</u>			
	<b>Common Plant-in-Service</b>	<b>Accumulated Provision for Depreciation &amp; Amortization</b>	<b>Net Book Value</b>
<u>Intangible Plant</u>			
Franchise Trade Name	\$ 311,000	\$ 167,595	\$ 143,405
Total Intangible Plant	<u>311,000</u>	<u>167,595</u>	<u>143,405</u>
<u>General Equipment</u>			
Office Furniture & Equipment	399,087	802,426	(403,339)
Transportation Equipment	596,946	252,900	344,046
Communication Equipment	143,360	139,877	3,483
Misc Equipment	13,477	40,093	(26,616)
Total Common Plant	<u>1,152,869</u>	<u>1,235,296</u>	<u>(82,427)</u>
Retirement Work in Progress		(74,308)	74,308
Total Common Plant-in-Service	<u>\$ 1,463,869</u>	<u>\$ 1,328,583</u>	<u>\$ 135,287</u>

**Pike County Light and Power Company**  
**Statement of Income**  
**Twelve Months Ending September 30, 2024**

**Exhibit G-1**  
**Schedule 3**

	<u>Company</u> <u>Total</u>	<u>Electric</u> <u>Department</u>	<u>Gas</u> <u>Department</u>
<u>Operating Revenues:</u>			
Residential Sales	\$ 7,779,063	\$ 6,139,418	\$ 1,639,644
Commercial & Industrial Sales	7,541,477	7,039,827	501,650
Public Lighting Sales	211,526	211,526	-
Total Sales and Delivery of Electricity	<u>15,532,066</u>	<u>13,390,772</u>	<u>2,141,294</u>
<u>Other Operating Revenues</u>			
Miscellaneous Service Revenues (Late Payment Charges)	34,486	28,184	6,301
Rent from Electric Property	(57,902)	(57,902)	-
Other Revenues	525	2,976	(2,451)
Total Other Operating Revenues	<u>(22,892)</u>	<u>(26,742)</u>	<u>3,850</u>
Total Operating Revenues	<u>15,509,174</u>	<u>13,364,029</u>	<u>2,145,145</u>
<u>Operating Expenses:</u>			
Purchased Electric Power Costs	5,187,864	5,187,864	-
Purchased Gas Costs	1,145,888	-	1,145,888
Other Power Supply Expenses	734,868	734,868	-
Distribution Expenses	1,005,781	773,828	231,953
Customer Accounts Expenses	366,204	311,292	54,912
Customer Service Expenses	35,988	30,590	5,398
Administrative And General Expenses	2,490,930	2,148,999	341,931
Depreciation Expense	1,305,110	1,096,950	208,161
Taxes, Other than Income Tax	584,857	560,165	24,691
State Income Taxes	(75,226)	(1,319)	(73,907)
Federal Income Taxes	372,786	358,680	14,106
Total Operating Expenses	<u>13,155,050</u>	<u>11,201,917</u>	<u>1,953,133</u>
Income from Utility Operations	<u>2,354,124</u>	<u>2,162,112</u>	<u>192,012</u>
<u>Taxes - Other Income Deductions:</u>			
Donations	2,559	2,175	384
Other Income Deductions	(105,910)	(90,023)	(15,886)
Total Taxes - Other Income Deductions	<u>(103,351)</u>	<u>(87,848)</u>	<u>(15,503)</u>
<u>Interest Charges:</u>			
Interest on Long Term Debt	1,106,664	940,571	166,093
Amortization of Debt Discount & Expense	16,052	13,644	2,408
Other Interest Expense	42,393	28,006	14,387
Total Interest Charges	<u>1,165,108</u>	<u>982,221</u>	<u>182,888</u>
Net Income	<u>\$ 1,292,367</u>	<u>\$ 1,267,740</u>	<u>\$ 24,627</u>

**Pike County Light and Power Company**  
**Statement of Income - Gas**  
**Twelve Months Ending September 30, 2024 and 2023**

**Exhibit G-1**  
**Schedule 4**

	<u>September 30</u> <u>2024</u>	<u>September 30</u> <u>2023</u>
<b><u>Operating Revenues:</u></b>		
Residential Sales	\$ 1,639,644	\$ 1,874,980
Commercial & Industrial Sales	501,650	569,039
Other Gas Revenue	<u>3,850</u>	<u>36,758</u>
Total Sales and Delivery of Electricity	<u>2,145,145</u>	<u>2,480,776</u>
 <b><u>Operating Expenses:</u></b>		
Purchased Gas Costs	1,145,888	1,512,182
Distribution Expenses	231,953	224,088
Customer Accounts Expenses	54,912	56,931
Customer Service Expenses	5,398	5,585
Administrative And General Expenses	341,931	332,220
Depreciation Expense	208,161	129,971
Taxes, Other than Income Tax	24,691	17,591
State Income Taxes	(73,907)	7,669
Federal Income Taxes	<u>14,106</u>	<u>20,456</u>
Total Operating Expense	<u>1,953,133</u>	<u>2,306,694</u>
Total Income from Electric Utility Operations	<u>192,012</u>	<u>174,082</u>
 <b><u>Taxes - Other Deductions:</u></b>		
Donations	384	574
Other Income Deductions	<u>(15,886)</u>	<u>(3,301)</u>
Total Taxes - Other Income Deductions	<u>(15,503)</u>	<u>(2,727)</u>
 <b><u>Interest Charges:</u></b>		
Interest on Long Term Debt	166,093	136,079
Amortization of Debt Discount & Expense	2,408	1,860
Other Interest Expense	<u>14,387</u>	<u>11,181</u>
Total Interest Charges	<u>182,888</u>	<u>149,120</u>
Net Income - Gas Operations	<u>\$ 24,627</u>	<u>\$ 27,690</u>

**Pike County Light and Power Company**  
**Statement of Direct and Allocated Charges From Corning Natural Gas Corporation**  
**Twelve Months Ending September 30, 2024**

**Exhibit G-1**  
**Schedule 5**  
**Page 1 of 2**

<b>Operation and Maintenance Expenses</b>	<b>Direct Charges</b>	<b>Allocated Charges</b>	<b>Total Charges</b>
<u>Purchased Gas Expense</u>			
803 Deferred Gas Supply Expense	\$ 201,513		\$ 201,513
804 Gas Supply Expense-Purchases	944,375		944,375
813 Gas Supply-Utility Agreement	-	-	-
Total Purchased Gas Expenses	\$ 1,145,888	\$ -	\$ 1,145,888
<u>Distribution Expenses - Operation</u>			
870 Operation Supervision and Engineering	\$ 5,755	\$ -	\$ 5,755
874 Mains and Services Expenses	-	-	-
Total Operation	5,755	-	5,755
<u>Distribution Expenses - Maintenance</u>			
885 Maintenance Supervision and Engineering	-	-	-
887 Maintenance of Mains	5,277	-	5,277
889 Maint. of Measuring and Regulating Station Equip. - General	-	-	-
890 Maint. of Measuring & Regulator Station Equip. - Industrial	-	-	-
892 Maintenance of Services	165,848	55,073	220,921
893 Maintenance of Meters and Home Regulators	-	-	-
Total Maintenance	171,125	55,073	226,198
Total Distribution Expenses	176,880	55,073	231,953
<u>Customer Accounts Expenses - Operation</u>			
902 Meter Reading Expense	2,982	-	2,982
903 Customer Records and Collection Expenses	36,158	-	36,158
904 Uncollectible Accounts	14,475	-	14,475
Total Customer Accounts Expenses	53,614	-	53,614
<u>Customer Service &amp; Information Expenses - Operation</u>			
908 Customer Service & Informational Expenses (Non-Major)	-	-	-
909 Supervision	-	-	-
910 Customer Assistance Expense	-	-	-
911 Informational and Instructional Expense	5	1,293	1,298
912 Miscellaneous Customer Service Expense	-	-	-
913 Rents	-	-	-
Total Customer Service & Informational Expenses	\$ 5	\$ 1,293	\$ 1,298
<u>Sales Promotion Expense - Operation</u>			
917 Promotional Advertising	5,398	\$ -	5,398
Total Sales Promotion Expense	5,398	-	5,398
<u>Administrative and General Expenses - Operation</u>			
920 Administrative and General Salaries	42,273	105,193	147,467
921 Office Supplies and Expenses	5,515	44,412	50,927
922 Administrative Expenses Transferred - Credit	(46,694)	-	(46,694)

923	Outside Services Employed	31,074	33,997	65,071
924	Property Insurance	(38,685)	39,021	336
925	Injuries and Damages	23,970	-	23,970
926	Employee Pensions and Benefits	41,140	24,735	65,875
926.1	Health and Group Life Expenses	-	-	-
926.2	Pension Expenses	-	-	-
926.3	Other Post Retirement Benefit Expenses	-	-	-
928	Regulatory Commission Expenses	20,677	-	20,677
929	Duplicate Charges - Credit	-	-	-
930.1	General Advertising Expenses	-	-	-
930.2	Miscellaneous General Expenses	3,268	-	3,268
930.6	Miscellaneous General Expenses - Vehicles	1,778	3,322	5,100
931.1	General Rents	-	-	-
931	Expenses of Data Processing Equipment	-	-	-
Total Operation		84,316	251,679	335,995
<u>Administrative and General Expenses - Maintenance</u>				
932	Maintenance of General Plant	5,936	-	5,936
Total Maintenance		5,936	-	5,936
Total Administrative and General Expense		90,252	251,679	341,931
Total Operations and Maintenance		\$ 1,472,036	\$ 308,045	\$ 1,780,082

**Pike County Light and Power Company**  
**Statement of Direct and Allocated Charges From Corning Natural Gas Corporation**  
**Twelve Months Ending September 30, 2024**

**Exhibit G-1**  
**Schedule 5**  
**Page 2 of 2**

<u>Other Charges for Operations</u>		<u>Direct Charges</u>	<u>Allocated Charges</u>	<u>Total Charges</u>
<u>Other Income and Expense Accounts</u>				
408	Taxes Other Than Income Taxes	\$ 23,987	\$ 705	\$ 24,691
425	Miscellaneous Amortizations	3,110	-	3,110
426.1	Donations	118	265	384
426.5	Other Income Deductions	-	-	-
430	Other Interest Charges	-	-	-
<u>Balance Sheet Accounts</u>				
101	Gas Plant In Service	1,011,512	-	1,011,512
108	Accumulated Provision for Depreciation	151,345	-	151,345
131	Cash & TCI's	424,581	-	424,581
142	Customer Accounts Receivable	158,854	-	158,854
150	Materials and Supplies	(1,041,396)	-	(1,041,396)
165	Prepayments	584,590	-	584,590
190	Accumulated Deferred Income Tax	191,048	-	191,048
232	Accounts Payable	169,837	-	169,837
253	Other Deferred Credits	(2,034)	-	(2,034)
283	Accumulated Deferred Income Tax	457,260	-	457,260
Total Other Charges for Operations		2,132,812	970	2,133,782
Total Charges for Operations & Maintenance		\$ 3,604,849	\$ 309,016	\$ 3,913,864

**Pike County Light and Power Company**  
Common Expense Allocation

**Exhibit E-1**  
**Schedule 6**

**Allocation**

**Factor**

**Applicable Services**

<b>A</b>	<b>Accounts Payable Factors</b>		<b>Accounts Payable Processing</b>
	CNG	91.50%	
	Pike Electric	6.14%	
	Pike Gas	1.25%	
	Leatherstocking Gas	1.11%	
<b>B</b>	<b>General Plant Factor</b>		
	CNG	97.20%	
	Pike Electric	1.73%	
	Pike Gas	0.35%	
	Leatherstocking Gas	0.72%	

**CNG Personnel Providing Service to Various Companies (based on time Spent)**

Payroll allocation for the period March 2024 to February 2025									
Employee	Position	Corning Natural		Pike Electric		Pike Gas		LGC	
		%	Account	%	Account	%	Account	%	Account
Karen Smith	Regulatory Accountant A	100.00%	920000	0.00%	140430	0.00%	140430	0.00%	140340
Ed Buck	Regulatory Accountant B	99.00%	920000	0.83%	140430	0.18%	140430	0.00%	140340
Paul DiValentino	Data Reporting Analyst	68.77%	920000	20.62%	140430	4.34%	140430	6.27%	140340
Derek Echevarria	Regulatory Accountant C	0.00%	920000	61.04%	140430	22.71%	140430	16.25%	140340
Michele Peterson	Fixed Asset/Accounts Payable Analyst.	66.53%	920000	22.85%	140430	4.53%	140430	6.09%	140340
Erin Hysell	Inventory/Fixed Asset Clerk (Angela Constant)	66.53%	920000	22.85%	140430	4.53%	140430	6.09%	140340
Jessica Ector	Accounts Payable & Regulatory Assistant	68.92%	920000	21.85%	140430	3.86%	140430	5.37%	140340
Welch, Sheila	H.R. Manager	80.83%	920000	12.58%	140430	2.81%	140430	3.77%	140340
Kemp, Stephanie	Human Resources Specialist	81.98%	920000	8.86%	140430	4.52%	140430	4.64%	140340
Faulk, Charlene	VP of Customer Service and IT	45.39%	903000	18.50%	140430	3.90%	140430	2.21%	140340
Faulk, Charlene	VP of Customer Service and IT	20.63%	920000	6.19%	140430	1.30%	140430	1.88%	140340
Morich, Heather	Billing Manager	79.23%	903000	15.69%	140430	2.77%	140430	2.31%	140340
Shannon Rodriguez	Billing C lerk	79.23%	903000	15.69%	140430	2.77%	140430	2.31%	140340
DelGrosso, Samara	Customer Service Manager	100.00%	903000	0.00%	140430	0.00%	140430	0.00%	140340
Mike Carpenter	I.T. Director	68.77%	920000	20.62%	140430	4.34%	140430	6.27%	140340
Winters, Andrew	SCADA Tech	60.80%	184090	29.38%	140430	7.50%	140430	2.32%	140340
German, Michael	CEO	68.77%	920000	20.62%	140430	4.34%	140430	6.27%	140340
Spear, Jeff	VP and COO	60.80%	184090	29.38%	140430	7.50%	140430	2.32%	140340
Fink, Kevin	VP of Engineering Operations	100.00%	184090						
Lewis, Julie	VP of Energy Supply and Corporate Secretary	37.82%	920000	11.34%	140430	2.39%	140430	3.45%	140340
Lewis, Julie	VP of Energy Supply and Corporate Secretary	45.00%	813000						
Mancini, Katrina	Customer Affairs Manager	0.00%	912000	17.00%	140430	3.00%	140430	0.00%	140340
Mancini, Katrina	Customer Affairs Manager	16.00%	920000	56.00%	140430	0.00%	140430	8.00%	140340
Stephens, Abram	Energy Supply Specialist	50.00%	813000	50.00%	140430	0.00%	140430	0.00%	140340
Stillman, Justin	Energy Supply Specialist	50.00%	813000	50.00%	140430	0.00%	140430	0.00%	140340
Marie Husted	Director of Energy Services	90.00%	813000	0.00%	140430	0.00%	140430	0.00%	140340
Marie Husted	Director of Energy Services	0.00%	920000	6.38%	140430	1.13%	140430	2.50%	140340

**Pike Personnel Providing Service to Various Companies (based on time Spent)**

Payroll allocation for the period March 2024 to February 2025									
Employee	Position	Corning Natural		Pike Electric		Pike Gas		LGC	
		%	Account	%	Account	%	Account	%	Account
Lenns, Chuck	VP Finance (Chuck Lenns)	70.23%	920000	19.82%	140430	4.06%	140430	5.89%	140340

**Pike County Light and Power Company**  
**Intercompany Accounts - Receivable / Payable to Corning Natural Gas Corporation**  
**Accounts 146 / 234**  
**As of September 30, 2024**

**Exhibit G-1**  
**Schedule 7**

Net Payable to Corning Natural Gas Corporation at September 30, 2023	\$ 1,314,631
Common Expense Allocation	1,358,816
Administrative Payroll Allocation	701,288
Federal Income Taxes	(342,052)
Other movements	116,168
Payments Made During Year	<u>88,958</u>
Net Payable to Corning Natural Gas Corporation at September 30, 2024	<u><u>\$ 3,237,810</u></u>

Pike County Light And Power Company  
Index of Schedules  
Capitalization and Rate of Return

Exhibit G-2

<u>Schedule</u>	<u>Title of Schedule</u>	<u>Witness</u>
(1)	Capitalization of Pike County Light And Power Company	C. Lenns & M. Lenns
(2)	Long Term Debt Schedule Pike County Light & Power Company	C. Lenns & M. Lenns
(3)	Cost of Money for Pike County Light and Power Company	C. Lenns & M. Lenns

Pike County Light And Power Company  
Capitalization

	As of September 30, 2024 (Actual)		As of September 30, 2025 (Forecast)	
	Amount	Percent	Amount	Percent
<u>Long Term Debt:</u>	\$ 17,584,425	44.69%	\$ 17,584,425	40.72%
<u>Average Short Term Debt (a)</u>	2,006,792	5.10%	3,733,122	8.64%
<u>Proprietary Capital</u>				
Common Stock	-		-	
Paid In Capital	12,450,000		12,450,000	
Retained Earnings	7,303,955		9,415,776	
Total Proprietary Capital:	<u>19,753,955</u>	<u>50.21%</u>	<u>21,865,776</u>	<u>50.63%</u>
 Total Capitalization	 <u>\$ 39,345,172</u>	 <u>100.00%</u>	 <u>\$ 43,183,323</u>	 <u>100.00%</u>

(a) Represents the daily average balance (October 1, 2023 - September 30, 2024). The balance at September 30, 2024 was \$1,852,208.

**Pike County Light And Power Company**

Long Term Debt  
At September 30, 2024 (Actual)

Pike County Light & Power Company	Company Accounts	Issue Date	Maturity Date	Original Issue Amount	Amount Outstanding	Unamortized Expense of Issue	Net Proceeds	x	Cost of Debt %	=	Effective Annual Cost (a)
<b>CEC - Intercompany Loan</b>											
Loan 1 - 6.31% (two tranche blended rate)	224900	9/12/24	9/12/34	\$ 17,584,425	\$ 17,584,425	\$ 535,219	\$ 17,049,205		6.82%		\$1,163,602
<b>Total</b>				<b><u>\$ 17,584,425</u></b>	<b><u>\$ 17,584,425</u></b>	<b><u>\$ 535,219</u></b>	<b><u>\$ 17,049,205</u></b>		<b><u>6.82%</u></b>		<b><u>\$1,163,602</u></b>

(a) The effective annual cost of debt represents the annualized interest expense (September 30th debt balance x coupon interest rate) plus the annual amortization of debt issuance costs  
Note: The long-term debt of Corning Energy Corporation was refinanced on September 12, 2024, replacing external debt held by M&T Bank and Wayne Bank with new private placement long-term notes with private investors (Prudential Insurance & BlackRock Capital). The loans are interest only payable loans, with interest payments occurring every six months. The principal was split into two tranches, with the first tranche payable after 10 years, and the second tranches payable after 12 years. The amount of debt on Pike's books is the new amount of long-term debt is the new intercompany loan from Corning Energy Corporation (parent) down to Pike County Light and Power Company.

**Pike County Light And Power Company**

Long Term Debt  
At September 30, 2025 (Forecast)

Pike County Light & Power Company	Company Accounts	Issue Date	Maturity Date	Original Issue Amount	Amount Outstanding	Unamortized Expense of Issue	Net Proceeds	x	Cost of Debt %	=	Effective Annual Cost (a)
<b>CEC - Intercompany Loan</b>											
Loan 1 - 6.31% (two tranche blended rate)	224900	9/12/24	9/12/34	\$ 17,584,425	\$ 17,584,425	\$ 481,697	\$ 17,102,727		6.80%		\$ 1,163,602
<b>Total</b>				<b><u>\$ 17,584,425</u></b>	<b><u>\$ 17,584,425</u></b>	<b><u>\$ 481,697</u></b>	<b><u>\$ 17,102,727</u></b>		<b><u>6.80%</u></b>		<b><u>\$ 1,163,602</u></b>

(a) The effective annual cost of debt represents the annualized interest expense (September 30th debt balance x coupon interest rate) plus the annual amortization of debt issuance costs  
Note: The long-term debt of Corning Energy Corporation was refinanced on September 12, 2024, replacing external debt held by M&T Bank and Wayne Bank with new private placement long-term notes with private investors (Prudential Insurance & BlackRock Capital). The loans are interest only payable loans, with interest payments occurring every six months. The principal was split into two tranches, with the first tranche payable after 10 years, and the second tranches payable after 12 years. The amount of debt on Pike's books is the new amount of long-term debt is the new intercompany loan from Corning Energy Corporation (parent) down to Pike County Light and Power Company.

Pike County Light And Power Company  
Consolidated Cost of Money

Forecast at September 30, 2025

	<u>Percent of Capital</u>	<u>Cost of Component</u>	<u>Weighted Cost</u>	<u>Pre-Tax Weighted Cost</u>
Long Term Debt	40.72%	6.80%	2.77%	2.77%
Short Term Debt	8.64%	7.58% (a)	0.66%	0.66%
Common Stock Equity	50.63%	10.20%	5.16%	7.15%
Total Capitalization	<u>100.00%</u>		<u>8.59%</u>	<u>10.58%</u>

(a) Based on short-term line of Credit Rate currently in effect

Pike County Light And Power Company  
Index of Schedules  
Gas Rate Base

Exhibit G-3

<u>Schedule</u>	<u>Title of Schedule</u>	<u>Witness</u>
Summary	Gas Rate Base	C. Lenns & M. Lenns
(1)	Plant - Additions & Retirements	C. Lenns & M. Lenns
(2)	Depreciation Reserve	C. Lenns & M. Lenns
(3)	Gas Working Capital Requirements	C. Lenns & M. Lenns
(4)	Change in Material and Supplies	C. Lenns & M. Lenns
(5)	Change in Working Capital Prepayments	C. Lenns & M. Lenns
(6)	Changes to Rate Base for Deferred Debits	C. Lenns & M. Lenns
(7)	Changes to Rate Base for Deferred Debits	C. Lenns & M. Lenns
(8)	Changes in Customer Deposits	C. Lenns & M. Lenns
(9)	Changes in Deferred Income Taxes	C. Lenns & M. Lenns
(10)	Gas Capital Expenditures	E. Verbraak
(11)	Gas Plant Additions	E. Verbraak

Pike County Light And Power Company  
Gas Rate Base  
At September 30, 2024 And 2025

Exhibit G-3  
Summary  
Page 1 of 2

Description	Actual	Difference Between		Future Year at 9/30/2025 (d)=(a)+(c)	Schedule No.
	Per Books at 9/30/2024 (a)	Reference (b)	Amount (c)		
<u>Utility Plant:</u>					
Gas Plant in Service	\$ 7,193,500	(1a)	\$ 4,020,642	\$ 11,214,142	1
Common Plant in Service (Allocated)	172,900	(1b)	68,100	241,000	1
Interco plant allocated from Corning Gas (Net)	-	(1c)	41,600	41,600	1
CWIP not taking interest	453,000	(1d)	(453,000)	-	1
Total Utility Plant	<u>7,819,400</u>		<u>3,677,342</u>	<u>11,496,742</u>	
<u>Utility Plant Reserves:</u>					
Accumulated Provision For Depreciation of Gas Plant in Service	569,700	(2a)	185,400	755,100	2
of Common Plant in Service (Allocated)	199,300	(2b)	(900)	198,400	2
Total Utility Plant Reserves	<u>769,000</u>		<u>184,500</u>	<u>953,500</u>	
Net Plant	<u>7,050,400</u>		<u>3,492,842</u>	<u>10,543,242</u>	
<u>Additions to Net Plant</u>					
Working Capital Requirements:					
Cash Working Capital	(24,600)	(3)	143,400	118,800	3
Materials and Supplies	271,000	(4)	5,800	276,800	4
Prepayments	5,400	(5)	100	5,500	5
Deferred Debits (Net of Tax)	16,500	(6)	18,200	34,700	6
Total Additions	<u>268,300</u>		<u>167,500</u>	<u>435,800</u>	
<u>Deductions to Net Plant:</u>					
Deferred Credits (Net of Tax)	1,600	(7)	(6,000)	(4,400)	7
Customer Deposits	58,700	(8)	600	59,300	8
Accumulated Deferred Income Taxes	255,100	(9)	(10,000)	245,100	9
Total Deductions	<u>315,400</u>		<u>(15,400)</u>	<u>300,000</u>	
Gas Rate Base	<u>\$ 7,003,300</u>		<u>\$ 3,675,742</u>	<u>\$ 10,679,042</u>	

Pike County Light And Power Company  
Changes in Gas Rate Base  
For the 12 Months Ended September 30, 2025

Exhibit G-3  
Summary  
Page 2 of 2

Adjustment Number	Description	Amount
(1a)	Changes in Plant in Service - Additions & Retirements	\$ 4,020,642
(1b)	Changes to Common Plant	68,100
(1c)	Changes to Intercompany Plant allocated to Pike Gas	41,600
(1d)	Changes to Construction Work in Progress	(453,000)
(2a)	Changes to Gas Depreciation Reserve - Existing Depreciation Rates	185,400
(2b)	Changes to Common Plant - Depreciation	(900)
(3)	Changes in Working Capital Requirements (O&M)	143,400
(4)	Change in Material and Supplies	5,800
(5)	Change in Working Capital Prepayments	100
(6)	Changes to Rate Base for Deferred Debits	18,200
(7)	Changes to Rate Base for Deferred Credits	(6,000)
(8)	Changes in Customer Deposits	600
(9)	Changes in Deferred Income Taxes	(10,000)

Pike County Light And Power Company  
Statement in Support of Change No. (1a)  
To Gas Plant in Service  
For the Twelve Months Ended September 30, 2025

Exhibit G-3  
Schedule 1  
Page 1 of 4

<u>Gas Plant in Service</u>	<u>Amount</u>
<b>Balance at September 30, 2024</b>	<b>\$ 7,193,500</b>
<b>Additions - Completed CWIP at September 30, 2024 Change (1d) *</b>	<b>\$ 453,042</b>
Additions - October 1, 2024 thru September 30, 2025	2,500,000
Additions - October 1, 2025 thru March 31, 2026	<u>1,250,000</u>
Total Additions	4,203,042
Retirements - October 1, 2024 thru September 30, 2025	(121,600)
Retirements - October 1, 2025 thru March 31, 2026	<u>(60,800)</u>
Total Retirements	<u>(182,400)</u>
<b>Net Additions (Change No. 1b)</b>	<b><u>4,020,642</u></b>
Ending Balance at September 30, 2025	<b><u><u>\$ 11,214,142</u></u></b>

\* See G-3, Schedule 1, Page 4 of 4

Pike County Light And Power Company  
Statement in Support of Change No. (1b)  
To Gas Plant in Service  
For the Twelve Months Ended September 30, 2025

Exhibit G-3  
Schedule 1  
Page 2 of 4

<u>Common Plant in Service</u>	<u>Total Amount</u>	<u>Gas Allocation (Rounded) 15%</u>
<b>Balance at September 30, 2024</b>	\$ 1,152,869	<b>\$ 172,900</b>
<b>Additions - Completed CWIP at September 30, 2024 Change (1d) *</b>	<b>\$ -</b>	
Additions - October 1, 2024 thru September 30, 2025	600,000	90,000
Additions - October 1, 2025 thru March 31, 2026	<u>200,000</u>	30,000
Total Additions	800,000	120,000
 Retirements - October 1, 2024 thru September 30, 2025	 (230,600)	 (34,600)
 Retirements - October 1, 2025 thru March 31, 2026	 ** (115,300)	 (17,300)
Total Retirements	<u>(345,900)</u>	<u>(51,900)</u>
<b>Net Additions (Change No. 1)</b>	<u>454,100</u>	<u>68,100</u>
<b>Ending Balance at September 30, 2025</b>	<u><u>\$ 1,606,969</u></u>	<u><u>\$ 241,000</u></u>

\* See G-3, Schedule 1, Page 4 of 4

\*\* General Plant, excluding structures, is amortized over 5 - 10 years. Plant of approximately \$300,000 will be fully amortized and retired in September 2025.

Pike County Light And Power Company  
Statement in Support of Change No. (1c)  
To Gas Plant in Service  
For the Twelve Months Ended September 30, 2025

<u>Intercompany Plant Allocated from Corning Gas (Net)</u>	At September 30, 2024			% Allocated To Pike Allocation	Gas Allocation
	Original Cost	Depreciation Reserve	Net Plant		
<u>Shared Corning Facilities</u>					
Land Williams Street	\$ 155,733	\$ -	\$ 155,733		
West William Street Office	2,218,962	(1,118,465)	1,100,496		
Land Riverside	233,732		233,732		
Riverside Operations Facility	3,115,129	(1,570,178)	1,544,952		
Total	\$5,723,556	\$(2,688,643)	\$3,034,913	x 0.68%	= \$ 20,563
 <u>Shared Corning Office Furniture &amp; Equipment</u>					
Office Furniture & Equipment - Furniture	\$ 139,653	\$ (121,383)	\$ 18,270		
Office Furniture & Equipment - Machines	292,642	(179,719)	112,923		
Office Furniture & Equipment - Computers	4,305,715	(1,332,252)	2,973,463		
Total	\$4,738,010	\$(1,633,354)	\$3,104,656	x 0.68%	= 21,036
 <b>(Change No. 1c)</b>					<b><u>\$ 41,599</u></b>
Rounded					<b><u>\$ 41,600</u></b>

Pike County Light And Power Company  
Statement in Support of Change No. (1d)  
To Gas Plant in Service  
For the Twelve Months Ended September 30, 2025

Exhibit G-3  
Schedule 1  
Page 4 of 4.

<u>CWIP Projects Completed At June 30, 2020</u>	Total Amount (A)	Gas Allocation (B)	Gas Plant In-Service (Rounded) (C) = (A) x (B)
<b>Gas Distribution Plant Additions (Change No. 1d)</b>	* \$ 453,042	100%	<b>\$ 453,000</b>
<b>General Plant Additions (Change No. 1d)</b>	** -	15%	<u>-</u>
<b>Net Transfers to Plant In-Service (Change No. 1d)</b>			<b><u>\$ 453,000</u></b>

\* See G-3, Schedule 1, Page 1 of 4

\*\* See G-3, Schedule 1, Page 2 of 4

Pike County Light And Power Company  
Statement in Support of Change No. (2a)  
To Gas Depreciation Reserve  
For the Twelve Months Ended September 30, 2025

Exhibit G-3  
Schedule 2  
Page 1 of 2

<u>Accumulated Provision for Depreciation of Gas Plant</u>	<u>Amount</u>
Balance at September 30, 2024	\$ 569,700
Additions - October 1, 2024 thru September 30, 2025	\$ 220,400
Additions - October 1, 2025 thru March 31, 2026	<u>147,400</u>
Total Additions	<u>367,800</u>
Retirements - October 1, 2024 thru September 30, 2025	(121,600)
Retirements - October 1, 2025 thru March 31, 2026	<u>(60,800)</u>
Total Retirements	<u>(182,400)</u>
<b>Net Additions (Change No. 2a)</b>	<b><u>185,400</u></b>
Ending Balance at September 30, 2025	<b><u><u>\$ 755,100</u></u></b>

Pike County Light And Power  
Statement in Support of Change No. (2b)  
To Common Depreciation Reserve  
For the Twelve Months Ended September 30, 2025

Exhibit G-3  
Schedule 2  
Page 2 of 2

<u>Accumulated Provision for Depreciation on Common Plant</u>	<u>Total Amount</u>	<u>Electric Allocation Rounded 15%</u>
<b>Balance at September 30, 2024</b>	\$ 1,328,583	<b>199,300</b>
Additions - October 1, 2024 thru September 30, 2025	212,200	
Additions - October 1, 2025 thru March 31, 2026	127,500	
Total Additions	339,700	51,000
Retirements - October 1, 2024 thru September 30, 2025	(230,600)	
Retirements - October 1, 2025 thru March 31, 2026	(115,300)	
Total Retirements	(345,900)	(51,900)
<b>Net Additions (Change No. 2b)</b>	<b>(6,200)</b>	<b>(900)</b>
<b>Ending Reserve Balance at September 30, 2025</b>	<b>\$ 1,322,383</b>	<b>\$ 198,400</b>

Pike County Light And Power Company  
Statement in Support of Change No. (3)  
For The Twelve Months Ended September 30, 2024

Exhibit G-3  
Schedule 3  
Page 1 of 2

	<u>Reference</u>	<u>Amount</u>	<u>(Lead) / Lag Days</u>	<u>Dollar Days</u>
Revenue Recovery	Sch. 1	\$ 2,145,200	21.3	\$ 45,649,856
Gas Supply Expenses:	Sch. 2	1,145,900	10.0	11,447,541
Deferred Purchased Gas	Sch. 2	(201,513)	(107.5)	21,662,632
Pike Salaries & Wages	Sch. 3	274,267	8.0	2,194,136
401K Pension Match	Sch. 4	5,549	8.0	44,393
Employee Welfare Expenses	Sch. 5	70,356	23.0	1,618,185
Intercompany Charges	Sch. 6	780,177	30.0	23,405,319
Uncollectible Accounts Accrual	Sch. 7	14,475	8.0	115,800
Other O&M	Sch. 7	(322,323)	23.0	(7,413,438)
Amortizations:				-
Rate Case Costs	Sch. 5	-	-	-
PUC Assessment	Sch. 5	4,978	-	-
Insurance	Sch. 8	8,234	-	-
Depreciation & Amortization	Sch. 8	208,200	-	-
Taxes Other - Payroll	Sch. 4	24,700	8.0	197,600
- Property Tax	Sch. 8	-	-	-
Income Taxes:				-
Federal Income Tax	Sch. 9	32,430	30.0	972,896
Deferred Federal Income Tax	Sch. 8	(32,430)	-	-
Corporate Business Tax (State)	Sch. 10	12,339	30.0	370,164
Deferred Corporate Business Tax	Sch. 8	(12,339)	-	-
Return on Invested Capital	Sch. 8	234,100	-	-
		<u>2,247,100</u>	<u>24.3</u>	<u>54,615,228</u>
		-		
Net Lag			<u>(3.0)</u>	<u>\$ (8,965,372)</u>
Net Requirement (Net Lag / 365 )				<u>\$ (24,563)</u>
Rounded				<u>\$ (24,600)</u>

Pike County Light And Power Company  
Statement in Support of Change No. (3)  
For The Twelve Months Ended September 30, 2025

Exhibit G-3  
Schedule 3  
Page 2 of 2

	<u>Amount</u>	<u>(Lead) / Lag Days</u>	<u>Dollar Days</u>
Revenue Recovery	<u>3,373,900</u>	<u>21.3</u>	<u>\$ 71,796,592</u>
Gas Supply Expenses:	1,135,000	10.0	11,338,650
Pike Salaries & Wages	291,667	8.0	2,333,336
401K Pension Match	6,499	8.0	51,993
Employee Welfare Expenses	82,889	23.0	1,906,444
Intercompany Charges	787,977	30.0	23,639,319
Uncollectible Accounts Accrual	6,175	8.0	49,400
Other O&M	(505,785)	23.0	(11,633,061)
Amortizations:			-
Rate Case Costs	9,400	-	-
PUC Assessment	4,978	-	-
Insurance	13,500	-	-
Depreciation & Amortization	333,100	-	-
Taxes Other - Payroll	27,700	11.0	304,700
- Property Tax	-	-	-
Income Taxes:			-
Federal Income Tax	10,440	30.0	313,200
Deferred Federal Income Tax	(10,440)	-	-
Corporate Business Tax (State)	3,972	30.0	119,160
Deferred Corporate Business Tax	(3,972)	-	-
Return on Invested Capital	<u>1,077,000</u>	<u>-</u>	<u>-</u>
 Total Requirement	 <u>3,270,100</u>	 <u>8.7</u>	 <u>28,423,141</u>
 Net Lag		 <u>12.6</u>	 <u>43,373,451</u>
 Net Requirement (Net Lag / 365 )			 \$ 118,831
 Historical Cash Working Capital			 <u>(24,600)</u>
 Net Change			 <u>\$ 143,431</u>
 Rounded			 <u>\$ 143,400</u>

Pike County Light And Power Company  
Statement in Support of Change No. (4)  
Materials and Supplies  
For the Twelve Months Ended September 30, 2025

Exhibit G-3  
Schedule 4

Month	Materials & Supplies Inventory Acct 150020 (1)	Gas Allocation (2)
October 31, 2023	Actual 1,846,765	\$ 277,015
November 30, 2023	Actual 1,797,373	269,606
December 31, 2023	Actual 1,803,696	270,554
January 31, 2024	Actual 1,706,599	255,990
February 29, 2024	Actual 1,736,717	260,508
March 31, 2024	Actual 1,778,928	266,839
April 30, 2024	Actual 1,781,018	267,153
May 31, 2024	Actual 1,811,206	271,681
June 30, 2024	Actual 1,817,367	272,605
July 31, 2024	Actual 1,857,767	278,665
August 31, 2024	Actual 1,843,697	276,554
September 30, 2024	Actual 1,899,337	284,901
October 31, 2024	Actual 1,897,232	284,585
November 30, 2024	<u>2,207,948</u>	<u>331,192</u>
October 2023 - September 30, 2024 Total	<u>\$ 21,680,469</u>	<u>\$ 3,252,070</u>
September 30, 2024 - Twelve Month Average	<u>\$ 1,806,706</u>	<u>\$ 271,006</u>
Rounded		<u>\$ 271,000</u>
December 2023 - November 2024 Total	<u>\$ 22,141,511</u>	<u>\$ 3,321,227</u>
Twelve Month Average	<u>\$ 1,845,126</u>	<u>\$ 276,769</u>
Rounded		<u>\$ 276,800</u>
Net Changes (Change No. 4)		<u>5,800</u>
Twelve Month Average September 30, 2025		<u>\$ 276,800</u>

Pike County Light And Power Company  
Statement in Support of Change (5)  
Gas Working Capital Prepayments

Exhibit G-3  
Schedule 5

Month		Gas		Common		Total
		PaPUC Assessment Acct. 05 165202	Property Tax Acct. 05 165110	Property Insurance Acct. 05 165030		
October 31, 2023	Actual	\$ 6,695	\$ 10,799	\$ -	\$ 17,494	
November 30, 2023	Actual	6,087	9,395	-	15,482	
December 31, 2023	Actual	5,478	7,992	-	13,470	
January 31, 2024	Actual	4,869	6,588	-	11,458	
February 29, 2024	Actual	4,261	9,870	-	14,131	
March 31, 2024	Actual	3,652	8,467	-	12,119	
April 30, 2024	Actual	3,043	7,048	-	10,091	
May 31, 2024	Actual	2,435	5,630	-	8,064	
June 30, 2024	Actual	1,826	4,211	-	6,037	
July 31, 2024	Actual	1,217	14,498	-	15,715	
August 31, 2024	Actual	609	12,015	-	12,624	
September 30, 2024	Actual	8,460	10,561	-	19,021	
October 31, 2024	Actual	7,691	9,106	-	16,797	
November 30, 2024	Actual	6,922	7,651	-	14,573	
October 2023 - September 30, 2024 Total		<u>\$ 48,632</u>	<u>\$ 107,073</u>	<u>\$ -</u>	<u>\$ 155,705</u>	
September 30, 2024 - Twelve Month Average		\$ 4,053	\$ 8,923	\$ -	\$ 12,975	
x Gas Allocation		100%	15%	15%	-	
Gas Twelve Month Average		<u>\$ 4,053</u>	<u>\$ 1,338</u>	<u>\$ -</u>	<u>\$ 5,391</u>	
Rounded					<u>\$ 5,400</u>	
December 2023 - November 2024 Total		<u>\$ 50,462</u>	<u>\$ 103,637</u>	<u>\$ -</u>	<u>\$ 154,099</u>	
Twelve Month Average		\$ 4,205	\$ 8,636	\$ -	\$ 12,842	
x Gas Allocation		100%	15%	15%	-	
Gas Twelve Month Average		<u>\$ 4,205</u>	<u>\$ 1,295</u>	<u>\$ -</u>	<u>\$ 5,501</u>	
Rounded					<u>\$ 5,500</u>	
Net Changes (Change No. 5)					<u>100</u>	
Twelve Month Average September 30, 2025					<u>\$ 5,500</u>	

Pike County Light And Power Company  
Statement in Support of Change (6)  
For the Twelve Months Ended September 30, 2025

Exhibit G-3  
Schedule 6

Deferred Debit Items	Rate Case Acct 186172 & 186185	After Tax (b)	Rounded
Deferred Debit Balance as of September 30, 2024	\$ 22,854	\$ 16,522	\$ 16,500
Deferred Charges 10/1/2024 - 9/30/2025 (a)	37,500	27,110	27,100
Less: Amortization of Deferred Charges 10/1/24 - 9/30/25	<u>(12,379)</u>	<u>(8,949)</u>	<u>(8,900)</u>
Deferred Debit Balance as of September 30, 2025	<u>47,975</u>	<u>\$ 34,682</u>	<u>\$ 34,700</u>
 Net Change			 <u>\$ 18,200</u>

(a) See Exhibit G-4, Schedule 5 for projected rate case expenditures

(b) Calculation of After Tax Factor:

SIT Rate =	8.4900%
+ FIT Rate =	21.0000%
+ SIT Rate Net of FIT Rate [8.49% x (1-21%)] =	<u>6.7071%</u>
= Effective Net FIT / SIT Rate =	<u>27.7071%</u>
 Net of SIT & FIT Multiplier (1/1-27.7071%)	 <u>72.2929%</u>

Pike County Light And Power Company  
Statement in Support of Change (7)  
For the Twelve Months Ended September 30, 2025

Exhibit G-3  
Schedule 7

Deferred Credit Items	FIT Tax Rate Change Accts. 253912 & 253922	After Tax *	Rounded
Negative Deferred Credit Balance as of September 30, 2024	\$ 2,275	\$ 1,644	\$ 1,600
Deferred Credits 10/1/2024 - 9/30/2025	-	-	-
Less: Amortization of Deferred Charges 10/1/2024 - 9/30/2025	<u>(8,303)</u>	<u>(6,003)</u>	<u>(6,000)</u>
Negative Deferred Credit Balance as of September 30, 2025	<u>\$ (6,029)</u>	<u>\$ (4,358)</u>	<u>\$ (4,400)</u>
 Net Change			 <u>\$ (6,000)</u>

* Calculation of After Tax Factor:	
SIT Rate =	8.4900%
+ FIT Rate =	21.0000%
+ SIT Rate Net of FIT Rate [8.49% x (1-21%)] =	<u>6.7071%</u>
= Effective Net FIT / SIT Rate =	<u>27.7071%</u>
Net of SIT & FIT Multiplier (1/1-27.2929%)	<u>72.2929%</u>

Pike County Light And Power Company  
Statement in Support of Change No. (8)  
Customer Deposits  
For the Twelve Months Ended September 30, 2025

Exhibit G-3  
Schedule 8

Month		Customer Deposits Acct 235000 (1)	Gas Allocation (2)
October 31, 2023	Actual	\$ 365,513	\$ 54,827
November 30, 2023	Actual	384,614	57,692
December 31, 2023	Actual	387,605	58,141
January 31, 2024	Actual	391,875	58,781
February 29, 2024	Actual	391,681	58,752
March 31, 2024	Actual	393,088	58,963
April 30, 2024	Actual	396,434	59,465
May 31, 2024	Actual	396,700	59,505
June 30, 2024	Actual	397,597	59,640
July 31, 2024	Actual	397,190	59,579
August 31, 2024	Actual	393,769	59,065
September 30, 2024	Actual	395,955	59,393
October 31, 2024	Actual	400,461	60,069
November 30, 2024	Actual	399,078	59,862
October 2023 - September 30, 2024 Total		<u>\$ 4,692,025</u>	<u>\$ 703,804</u>
September 30, 2024 - Twelve Month Average		<u>\$ 391,002</u>	<u>\$ 58,650</u>
Rounded			<u>\$ 58,700</u>
December 2023 - November 2024 Total		<u>\$ 4,741,437</u>	<u>\$ 711,215</u>
Twelve Month Average		<u>\$ 395,120</u>	<u>\$ 59,268</u>
Rounded			<u>\$ 59,300</u>
Net Changes (Change No. 4)			<u>600</u>
Twelve Month Average September 30, 2025			<u>\$ 59,300</u>

Pike County Light And Power Company  
Statement in Support of Change No. (9)  
To Accumulated Deferred Income Taxes  
For the Twelve Months Ended September 30, 2025

Exhibit G-3  
Schedule 9

<u>Accumulated Deferred Income Taxes</u>	<u>Balance</u> <u>Accounts 282012 / 282082</u>
Balance at September 30, 2024	<u>\$ 255,100</u>
 <u>Additions - October 1, 2024 thru September 30, 2025</u>	
Tax Depreciation - Normalized	255,285
Less: Book Depreciation	<u>252,230</u>
Net Schedule M Tax Deduction	3,055
x Effective SIT / FIT Tax Rate	<u>27.7071%</u>
Net Additions October 1, 2024 thru September 30, 2025	800
 <u>Additions - July 1, 2021 thru December 31, 2021</u>	
Tax Depreciation - Normalized	127,642
Less: Book Depreciation	<u>166,525</u>
Net Schedule M Tax Deduction	(38,883)
x Effective SIT / FIT Tax Rate	<u>27.7071%</u>
Net Additions October 1, 2025 thru March 31, 2026	<u>(10,800)</u>
<b>Net Additions (Change No. 7)</b>	<b><u>\$ (10,000)</u></b>
Ending Balance at September 30, 2025	<b><u>\$ 245,100</u></b>

Pike County Light And Power Company  
Gas Capital Expenditures / Closed Outs to Plant  
For the Twelve Months Ended September 30, 2025  
\$000's

Exhibit G-3  
Schedule 10

<u>Gas Plant Account</u>	FERC Account	Close Out To Plant In Service	Annual Spending		Total
			January 2025 - December 2025	January 2026 - December 2026	
Pipe Replacement Program	376	Monthly	\$ 1,353	\$ 2,059	\$ 3,412
<b><u>Recurring Capital Budget Upgrades / Replacements</u></b>					
Mains	376	Monthly	\$ 120	\$ 123	\$ 243
Measuring and Regulating Station Equipment	378	Monthly	55	57	112
Services	380	Monthly	781	132	913
Meters	381	Monthly	13	10	23
House Regulators	383	Monthly	105	110	215
<b>Subtotal Recurring Upgrades / Replacements</b>			<b>\$ 1,074</b>	<b>\$ 432</b>	<b>\$ 572</b>
<b>Total Gas Distribution Plant</b>			<b>\$ 2,427</b>	<b>\$ 2,494</b>	<b>\$ 4,284</b>
<u>General Plant Account</u>					
Office Furniture	390	Monthly	\$ 71	\$ 51	\$ 122
IT Equipment	391	Monthly	237	39	275
Transportation Equipment	392	Monthly	150	125	275
Contractor Work / Other		Monthly	162	247	409
Tools, Shop and Garage Equipment	394	Monthly	24	25	49
Total General Plant Construction Projects			<b>\$ 643</b>	<b>\$ 487</b>	<b>\$ 1,130</b>

Pike County Light And Power Company  
 Gas Plant Additions  
 For the Twelve Months Ended September 30, 2025  
 \$000's

Exhibit G-3  
 Schedule 11

<u>Gas Plant Account</u>	<u>FERC Account</u>	<u>In Service Date</u>	<u>October 2024 - September 2025</u>	<u>October 2025 - March 2026</u>	<u>Total</u>
<b><u>LTIP Program:</u></b>					
Pipe Replacement Program (LTIP)	376	Monthly	1,706	1,030	2,736
<b><u>Recurring Capital Budget Upgrades / Replacements</u></b>					
Mains	376	Monthly	122	62	\$ 183
Measuring and Regulating Station Equipment	378	Monthly	56	29	85
Services	380	Monthly	457	66	523
Meters	381	Monthly	12	5	17
House Regulators	383	Monthly	108	55	163
					-
Total Gas Plant Additions			<b><u>\$ 2,459</u></b>	<b><u>\$ 1,246</u></b>	<b><u>\$ 3,705</u></b>
Rounded			<b><u>\$ 2,500</u></b>	<b><u>\$ 1,250</u></b>	<b><u>\$ 3,750</u></b>
<u>General Plant Account</u>					
Office Furniture	390	Monthly	\$ 61	\$ 26	\$ 86
IT Equipment	391	Monthly	138	19	157
Transportation Equipment	392	Monthly	138	63	200
Contractor Work / Other		Monthly	204	124	328
Tools, Shop and Garage Equipment	394	Monthly	25	13	37
Total General Plant Additions			<b><u>\$ 565</u></b>	<b><u>\$ 243</u></b>	<b><u>\$ 809</u></b>
Rounded			<b><u>\$ 600</u></b>	<b><u>\$ 200</u></b>	<b><u>\$ 800</u></b>

Pike County Light And Power Company  
Index of Schedules  
Gas Cost of Service

Exhibit G-4

<u>Schedule</u>	<u>Title of Schedule</u>	<u>Witness</u>
Summary	Gas Cost of Service	C. Lenns & M. Lenns
(1)	Changes in billed revenue to reflect forecast sales	C. Lenns & M. Lenns
(2)	Change to cost of purchased gas cost to match forecast recoveries	C. Lenns & M. Lenns
(3)	Changes in Operations and Maintenance Expenses to reflect increases in Wages and Salaries and Additional Employee Positions	C. Lenns & M. Lenns
(4)	Changes in Operations and Maintenance Expenses to reflect increases in Payroll Ancillary Costs	C. Lenns & M. Lenns
(5)	Changes in Operation and Maintenance Expenses to reflect amortization of rate case costs	C. Lenns & M. Lenns
(6)	Changes in Operation and Maintenance Expenses to reflect current Intercompany Rents	C. Lenns & M. Lenns
(7)	Change in Uncollectible Expense	C. Lenns & M. Lenns
(8)	Changes in Depreciation Expenses - Plant additions at existing & proposed rates, annual allowance for net salvage between the actual depreciation reserve	C. Lenns & M. Lenns
(9)	Changes in Taxes Other than income to reflect Changes in Payroll Tax, Gross Earnings Tax and STAS recoveries	C. Lenns & M. Lenns
(10)	Calculation of Income Tax Expense	C. Lenns & M. Lenns

Pike County Light And Power Company  
Gas Cost of Service  
For the Twelve Months Ended September 30, 2024  
and the Twelve Months Ended September 30, 2025

Exhibit G-4  
Summary  
Page 1 of 3

	12 mos. Ended September 30, 2024 (1)	Difference Between Historical and Future Years		Future Year		
		Reference (2)	Amount (3)	12 mos. Ended September 30, 2025 (4)=(1+3)	Proposed Rate Change (5)	As Adjusted for Add'l Revenue (6)
<b>Operating Revenues:</b>						
Sales of Gas - Base Rate Revenue	\$ 2,141,300	(1a)	116,500	\$ 2,257,800	\$ 905,900	\$ 3,163,700
Other Operating Revenues	3,900	(1b)	(2,500)	1,400	-	1,400
Total Operating Revenues	<u>2,145,200</u>		<u>114,000</u>	<u>2,259,200</u>	<u>905,900</u>	<u>3,165,100</u>
<b>Operating Expenses:</b>						
Purchased Gas Expense	1,145,900	(2)	(10,900)	1,135,000	-	1,135,000
Other Operation and Maintenance Expense	634,200	(3a)	17,400	694,100	2,500	696,600
		(3b)	20,000			
		(4)	13,500			
		(5)	9,400			
		(6)	7,800			
		(7)	(8,200)			
Depreciation & Amortization Expense	208,200	(8a)	124,900	333,100	-	333,100
		(8b)	-			
Taxes other than Income	<u>24,700</u>	(9)	<u>3,000</u>	<u>27,700</u>	<u>-</u>	<u>27,700</u>
Total Operating Expenses	<u>2,013,000</u>		<u>176,900</u>	<u>2,189,900</u>	<u>2,500</u>	<u>2,192,400</u>
Operating Income Before Income Taxes:	132,200		(62,900)	69,300	903,400	972,700
State Income Tax	(29,800)	(10)	(26,200)	(56,000)	72,200	16,200
Federal Income Tax	(72,000)	(10)	(63,400)	(135,400)	174,600	39,200
Operating Income after Taxes	<u>\$ 234,000</u>		<u>\$ 26,700</u>	<u>\$ 260,700</u>	<u>\$ 656,600</u>	<u>\$ 917,300</u>
Rate Base	<u>\$ 7,003,300</u>		<u>\$ 3,675,742</u>	<u>\$ 10,679,042</u>	<u>\$ -</u>	<u>\$ 10,679,042</u>
Rate of Return	<u>3.34%</u>			<u>2.44%</u>		<u>8.59%</u>

Pike County Light And Power Company  
 Calculation of Gas Revenue Requirement  
 For the Twelve Months Ended September 30, 2025

Exhibit G-4  
 Summary  
 Page 2 of 3

	Amount
Rate Base at September 30, 2025	\$ 10,679,042
x Rate of Return at September 30, 2025	8.59%
Total Return Required	917,330
Total Earned Return (Per Exhibit G-4, Summary, Page 1 of 3)	260,700
Addition Return Required	656,630
Multiplied by Retention Factor*	1.3796
Total Revenue Requirement	\$ 905,892
Rounded	\$ 905,900

* Retention Factor:		
Additional Revenue	100.0000	\$ 905,900
Less: Revenue Taxes -- N/A	-	-
Less: Uncollectibles	0.280	2,500
	99.7200	903,400
Less: State Income Tax @ 7.99%	7.9676	72,200
	91.7524	831,200
Less: Federal Income Tax @ 21%	19.2680	174,600
Retention Factor	72.484	\$ 656,600
	1.0000	
	0.7248	
	1.3796	

Pike County Light And Power Company  
Changes in Gas Cost of Service  
For the Year Ended September 30, 2025

Exhibit G-4  
Summary  
Page 3 of 3

Adjustment Number	Description	Amount
(1a)	Changes In billed revenue to reflect forecast sales	\$ 116,500
(1b)	Change in Other Operating Revenues	(2,500)
(2)	Change to cost of purchased gas cost to match forecast recoveries	(10,900)
(3a)	Changes in Operations and Maintenance Expenses to reflect increases in Wages and Salaries	17,400
(3b)	Changes in Operations and Maintenance Expenses to reflect Additional Employee Positions	20,000
(4)	Changes in Operation and Maintenance Expense to Reflect Estimated Payroll Ancillary Costs -- Health Insurance, Workers Comp, 401K Match	13,500
(5)	Changes in Operation and Maintenance Expenses to reflect amortization of rate case costs	9,400
(6)	Changes in Operation and Maintenance Expense - Intercompany Administrative & Operating Charges	7,800
(7)	Change in Uncollectible Expense	(8,200)
(8a)	Changes in Depreciation Expense -- At Existing Rates	124,900
(8b)	Changes in Depreciation Expense - Annual allowance for Net Salvage / Amortization of Reserve Deficiency Case R-2008-2046520	-
(9)	Changes in Taxes Other than income to reflect Changes in Payroll Tax, Realty and Gross Earnings Tax	3,000
(10)	Calculation of Income Tax Expense - Per Books Test Year Normalize Income tax for Out of Period Adjustments & Interest Synchronization - State Income Tax Adjustments - Federal Income Tax Adjustments	 (26,200) (63,400)

Pike County Light And Power Company  
Statement in Support of Change No. (1a)  
To Gas Operation and Maintenance Expense  
For the Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 1  
Page 1 of 2

Changes In billed and unbilled revenue to reflect forecast sales  
and revenues at current rates.

		<u>Rounded</u>
<hr/>		
Revenues - Twelve Months Ended September 30, 2025 (a)		
Base Revenue	\$ 140,685	
Delivery Revenue	884,160	
DSIC Revenue	97,786	
Rider Revenue (GCR)	<u>1,134,943</u>	
Billed Revenues - Twelve Months Ended September 30, 2025 (a)	<u>\$ 2,257,574</u>	\$ 2,257,574
Base Revenue	\$ 135,453	
Delivery Revenue	757,798	
DSIC Revenue	101,956	
Rider Revenue (GCR)	<u>1,145,888</u>	
- Twelve Months Ended September 30, 2024 (b)	<u>\$ 2,141,096</u>	<u>\$ 2,141,100</u>
Net increase in Revenues	<u>\$ 116,478</u>	<u>\$ 116,500</u>
<u>Sales Volumes (CCF)</u>		
	<u>Customers</u>	<u>CCF's</u>
Forecast - 12 Months Ended 09/30/2025	1,420	1,526,104
Actual - 12 Months Ended 9/30/2024	<u>1,366</u>	<u>1,312,666</u>
Total Increase	<u>54</u>	<u>213,438</u>
% Increase	<u>4.0%</u>	<u>16.3%</u>

(a) See 2025 Board approved forecast  
(b) See Exhibit G-4, Summary, Page 1 of 3

Pike County Light And Power Company  
Statement in Support of Change No. (1b)  
To Adjust For Other Operating Revenues  
For the Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 1  
Page 2 of 2

Other Operating Revenues	Twelve Months Ended		Net Change
	September 30, 2024	September 30, 2025	
Late Payment Charge-Gas	6,301	\$ 3,775	\$ (2,526)
Total Other Gas Revenues	6,301	3,775	(2,526)
Change in Other Operating Revenues			\$ (2,526)
<b>Rounded (Change 1b)</b>			<b>\$ (2,500)</b>

Pike County Light And Power Company  
Statement in Support of Change No. (2)  
To Gas Operation and Maintenance Expense  
For the Twelve Months Ended September 30, 2024 and September 30, 2025

Exhibit G-4  
Schedule 2

Change to cost of purchase gas to match cost of gas in revenues - Adjustment 1	Twelve Months Ended		Net Change
	9/30/2024	9/30/2025	
Purchased Gas Expense *	\$ 1,145,888	\$ 1,134,943 *	\$ (10,945)
Net increase in Gas Costs			\$ (10,945)
<b>Rounded - Change No. 2</b>			<b>\$ (10,900)</b>

\* See G-4, Schedule 1 - Purchased Gas Costs match Gas Cost Recoveries

Pike County Light And Power Company  
Statement in Support of Change No. (3a)  
To Gas Operation and Maintenance Expense  
Wage and Salary Increases  
For the Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 3  
Page 1 of 2

Wage and Salary Increases

- Pike Gas Payroll Expense for Twelve Months Ended September 30, 2024	\$ 249,347	
- Administrative Payroll allocated from Corning Gas Corporation	24,920	
- Total Gas Payroll Expense	<u>274,267</u>	
- Gas Payroll excluding May 2024 Wage Increase	<u>\$ 263,296</u>	
- Annualization of May 2024 Wage & Salary Increases (4% x 7 month / 12 months)		6,144
- Total Gas Payroll Expense (see above)	\$ 274,267	
- Plus annualization of May 2024 Wage Increases (4% x 3 month / 12 months)	<u>6,144</u>	
Annualized Test Year Wages	\$ 280,410	
- October 2025 Wage Increase (4%)		<u>11,216</u>
Wage & Salary Wage Increases		<u>\$ 17,360</u>
Rounded		<u>\$ 17,400</u>

Pike County Light And Power Company  
Statement in Support of Change No. (3b)

Additional Employee Positions  
For the Twelve Months Ended September 30, 2025

<u>Material Management Position</u>	
Annual Salary for new position	\$ 240,000
Additional employee positions applicable to gas operation and maintenance expense	<u>8.3%</u>
Total Additional Employees Applicable to Pike Gas O&M Expense	<u>\$ 20,000</u>
Rounded Total	<u><u>\$ 20,000</u></u>

<u>Job Title Description</u>	<u>Estimated Hire Date</u>	<u>Estimated Salary</u>	<u>Cost Allocated To</u>	
			<u>Pike Gas O&amp;M</u>	<u>Gas Salary</u>
Pike - Assistant General Manager	Apr-25	\$ 140,000	14.3% (a)	\$20,000
Pike - Systems Planner	Apr-25	100,000	0.0% (b)	-
		<u>\$ 240,000</u>	<u>8.3%</u>	<u>\$20,000</u>

(a) Allocated on ratio of anticipated services of \$50,000 electric expense, \$20,000 gas expense, and \$70,000 allocated capital.  
(b) Allocated on ratio of \$90,000 capital and \$10,000 expense. This is for electric only.

Pike County Light And Power Company  
Statement in Support of Change No. (4a)  
To Gas Operation and Maintenance Expense  
For the Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 4

Change in Operation and Maintenance Expenses to Reflect the estimated  
increase in Payroll Ancillary Costs (Health Insurance & Workers Compensation)

Pike Wage Increase and Annualization	\$	17,400	
Salary and wages for additional employee(s)		<u>20,000</u>	
Total increase in wages	\$	<u>37,400</u>	
x Test Year 401K Pension Match Rate	2.54%	\$	950
x Test Year Health & Life Insurance Rate	22.02%		8,234
s Test Year Workers Compensation Rate	11.49%		<u>4,299</u>
Total Benefit Costs		\$	<u>13,483</u>
Rounded Total		\$	<u><u>13,500</u></u>

Pike County Light And Power Company  
Statement in Support of Change No. (5)  
To Gas Operation and Maintenance Expense  
For the Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 5

<u>Amortization of Estimated Outside Rate Case Expense</u>	
Estimated New Rate Case Legal Fees & Expenses	\$ 250,000
2025 Percent Applicable to Gas	<u>15%</u>
Estimated New Rate Case Legal Fees & Expenses applicable to Gas	37,500
/ Amortization Period - Years	<u>4</u>
Annual Rate Case Expense	<u>\$ 9,375</u>
Rounded	<u>\$ 9,400</u>

Pike County Light And Power Company  
Statement in Support of Change No. (6)  
To Gas Operation and Maintenance Expense  
For the Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 6

<u>Intercompany Administrative &amp; Operating Charges</u>	
Intercompany allocations (excl. Payroll, Benefits, & Workers' Comp.) charged to O&M Expense for the Twelve Months Ended September 30, 2024	\$ 780,177
x CPI General Inflation Factor	<u>1.00%</u>
Net Change in Intercompany Expense	<u>\$ 7,802</u>
Rounded Total	<u><u>\$ 7,800</u></u>

Pike County Light And Power Company  
Statement in Support of Change No. (7)  
To Gas Operation and Maintenance Expense  
For the Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 7

<u>Uncollectible Accounts Expense</u>	
Operating Revenues Before Rate Change -- Twelve Months Ending September 30, 2025	\$ 2,257,800
Uncollectible write-offs / revenues -- Twelve Months Ending September 30, 2024	0.28%
	<u>\$ 6,322</u>
Less: Uncollectible Expense reflected in Operation And Maintenance Expense for the Twelve Months Ending September 30, 2025 FERC 9040	
	<u>14,475</u>
Net Change in Uncollectable Expense	<u>\$ (8,153)</u>
Rounded Total	<u><u>\$ (8,200)</u></u>

Pike County Light And Power Company  
Statement in Support of Change No. (8a)  
To Depreciation Expense  
For the Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 8  
Page 1 of 4

	Amount			Adjustment
	Gas Dist. Plant	Common Gen'l Plant Allocated	Total Gas	
<u>Gas Plant in Service</u>				
At September 30, 2024 Per Exhibit G-3, Summary	7,193,512	219,580	7,413,092	
Less Acquisition Adjustment	-	-	-	
September 30, 2024 Plant In Service Balance	7,193,512	219,580	7,413,092	
Less: Non-Depreciable Plant Per Exhibit G-4, Page 3 of 4	-	(46,650)	(46,650)	
Depreciable Plant at September 30, 2024	<u>7,193,512</u>	<u>172,930</u>	<u>7,366,442</u>	
<u>Additions - October 1, 2024 thru September 30, 2025</u>				
Distribution - Completed CWIP at 9/30/2025	453,042	-	453,042	
Distribution / General Additions Plant	2,500,000	90,000	2,590,000	
<u>Additions - October 1, 2025 thru March 31, 2026</u>				
Distribution / General Additions	1,250,000	30,000	1,280,000	
Total Additions	<u>4,203,042</u>	<u>120,000</u>	<u>4,323,042</u>	
<u>Retirements - October 1, 2024 thru September 30, 2025</u>				
Distribution / General Plant	(121,600)	(34,600)	(156,200)	
<u>Retirements - October 1, 2025 thru March 31, 2026</u>				
Distribution / General Plant	(60,800)	(17,300)	(78,100)	
Total Retirements	<u>(182,400)</u>	<u>(51,900)</u>	<u>(234,300)</u>	
<u>Gas Depreciable Plant at September 30, 2025</u>	11,214,154	241,030	11,455,185	
x Existing Composite Book Depreciation Rate	<u>2.629%</u>	<u>15.866%</u>	<u>2.908%</u>	
<u>Calculated Accruals to Depreciation Reserves</u>				
For The Twelve Months Ended September 30, 2025	<b>294,820</b>	<b>38,242</b>	<b>333,062</b>	
Less: 12 Months Ending September 30, 2024 (See G-4, Summary)	153,739	54,422	208,161	
Increase In Depreciation Expense	<u>141,081</u>	<u>(16,180)</u>	<u>\$ 124,902</u>	
Rounded Change (8)			<u>\$ 124,900</u>	

<u>Depreciation Reserve Calculation</u>			
	Gas	100% Common	Gas Common
September 30, 2024 Plant	\$ 7,193,512	\$ 1,152,869	\$ 172,930
Plus 50% of Additions / Retirements 10/24 - 9/25	1,189,200	184,667	27,700
Depreciable Plant	<u>\$ 8,382,712</u>	<u>\$ 1,337,536</u>	<u>\$ 200,630</u>
x Composite Depreciation Rate	2.629%	15.866%	15.866%
October 1, 2024 - September 30, 2025 Depreciation Accrual	<u>\$ 220,382</u>	<u>\$ 212,213</u>	<u>\$ 31,832</u>
Rounded	<u>\$ 220,400</u>	<u>\$ 212,200</u>	<u>\$ 31,800</u>
September 30, 2024 Plant	\$ 7,193,512	\$ 1,152,869	\$ 172,930
Plus 100% of Additions / Retirements 10/24 - 9/25	2,378,400	369,333	55,400
50% of Additions / Retirements 10/25 - 3/26	594,600	6,350	-
Depreciable Plant	<u>\$ 10,166,512</u>	<u>\$ 1,528,553</u>	<u>\$ 228,330</u>
x Composite Depreciation Rate	2.629%	15.866%	15.866%
October 1, 2024 - September 30, 2025 Depreciation Accrual	<u>\$ 267,278</u>	<u>\$ 242,520</u>	<u>\$ 36,227</u>
October 1, 2025 - March 31, 2026 Depreciation Accrual	<u>\$ 133,639</u>	<u>\$ 121,260</u>	<u>\$ 18,113</u>
Rounded	<u>\$ 133,600</u>	<u>\$ 121,300</u>	<u>\$ 18,100</u>

Pike County Light And Power  
Statement in Support of Change No. (12a)  
To Depreciation Expense  
Calculation of Gas Composite Book Depreciation Rate  
For the Twelve Months Ended September 30, 2025

Gas- Distribution	September 30, 2024	Acquisition Adjustment	September 30, 2024	Average Service Life	Annual Rate	COR & Salvage Adj.	Annual Accrual with Salvage	COMPOSITE RATES	
	Book Costs		Plant Balance					Annual	Monthly
PK - G- 374000 - LAND-EASEMENTS	744.35	-	744.35	60	1.67%	-	12.43	1.67%	0.139%
PK - G- 376000 - MAINS	4,353,729.46	-	4,353,729.46	70	1.43%	973.00	63,231.33	1.45%	0.121%
PK - G- 378000 - MEAS AND REGULA EQ	131,500.90	-	131,500.90	30	3.33%	-	4,378.98	3.33%	0.278%
PK - G- 380000 - SERVICES	1,693,811.79	-	1,693,811.79	65	1.54%	5,157.00	31,241.70	1.84%	0.154%
PK - G- 381000 - METERS	62,822.86	-	62,822.86	30	3.33%	(240.00)	1,852.00	2.95%	0.246%
PK - G- 382000 - METER INSTALLS	536,758.77	-	536,758.77	40	2.50%	(8.00)	13,410.97	2.50%	0.208%
PK - G- 382400 - METER BARS	-	-	-	40	2.50%	-	-	0.00%	0.000%
PK - G- 384000 - HOUSE REG INSTALLS	9,539.42	-	9,539.42	40	2.50%	-	238.49	2.50%	0.208%
PK - G- 385000 - INDUST MEAS/REG EQ	36,150.95	-	36,150.95	35	2.86%	-	1,033.92	2.86%	0.238%
<b>Gas distribution Total</b>	<b>6,825,058.50</b>	-	<b>6,825,058.50</b>			<b>5,882.00</b>	<b>115,399.82</b>		
<b>Depreciable Gas distribution Total</b>	<b>6,825,058.50</b>	-	<b>6,825,058.50</b>			<b>5,882.00</b>	<b>115,399.82</b>	<b>1.69%</b>	<b>0.141%</b>
<b>Gas- General Plant Total</b>									
PK - E- 394 & 399 - TOOLS & EXCESS RESERVE	368,453.56	-	368,453.56	5	20.00%	-	73,690.71	20.00%	1.667%
<b>Gas- General Plant Total</b>	<b>368,453.56</b>	-	<b>368,453.56</b>			-	<b>73,690.71</b>		
<b>Depreciable Gas- General Plant Total</b>	<b>368,453.56</b>	-	<b>368,453.56</b>			-	<b>73,690.71</b>	<b>20.00%</b>	<b>1.667%</b>
<b>Total Gas</b>	<b>7,193,512.06</b>	-	<b>7,193,512.06</b>			<b>5,882.00</b>	<b>189,090.53</b>		
<b>Total Depreciable Gas</b>	<b>7,193,512.06</b>	-	<b>7,193,512.06</b>			<b>5,882.00</b>	<b>189,090.53</b>	<b>2.629%</b>	<b>0.219%</b>

Pike County Light And Power  
Statement in Support of Change No. (8a)  
To Depreciation Expense  
Calculation of Common Plant Composite Book Depreciation Rate  
For the Twelve Months Ended September 30, 2025

Account	Common General Plant	September 30, 2024	Acquisition	September 30, 2024	Average	Annual Rate	COR & Salvage Adj.	Annual Accrual with Salvage	COMPOSITE RATES	
		Book Costs	Adjustment	Plant Balance	Service Life				Annual	Monthly
303000	Intangible Asset - Trade Name (a)	311,000.00		311,000.00		(a)		-	-	-
391101	Office Furniture & Equipment	(14,709.24)		(14,709.24)	5	20.00%	-	(2,941.85)	20.00%	1.667%
391115	Office Furniture & Equipment	14,344.77		14,344.77	5	20.00%	-	2,868.95	20.00%	1.667%
391215	Office Furniture & Equipment - Miscellaneous	(77,193.06)		(77,193.06)	5	20.00%	-	(15,438.61)	20.00%	1.667%
391315	Office Furniture & Equipment - Computers	476,644.90		476,644.90	10	10.00%	-	47,664.49	10.00%	0.833%
392015	Transportation	596,945.68		596,945.68	5	20.00%	-	119,389.14	20.00%	1.667%
397101	Communication Equipment - Telephone	4,097.84		4,097.84	5	20.00%	-	819.57	20.00%	1.667%
397115	E Comm Equip-Milford Township	139,261.95		139,261.95	5	20.00%	-	27,852.39	20.00%	1.667%
398001	E Misc Equip	1,735.19		1,735.19	5	20.00%	-	347.04	20.00%	1.667%
398015	E Misc Equip - Milford Town	11,741.39		11,741.39	5	20.00%	-	2,348.28	20.00%	1.667%
<b>Common General Total</b>		<b>1,463,869.42</b>	<b>-</b>	<b>1,463,869.42</b>				<b>182,909.39</b>		
<b>Common Depreciable General Total (excl 303000)</b>		<b>1,152,869.42</b>	<b>-</b>	<b>1,152,869.42</b>				<b>182,909.39</b>	<b>15.866%</b>	<b>1.322%</b>
<b>Total Electric Common</b>		<b>1,244,289.01</b>	<b>-</b>	<b>1,244,289.01</b>				<b>155,472.98</b>		
<b>Total Electric Depreciable Common</b>		<b>979,939.01</b>	<b>-</b>	<b>979,939.01</b>				<b>155,472.98</b>	<b>15.866%</b>	<b>1.322%</b>
<b>Total Gas Common</b>		<b>219,580.41</b>	<b>-</b>	<b>219,580.41</b>				<b>27,436.41</b>		
<b>Total Gas Depreciable Common</b>		<b>172,930.41</b>	<b>-</b>	<b>172,930.41</b>				<b>27,436.41</b>	<b>15.866%</b>	<b>1.322%</b>

(a) This asset is being amortized over 15 years. The annual depreciation expense of \$20,733 is charged below the line to FERC account 425.

Pike County Light And Power Company  
Statement in Support of Change No. (8b)  
To Depreciation Expense  
For the Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 8  
Page 4 of 4

Gas Plant	Five Year Cumulative Net Salvage	Proposed Annual Net Salvage	Current Net Salvage Allowed	Net Change In Expense
376000 MAINS	4,865	\$ 973	\$ 973	\$ -
378000 MEASURING AND REGULATING EQUIPMENT	-	-	-	-
380000 SERVICES	25,785	5,157	5,157	-
381000 GAS METER PURCHASES	(1,202)	(240)	(240)	-
382000 GAS METER INSTALLS	(38)	(8)	(8)	-
382400 GAS METER BAR	-	-	-	-
384000 HOUSE REGULATOR INSTALLATIONS	-	-	-	-
385000 INDUSTRIAL MEAS & REG EQUIPMENT	-	-	-	-
Total	<u>\$ 29,409</u>	<u>\$ 5,882</u>	<u>\$ 5,882</u>	<u>\$ -</u>
40 Year Amortization of Reserve Deficiency - Case R-2008-2046520 through March 2049		<u>(900)</u>	<u>(900)</u>	<u>-</u>
Total Adjustment		<u>\$ 4,982</u>	<u>\$ 4,982</u>	<u>\$ -</u>
Rounded				<u>\$ -</u>

Pike County Light And Power Company  
Statement in Support of Change No. (9)  
To Other Tax Expense  
For the Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 9  
Page 1 of 2

	Actual 9/30/2024	Future Year 9/30/2025	Changes
	(1)	(2)	(3)
Payroll Taxes (FICA / Medicare)	\$ 20,734	\$ 23,839 *	\$ 3,106
Property Taxes	3,392	3,290	(103)
State and Local Taxes	-	-	-
	\$ 24,126	\$ 27,129	\$ 3,003
Rounded			\$ 3,000

\* See Exhibit G-4, Schedule 9, page 2

Pike County Light And Power Company  
Statement in Support of Change No. (9)  
To Taxes Other than Income  
For the Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 9  
Page 2 of 2

Change in Taxes Other Than Income to reflect the estimated increase  
in Payroll Taxes (FICA, Medicare, and Unemployment):

---

Pike Payroll	\$ 274,267
Wage Increase and Annualization	17,360
Salary and wages for additional employees	<u>20,000</u>
Total increase in wages	\$ 311,627
FICA / Medicare Rate	<u>7.65%</u>
Total Payroll Taxes	<u>\$ 23,839</u>
Rounded Total	<u><u>\$ 23,800</u></u>

Pike County Light And Power Company  
Adjustment No. (10)  
Calculation of Gas State Income Taxes  
For The Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 10  
Page 1 of 3

	Per Books 12 Months Ended 9/30/2024	Income Tax Normalizing Adjustments	12 Months Ended 9/30/2024 (1)	Income Adjustments (2)	12 Months Ended 9/30/2025 (3) = (1) + (2)	Proposed Rate Change (4)	As Adjusted For Additional Revenue (5) = (3) + (4)
Operating Income Before Income Taxes	132,200	-	\$ 132,200	\$ (62,900)	\$ 69,300	\$ 905,900	\$ 975,200
Less Interest Expense (incl amort of debt exp)	182,888	322,050	504,938	265,021	769,959	-	769,959
Other Income & Deductions (incl Donations)	3,494	(3,494)	-	-	-	-	-
<b>Book Income Before FIT</b>	<b>(54,182)</b>	<b>(318,556)</b>	<b>(372,738)</b>	<b>(327,921)</b>	<b>(700,659)</b>	<b>905,900</b>	<b>205,241</b>
<b>Section I - Permanent Items:</b>							
Add: Negative Provision for Uncollectibles	(14,475)	14,475	-	-	-	-	-
Less: Uncollectible Write-Offs (not in O&M)	-	-	-	-	-	2,500	2,500
<b>Total</b>	<b>(14,475)</b>	<b>14,475</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,500</b>	<b>2,500</b>
Pretax Income	(39,707)	(333,031)	(372,738)	(327,921)	(700,659)	903,400	202,741
<b>Section II - Normalized Items:</b>							
Add: Additional Taxable Income and Unallowable Deductions:							
Book Depreciation	208,200	-	208,200	124,900	333,100	-	333,100
Amortization of Rate Case Expenditures	-	-	-	9,400	9,400	-	9,400
Recovery of Prior Deferred Purchased Gas Cost	178,625	-	178,625	(178,625)	-	-	-
<b>Total</b>	<b>386,825</b>	<b>-</b>	<b>386,825</b>	<b>(44,325)</b>	<b>342,500</b>	<b>-</b>	<b>342,500</b>
Deduct: Non-Taxable Income and Allowable Deductions							
Tax Depreciation	255,285	-	255,285	-	255,285	-	255,285
Rate Case Expenditures	-	-	-	37,500	37,500	-	37,500
Deferral of Def. Purchased Gas Costs	(22,888)	-	(22,888)	22,888	-	-	-
<b>Total</b>	<b>232,397</b>	<b>-</b>	<b>232,397</b>	<b>60,388</b>	<b>292,785</b>	<b>-</b>	<b>292,785</b>
Federal NOL	-	-	-	-	-	-	-
Taxable Income	114,721	(333,031)	(218,310)	(432,634)	(650,944)	903,400	252,456
State Tax Adjustments	-	-	-	-	-	-	-
Adjusted Taxable Income	114,721	(333,031)	(218,310)	(432,634)	(650,944)	903,400	252,456
x State Income Tax @ 7.99%	7.99%	7.99%	7.99%	7.99%	7.99%	7.99%	7.99%
Current Tax Provision	9,166	(26,609)	(17,443)	(34,567)	(52,010)	72,200	20,190
Deferred Income Tax Dr.- Account 410	18,569	-	18,569	4,825	23,394	-	23,394
Deferred Income Tax Cr.- Account 411	(30,907)	-	(30,907)	3,542	(27,366)	-	(27,366)
	(3,173)	(26,609)	(29,782)	(26,201)	(55,983)	72,200	16,217
			12,339				3,972
<b>Rounded</b>	<b>\$ (3,200)</b>	<b>\$ (26,600)</b>	<b>\$ (29,800)</b>	<b>\$ (26,200)</b>	<b>\$ (56,000)</b>	<b>\$ 72,200</b>	<b>\$ 16,200</b>

Pike County Light And Power Company  
Adjustment No. (10)  
Calculation of Gas Income Taxes  
For the Twelve Months Ended September 30, 2025

Exhibit G-4  
Schedule 10  
Page 2 of 3

	Per Books 12 Months Ended 9/30/2024	Adjustments	12 Months Ended 9/30/2024 (1)	Proposed Rate Change (2)	12 Months Ended 9/30/2025 (3) = (1) + (2)	Proposed Rate Change (4)	As Adjusted For Additional Revenue (5) = (3) + (4)
State Taxable Income (G-4, Sched 10, Pg 1)	\$ 114,721	\$ (333,031)	\$ (218,310)	\$ (432,634)	\$ (650,944)	\$ 903,400	\$ 252,456
Less: State Income Tax	3,173	26,609	29,782	26,201	55,983	(72,200)	(16,217)
Federal Tax Adjustments	-	-	-	-	-	-	-
Adjusted Taxable Income	117,894	(306,422)	(188,528)	(406,433)	(594,961)	831,200	236,239
* Federal Income Tax Rate	21%	21%	21%	21%	21%	21%	21%
Current Federal Income Tax	\$ 24,758	\$ (64,349)	\$ (39,591)	\$ (85,351)	\$ (124,942)	\$ 174,600	\$ 49,610
<b>Deferred Federal Income Tax Applicable To:</b>							
Book Depreciation	(43,722)	-	(43,722)	(26,229)	(69,951)	-	(69,951)
Amortization of Rate Case Expenditures	-	-	-	(1,974)	(1,974)	-	(1,974)
Recovery of Prior Deferred Purchased Gas Cost	(37,511)	-	(37,511)	37,511	0	-	0
Tax Depreciation	53,610	-	53,610	-	53,610	-	53,610
Rate Case Expenditures	-	-	-	7,875	7,875	-	7,875
Deferral of Def. Purchased Gas Costs	(4,806)	-	(4,806)	4,806	(0)	-	(0)
Total	11,292	-	11,292	50,193	61,485	-	61,485
<b>Summary of Federal Income Taxes:</b>							
Current Federal Income Tax - 409	24,758	(64,349)	(39,591)	(85,351)	(124,942)	174,600	49,658
Deferred Federal Income Tax Dr - 410	48,803	-	48,803	12,681	61,485	-	61,485
Deferred Federal Income Tax Dr - 411	(81,233)	-	(81,233)	9,308	(71,925)	-	(71,925)
Deferred FIT Adjustments	-	-	-	-	-	-	-
Total	<u>\$ (7,672)</u>	<u>\$ (64,349)</u>	<u>\$ (72,021)</u>	<u>\$ (63,361)</u>	<u>\$ (135,382)</u>	<u>\$ 174,600</u>	<u>\$ 39,218</u>
			32,430				10,440
Rounded	\$ (7,700)	\$ (64,300)	\$ (72,000)	\$ (63,400)	\$ (135,400)	\$ 174,600	\$ 39,200

Pike County Light And Power Company  
 Adjustment No. (10)  
 Calculation of Gas Income Taxes  
 For the Twelve Months Ended September 30, 2025

Exhibit G-4  
 Schedule 10  
 Page 3 of 3

	Per Books 12 Months Ended 9/30/2024	Adjustments	12 Months Ended 9/30/2024 (1)	Proposed Rate Change (2)	As Adjusted For Additional Revenue (3) = (1) + (2)
Rate Base	\$ 7,003,300	\$ -	\$ 7,003,300	\$ 3,675,742	\$ 10,679,042
Interest Component of Capitalization	2.61%	4.60%	7.21%	7.21%	7.21%
Interest Expense	<u>\$ 182,888</u>	<u>\$ 322,050</u>	<u>\$ 504,938</u>	<u>\$ 265,021</u>	<u>\$ 769,959</u>
Rounded	<u>\$ 182,900</u>	<u>\$ 322,100</u>	<u>\$ 504,900</u>	<u>\$ 265,000</u>	<u>\$ 770,000</u>

This adjustment is related to State and Federal Income Taxes

Pike County Light And Power Company  
Index of Schedules  
Gas Sales and Revenues

Exhibit G-5

<u>Schedule</u>	<u>Title of Schedule</u>	<u>Witness</u>
(1)	Historic Gas Sales by Service Classification	C. Lenns & M. Lenns
(2)	Future Gas Sales by Service Classification	C. Lenns & M. Lenns
(3)	Historic Gas Revenue by Service Classification	C. Lenns & M. Lenns
(4)	Future Gas Revenue by Service Classification	C. Lenns & M. Lenns
(5)	Forecasted Delivery Volumes (CCF)	C. Lenns & M. Lenns
(6)	Forecasted Gas Total Sales Revenues	C. Lenns & M. Lenns

**PIKE COUNTY LIGHT AND POWER COMPANY**

**Gas Sales (CCF)  
For the 12 Months Ended September 30, 2024**

	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Total</u>
<b><u>Billed Sales</u></b>													
SC1	41,969	122,034	133,222	189,163	158,808	105,021	90,051	33,299	18,537	18,755	17,606	18,699	947,165
SC2	<u>22,751</u>	<u>40,985</u>	<u>43,303</u>	<u>59,374</u>	<u>50,802</u>	<u>34,622</u>	<u>34,467</u>	<u>18,923</u>	<u>14,372</u>	<u>15,425</u>	<u>14,853</u>	<u>15,622</u>	<u>365,500</u>
Total	<u>64,721</u>	<u>163,020</u>	<u>176,525</u>	<u>248,537</u>	<u>209,611</u>	<u>139,643</u>	<u>124,518</u>	<u>52,222</u>	<u>32,909</u>	<u>34,180</u>	<u>32,459</u>	<u>34,322</u>	<u>1,312,666</u>

**PIKE COUNTY LIGHT AND POWER COMPANY**  
**Gas Sales (CCF)**  
**For the Future Test Year Ended September 30, 2025**

	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Total</u>
<b><u>Billed Sales</u></b>													
SC1	49,932	130,157	155,321	222,599	189,839	140,736	103,085	47,108	19,998	19,562	18,363	19,878	1,116,578
SC2	<u>26,098</u>	<u>42,288</u>	<u>49,060</u>	<u>67,877</u>	<u>58,464</u>	<u>42,398</u>	<u>37,732</u>	<u>23,049</u>	<u>14,832</u>	<u>15,919</u>	<u>15,328</u>	<u>16,480</u>	<u>409,525</u>
Total	<u>76,030</u>	<u>172,445</u>	<u>204,381</u>	<u>290,476</u>	<u>248,303</u>	<u>183,135</u>	<u>140,817</u>	<u>70,157</u>	<u>34,830</u>	<u>35,480</u>	<u>33,691</u>	<u>36,358</u>	<u>1,526,104</u>

**PIKE COUNTY LIGHT AND POWER COMPANY**

**Gas Revenues (\$)  
For the 12 Months Ended September 30, 2024**

	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Total</u>
<b><u>Billed Revenue</u></b>													
SC1	\$ 89,360	\$ 208,093	\$ 220,658	\$ 308,823	\$ 261,087	\$ 176,247	\$ 152,664	\$ 63,252	\$ 40,065	\$ 40,325	\$ 38,652	\$ 40,249	\$ 1,639,476
SC2	<u>37,800</u>	<u>56,426</u>	<u>58,050</u>	<u>78,830</u>	<u>67,758</u>	<u>46,741</u>	<u>46,344</u>	<u>26,020</u>	<u>20,051</u>	<u>21,352</u>	<u>20,629</u>	<u>21,820</u>	<u>501,818</u>
Total	<u>\$ 127,159</u>	<u>\$ 264,519</u>	<u>\$ 278,708</u>	<u>\$ 387,653</u>	<u>\$ 328,845</u>	<u>\$ 222,988</u>	<u>\$ 199,007</u>	<u>\$ 89,272</u>	<u>\$ 60,116</u>	<u>\$ 61,677</u>	<u>\$ 59,281</u>	<u>\$ 62,069</u>	<u>\$ 2,141,294</u>

**PIKE COUNTY LIGHT AND POWER COMPANY**

**Gas Revenues (\$)  
For the Future Test Year Ended September 30, 2025**

	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Total</u>
<b><u>Rate Revenue</u></b>													
SC1	\$ 42,891	\$ 94,798	\$ 111,078	\$ 154,579	\$ 133,414	\$ 101,680	\$ 77,326	\$ 41,149	\$ 23,628	\$ 23,346	\$ 22,596	\$ 23,558	\$ 850,044
SC2	11,681	17,817	20,427	27,473	23,947	17,777	15,930	10,510	7,038	7,383	7,175	7,644	174,801
Subtotal	<u>54,572</u>	<u>112,616</u>	<u>131,505</u>	<u>182,052</u>	<u>157,360</u>	<u>119,458</u>	<u>93,256</u>	<u>51,659</u>	<u>30,666</u>	<u>30,728</u>	<u>29,771</u>	<u>31,202</u>	<u>1,024,845</u>
<b><u>DSIC Revenue</u></b>													
SC1	4,544	6,264	13,284	10,273	10,936	11,372	5,491	4,504	3,243	2,606	2,420	2,633	77,569
SC2	1,301	1,525	2,307	2,005	2,134	2,219	1,440	1,480	1,548	1,317	1,467	1,473	20,217
Subtotal	<u>5,845</u>	<u>7,789</u>	<u>15,591</u>	<u>12,277</u>	<u>13,070</u>	<u>13,592</u>	<u>6,930</u>	<u>5,983</u>	<u>4,791</u>	<u>3,923</u>	<u>3,887</u>	<u>4,106</u>	<u>97,786</u>
<b><u>GCR Revenue</u></b>													
SC1	48,704	64,736	128,991	102,173	111,124	111,109	59,840	50,660	38,870	30,017	27,414	29,539	803,176
SC2	21,037	24,291	36,283	31,563	34,089	35,302	23,194	24,770	26,982	22,771	25,899	25,587	331,767
Subtotal	<u>69,740</u>	<u>89,027</u>	<u>165,274</u>	<u>133,736</u>	<u>145,212</u>	<u>146,411</u>	<u>83,034</u>	<u>75,430</u>	<u>65,853</u>	<u>52,789</u>	<u>53,312</u>	<u>55,126</u>	<u>1,134,943</u>
<b><u>Total Billed Revenue</u></b>													
SC1	96,138	165,798	253,353	267,026	255,474	224,162	142,657	96,312	65,741	55,969	52,430	55,730	1,730,788
SC2	34,019	43,633	59,017	61,040	60,169	55,298	40,563	36,760	35,569	31,471	34,541	34,704	526,786
Subtotal	<u>\$ 130,158</u>	<u>\$ 209,432</u>	<u>\$ 312,370</u>	<u>\$ 328,066</u>	<u>\$ 315,643</u>	<u>\$ 279,460</u>	<u>\$ 183,220</u>	<u>\$ 133,072</u>	<u>\$ 101,310</u>	<u>\$ 87,440</u>	<u>\$ 86,971</u>	<u>\$ 90,434</u>	<u>\$ 2,257,574</u>

**PIKE COUNTY LIGHT & POWER COMPANY**  
Gas Sales (CCF)  
For the Twelve Months Ending September 30, 2025

Column No.		1	2	3
Line No.	Description	SC 1 Residential	SC 2 Commercial	Total Billed
1	Actual billed delivery volumes 12 months ended September 30, 2024	947,165	365,501	1,312,666
2	Weather Adjustment	123,377	31,326	154,703
3	Forecast Increase in Customers	46,036	12,698	58,734
4	<b>Forecasted Delivery Volumes 12 months ended September 30, 2025</b>	<b>1,116,578</b>	<b>409,525</b>	<b>1,526,104</b>

**PIKE COUNTY LIGHT & POWER COMPANY**  
**Forecasted Gas Total Sales Revenue**  
**For the Twelve Months Ending September 30, 2025**

Column No.		1	2	3	4	5	6	7
Line No.	Service Classification	Gas Delivery Volumes CCF	Gas Customers	Base Revenue (\$000)	DSIC Revenue (\$000)	Delivery Revenue (\$000)	Rider Revenue (\$000)	Total Sales Revenue (\$000)
<b><u>Billed Delivery</u></b>								
1	SC 1 - Residential	1,116,578	1,334	\$ 128,064	\$ 77,569	\$ 721,980	\$ 803,176	\$ 1,730,788
2	SC 2 - Commercials	409,525	86	12,621	20,217	162,180	331,767	526,786
<b>Total Billed Delivery</b>		<b>1,526,104</b>	<b>1,420</b>	<b>\$ 140,685</b>	<b>\$ 97,786</b>	<b>\$ 884,160</b>	<b>\$ 1,134,943</b>	<b>\$ 2,257,574</b>

Normand

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility :  
Commission :  
v. : DOCKET NO. R-2024-xxxxxxx  
Pike County Light :  
& Power Company (gas) :

**PIKE COUNTY LIGHT & POWER COMPANY**

**Statement No. 1**

**Direct Testimony of Paul M. Normand**

**Exhibit G-6 – Gas Embedded Cost of Service**

**Exhibit G-7 - Gas Cost of Service Proposed Revenues**

**Exhibit G-8 - Gas Rate Design Recommendations**

**Draft 12/27/24**



MANAGEMENT APPLICATIONS CONSULTING, INC.  
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**DIRECT TESTIMONY OF PAUL M. NORMAND  
ON BEHALF OF  
PIKE COUNTY LIGHT & POWER COMPANY**

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**DIRECT TESTIMONY OF PAUL M. NORMAND  
ON BEHALF OF  
PIKE COUNTY LIGHT & POWER COMPANY**

**LIST OF EXHIBITS**

**EXHIBIT G-6** Gas Embedded Cost of Service

Exhibit G-6 Schedules

Description

PMN-1-G	Qualifications of Paul M. Normand
PMN-2-G	Gas Embedded Cost of Service Summary Results – Existing Rate of Return, Based on 12 Months Ended 09/30/2024 (Exhibit G-6, Summary)
PMN-3-G	Summary of Gas Revenue Requirements at Existing Rate of Return, Equalized Rate of Return, and at Proposed Revenue Levels.
PMN-4-G	Gas Embedded Cost of Service Detailed Results Based on 12 Months Ended 09/30/2024 (Exhibit G-6, Detail)
PMN-5-G	Gas Embedded Class Cost of Service – Unbundled Summary of Results – Existing Rate of Return, Based on 12 Months Ended 09/30/2024 – Proposed Equalized ROR, Based on 12 Months Ended 9/30/2025
PMN-6-G	Description of Gas Allocation Factors

**EXHIBIT G-7** Gas Embedded Cost of Service Summary Results  
– Proposed at Equalized ROR, Based on 12 Months Ended 06/30/2024

**EXHIBIT G-8** Gas Rate Design and Bill Impact Analysis



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1 **INTRODUCTION**

2 **Q. Would the witness please state his name and business address?**

3 A. Paul M. Normand, 1103 Rocky Drive, Suite 201, Reading, PA 19609.

4

5 **Q. By whom are you employed and what position do you hold?**

6 A. I am employed by Management Applications Consulting, Inc., and my position is  
7 management consultant and president of the firm.

8

9 **Q. Please state your qualifications.**

10 A. My qualifications are shown on Schedule PMN-1-G.

11

12 **SCOPE OF TESTIMONY**

13 **Q. What is your responsibility in connection with this filing?**

14 A. I am sponsoring the following three exhibits:

- 15
- Exhibit G-6, the Gas Embedded Cost of Service Study

16

  - Exhibit G-7, the Gas Embedded Cost of Service Summary at Proposed Rates

17

  - Exhibit G-8, the Gas Present and Proposed Rate Design.

18

19 **Q. What is the scope of your direct testimony in this proceeding?**

20 A. My testimony will present:



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- 1 1. The Pike County Light & Power Company (“Pike” or “Company”) Gas Embedded
- 2 Cost of Service (“COS”) Study as of September 30, 2024;
- 3 2. The Company’s Gas Embedded COS Study as of September 30, 2025;
- 4 3. The Company’s proposal for revenue allocation and rate design; and
- 5 4. The impact of the proposed rate changes on customers’ bills.
- 6

7 **Q. Please describe the general arrangement of Exhibit G-6.**

8 A. Exhibit G-6 consists of six schedules, Schedule PMN-1-G through PMN-6-G. Schedule  
9 PMN-1-G includes Paul M. Normand’s qualifications. Schedule PMN-2-G contains the  
10 class embedded cost of service study summary results at the actual return using a test  
11 period ended September 30, 2024. Schedule PMN-3-G contains the class embedded cost  
12 of service study summary at existing, claimed (uniform) and proposed rate of return.  
13 Schedule PMN-4-G presents the complete detailed output of the test period class  
14 embedded cost of service study as summarized in Schedule PMN-2-G. Schedule PMN-  
15 5-G, pages 1 and 2 presents the Unbundled Costs Summary of Results of Schedule PMN-  
16 3-G by the major COS cost component categories based on the present revenue level test  
17 period ended September 30, 2024. Schedule PMN-5-G, pages 3 and 4 present the same  
18 information at the proposed equalized rate of return revenue levels using the future test  
19 period September 30, 2025. Schedule PMN-6-G provides a description of the allocation  
20 factors used in the embedded cost of service study (Schedule PMN-4-G). Exhibit G-7  
21 includes the embedded cost of service summary of results at the proposed future test  
22 period ended September 30, 2025. Exhibit G-8 presents the gas rate design calculations



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1 for the proposed rates and associated revenue targets. Also included in Exhibit G-8 are  
2 the gas bill impacts at the present and proposed revenue target levels.

3

4 **EMBEDDED COST OF SERVICE STUDY**

5 **Embedded Cost of Service Study**

6 **Q. Would you briefly define an Embedded Cost of Service Study?**

7 A. The cost to serve the customers of any utility company generally consists of allowable  
8 investments, operating expenses, and a return. For a historical test period, these costs are  
9 on record, and the overall cost to serve the collective customers of the utility may be  
10 readily established. On the other hand, the unique cost to provide services and energy to  
11 customers of the various service classifications is much less apparent. Costs can vary  
12 significantly between customer classes depending upon the nature of their demands upon  
13 the system and the facilities required to serve them. The purpose of an Embedded Cost of  
14 Service Study is to directly assign costs based on the utility records or to allocate each  
15 relevant and identifiable component of cost on an appropriate basis in order to determine  
16 the proper cost to serve the utility's respective customer classes. These analyses result in  
17 matrices which display the detailed total costs of serving each customer class of service  
18 in the study. Additionally, these costs are further unbundled into more detailed cost  
19 component categories reflecting the various services provided by the Company to its  
20 customers for energy delivery.

21



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1 **Q. Please describe the procedure that you used in preparing your Embedded Cost of**  
2 **Service Study?**

3 A. Through the application of a computerized microcomputer cost model developed by  
4 Management Applications Consulting specifically for Pike's gas operations, it was  
5 possible to treat each element of Rate Base, Revenue and Operating Expense in detail  
6 and to classify and directly assign or allocate each item to the customer classes. This  
7 distribution cost of service classified all costs as being demand-related or customer-  
8 related since there are no commodity-related costs in this study.

9  
10 The demand-related costs are fixed costs created by the loads placed on the various  
11 components of the gas system. The customer-related costs are fixed costs created by the  
12 customers connected to the system regardless of their usage. The complete detailed line-  
13 by-line allocation process is presented in Schedule PMN-4-G for Pike's gas operations  
14 for the test period ended September 30, 2024. This schedule is the underlying support  
15 for all the cost of service results presented in Schedules PMN-2-G, PMN-3-G, and PMN-  
16 5-G.

17  
18 **Q. Please summarize your cost of service study.**

19 A. Schedule PMN-3-G shows a summary of class revenue requirements at existing rates, at  
20 an overall uniform 8.59% targeted (claimed) rate of return identified by the Company,  
21 and at proposed revenue levels. A second analysis, Schedule PMN-5-G, summarizes the  
22 unbundled costs to serve each major cost component category at present rates and at an



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1 equalized target rate of return for each class of service to assist in the rate design process.  
2 The calculated monthly customer charge for each class of service is shown on at existing  
3 (page 2, line 24) and uniform (page 4, line 24) ROR schedules. The specific customer  
4 costs included in the total monthly customer costs are shown in detail on lines 24 through  
5 30.  
6

7 **Description of Cost of Service (COS) Model**

8 **Q. How does the computerized cost of service model operate?**

9 A. The cost of service model is essentially a cost matrix. The vertical dimension of the  
10 study consists of the costs to serve as provided by the Company. The development of the  
11 cost of service study begins with rate base and continues with revenues, operating  
12 expenses, taxes, and the computation of a labor allocator. The cost model includes three  
13 additional pieces, a summary of costs to serve, a list of the allocation factors employed in  
14 the study and a revenue requirements section. The horizontal portion consists of the  
15 assignment of all costs to each of the Company's customer classes.  
16

17 Each page, starting with page 1 has an important column immediately preceding the  
18 numerical data marked "ALLOC", an abbreviation for ALLOCATOR. The ALLOC  
19 column contains an acronym to indicate the allocation factor used to allocate the costs  
20 shown in the Total Gas Company column to each customer class. A tabulation of these  
21 allocators in absolute form, typically total dollars or volumes and as a percent of total has  
22 been provided at the end of the study beginning on page 15 in Schedule PMN-4-G and is



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1 repeated in the same sequence as a percent of the total value for each allocator at the end  
2 of the study beginning on page 21.

3  
4 Using these allocation factors, costs shown in the Total Company column that were not  
5 directly assigned were allocated to each customer class. The cost of service information  
6 provided in the "Total" vertical column is based on the testimony and exhibits for the test  
7 year provided by the Company.

8

9 **Q. What customer classes did you recognize in your Cost of Service Study?**

10 A. The cost of service study recognized and allocated the Company's cost to the rate classes  
11 as follows:

<u>Rate Designation</u>	<u>Description</u>
SC-1, 231	Residential Space Heating
SC-1, 631	Residential Domestic
SC-1, 531&731	Residential Other
SC-2, 162	General Service Commercial
SC-2, 331	Commercial Space Heating

12

13 **Cost of Service Model Allocation Methodology**

14 **Q. Would you please tell us how you chose allocation factors for your cost study?**

15 A. In the cost allocation process, we attempted to determine the intended use of specific  
16 plant investments and then examined the specific use of these assets in the test year. As  
17 part of the cost of service process, we then separately developed the required external



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1 allocators or selected internal allocators to assign the various costs appropriately to each  
2 customer class. A complete and detailed list of each allocation factor has been provided  
3 in Schedule PMN-4-G, pages 15 through 26. Pages 15 through 20 present the total actual  
4 Company values while the remaining pages 21 through 26 reformat and unitize these  
5 same values with each factor totaling to unity or one. A description of these allocation  
6 factors has been provided in Exhibit G-6, Schedule PMN-6-G.

7

8 **Rate Base Allocation**

9 **Q. Please describe the allocation of rate base to customer classes.**

10 A. Rate base allocation is shown on pages 3 through 5 of Schedule PMN-4-G. The gas  
11 supply is set to zero in this study. Distribution plant represents investment in facilities to  
12 deliver gas to the customer meter.

13

14 **Q. Please describe the allocation of Distribution Mains Acct 376 to customer classes.**

15 A. The Distribution Mains account has been classified as demand (46.97%) and customer  
16 (53.93%) related based on the results of the minimum-size study developed for use in the  
17 2013 General Base Rate Increase Filing. The demand-related Distribution Mains as well  
18 as other demand-related Distribution plant was allocated to customer classes using the  
19 Design Day factors shown on page 15 of Schedule PMN-4-G. The customer-related  
20 portion of Distribution Mains was allocated on the number of customers by rate class.

21

22 **Q. What are the other customer-related allocation factors included in your cost study?**



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1 A. Customer-related plant items were allocated using various **CUST**-prefixed allocators for  
2 services, meters, and other such customer-related items. A complete list of these factors  
3 has been provided on page 16 of the cost of service study.

4  
5 **Q. How was general plant allocated on page 3 of Schedule PMN-4-G?**

6 A. General plant was allocated on an internally generated labor allocation factor (**LABOR**)  
7 based on labor expensed in the test. Each Operations and Maintenance account was  
8 examined to determine the labor portion of expense included. The labor portions of these  
9 costs were allocated separately in the same manner as the total Operations and  
10 Maintenance accounts were allocated. The development of this allocator is shown on  
11 Schedule PMN-4-G, pages 13 and 14.

12  
13 **Q. How was each account of depreciation reserves assigned?**

14 A. The plant Depreciation Reserves by function and the distribution account detail were  
15 obtained from the Company's records and allocated to customer classes based on the  
16 allocation of the corresponding plant account.

17  
18 **Q. How was Construction Work in Progress assigned?**

19 A. The Construction Work in Progress was allocated to customer classes based on total  
20 plant.

21  
22 **Q. What other elements of rate base were included in your study?**



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1 A. Each adjustment to rate base has been detailed on Schedule PMN-4-G, page 5. Additions  
2 to net plant included allowance for working capital which includes Cash Working  
3 Capital, Materials and Supplies, Prepayments, and Deferred Debits (net of taxes). The  
4 deductions from net plant include customer deposits, deferred credits (net of taxes), and  
5 deferred income taxes and credits.

6  
7 Each adjustment to rate base was allocated on the most appropriate allocation factor. For  
8 example, allowance for working capital items materials and supplies and prepayments of  
9 property tax and insurance were allocated on **TOTPLT**, prepayments of PA PUC  
10 assessment were allocated on claimed revenues (**CLAIMREV**) and cash working capital  
11 was allocated on O&M expense excluding purchased gas (**OMXPP**).

12

13 **Operating Revenue Allocation**

14 **Q. How were operating revenues assigned?**

15 A. Operating revenues (Schedule PMN-4-G, page 6) are based on the Company's books and  
16 records by customer class allocated on the most appropriate allocation factor. Sales of  
17 Gas revenue were directly assigned to each class. Other operating revenue Account 487,  
18 late payment charges, was allocated on the basis of the late payment charges incurred for  
19 each rate class. Miscellaneous service revenues and other gas revenues were allocated on  
20 total plant (**TOTPLT**).

21



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1 **Operating Expense Allocation**

2 **Q. How were the Operation and Maintenance Expenses allocated?**

3 A. Distribution O&M expenses follow the allocation of distribution plant. Customer  
4 Accounts, Sales Expenses, and Administrative and General Expenses were allocated  
5 using a variety of methods based on direct assignments, revenues, plant, and labor costs.  
6 Whenever possible, specific information detailing class cost responsibilities or  
7 weightings were utilized in order to develop the most accurate cost study possible.  
8 Customer Service and Sales Expenses used a composite allocation factor that was  
9 weighted 50% on customers and 50% on sales.

10

11 A&G expenses were primarily allocated on the **LABOR** allocator. The regulatory  
12 commission expense was allocated on the **CLAIMREV** allocator and the remaining  
13 A&G expenses were allocated on **TOTPLT**, and General plant in service (**GENLPLT**).

14

15 **Q. What are the remaining operating expenses?**

16 A. The remaining operating expenses consist of depreciation expenses, taxes other than  
17 income taxes, state income taxes and a detailed federal income tax calculation.

18

19 **Q. How were they allocated?**

20 A. Depreciation expenses were allocated on the basis of plant in service. Taxes Other Than  
21 Income Taxes were allocated using the **TOTPLT**, **LABOR**, and **CLAIMREV** allocation  
22 factors; PURTA taxes, capital stock, and real estate taxes were allocated on **TOTPLT**.



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1 Payroll related taxes were allocated on the **LABOR** allocation factor and the PA and  
2 local use tax was allocated on the **CLAIMREV** allocation factor. Federal income taxes  
3 and state taxes were computed for each customer class based on the allocated expenses  
4 previously discussed.

5

6 **Cost of Service Study Results**

7 **Q. Could you summarize the results of your cost study at present rates?**

8 A. The results of the test year ended September 30, 2024 cost of service study show that the  
9 rates presently in effect generate somewhat different rates of return for each customer  
10 class. Schedules PMN-2-G and PMN-3-G show that the Company's current rates  
11 produce inequities between the customer classes as summarized in the following table:

Cost of Service Results – Present ROR

	<u>Schedule PMN-2-G</u>	
	<u>ROR (%)</u>	<u>ROR Index</u>
Total Company	4.29%	1.00
Residential Space Heating	3.40%	0.79
Residential Domestic	0.63%	0.15
Residential Other	3.76%	0.88
General Service Commercial	19.84%	4.63
Commercial Space Heating	8.56%	2.00

12

13 **Q. Has Mr. Normand employed “tolerance bands” around the total system rate of**  
14 **return in developing class revenue responsibilities?**

15 A. Yes. The proposed class revenue target responsibility has been measured with respect to  
16 a ±10% tolerance band around the total system average rate of return. Classes would not



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1 be considered “surplus” or “deficient” if the class COS rate of return falls within this  
2 band.

3

4 **Q. Based on the application of a  $\pm 10\%$  tolerance band around the calculated total**  
5 **system rate of return of 8.59%, which classes are considered to be deficient and**  
6 **which classes are surplus?**

7 A. The customer class ROR inequities shown in Schedules PMN-2-G and PMN-3-G  
8 indicate that the Service Classification No. 2 General Service and Commercial customer  
9 classes are surplus and are subsidizing the Service Classification No.1 Residential  
10 customer classes which are deficient.

11

12 **RATE DESIGN**

13 **Q. How did you approach the task of rate design in this case?**

14 A. The class cost of service unbundled revenue requirement summary results at a proposed  
15 revenue levels presented in Exhibit G-6, Schedule PMN-5-G, pages 3 and 4 which use a  
16 future test period for the twelve months ended of September 30, 2025 provided the basis  
17 or starting point for all of the proposed rate designs presented in Exhibit G-8.

18

19 **Q. Was there a logical progression in your efforts to perform the rate design?**

20 A. Our rate design efforts were performed in three discrete steps. First, we determined the  
21 total costs incurred to serve each customer class using the September 30, 2025 future test  
22 year, Exhibit G-7. Next, we examined the embedded cost of service study at the



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1 Company's uniform ROR (equalized annual increase) and compared these results to the  
2 revenues currently produced by each customer class, Exhibit G-6, Schedule PMN-3-G.  
3 Finally, we developed the proposed (moderated) class revenue targets and rate designs  
4 utilizing these results and adjusted present rate charges to all rates.

5

6 **Q. Could you briefly list the factors that you considered in arriving at your proposed**  
7 **rate designs?**

8 A. The proposed rate year rate design and class revenue targets considered several very  
9 important factors which I will list in the order that they were considered in my decision  
10 process:

- 11 1. Existing Rate Structure
- 12 2. Present Rate of Returns & Index of Returns (Schedules PMN-2-G and PMN-3-G)
- 13 3. Cost of Service at a Uniform Target Rate of Return (Exhibit G-7 and PMN-3-G)
- 14 4. Use of unbundled costs results presented in Schedule PMN-5-G
- 15 5. Initial Target Class Revenue Increases using Rate Year Revenue Requirement

16

17 **Q. Have you prepared an unbundling cost study for Pike?**

18 A. Yes, I have. Exhibit G-6, Schedule PMN-5-G provides for the detailed results by major  
19 cost categories that are presented in my testimony. The most important aspect of these  
20 unbundled results is with respect to the customer-related costs presented on Schedule  
21 PMN-5-G, pages 3 and 4, at a uniform ROR level for each customer class. These results  
22 indicate the proper level of customer-related costs that should be recovered on a monthly



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1 basis and was used as a guide in establishing the proposed rate designs presented in  
2 Exhibit G-8, pages 1 through 4. While it is important to recognize that the delivery only  
3 revenue requirements are essentially fixed and invariant to throughput, the overall goal  
4 representing customer impacts prevents establishing the total delivery revenue  
5 requirement as a monthly fixed cost for each customer and requiring a continued  
6 dependence on volumetric charges.

7

8 **Bill Impact Analysis**

9 **Q. Have you prepared an analysis of the impact of your proposed rates?**

10 A. Yes. This analysis is shown on pages 5 through 13 of Exhibit G-8. For each rate class,  
11 we have shown the total charges under present and proposed rates for a variety of usage  
12 levels for the Service Classification No. 1 (SC-1) and Service Classification No. 2 (SC-2)  
13 as shown on page 6 of Exhibit G-8. This page shows that the total monthly bill,  
14 including gas costs, for a SC-1 Residential Heating customer using 100 Ccf would  
15 increase from \$167.72 to \$242.73, or an 44.3% increase. The proposed rates reflect an  
16 overall increase of 44.2% increase for the SC-1 class and an overall 7.2% increase for the  
17 SC-2 class as shown on Exhibit G-8, page 12.

18

19 **Q. Does this conclude your testimony?**

20 A. Yes, it does. We reserve the right to update or amend this testimony.



# **Schedule PMN-1-G**

## **Qualifications of Paul M. Normand**



**Qualification of Paul M. Normand**

**Q. Mr. Normand, what is your present position?**

A. I am a principal in the consulting firm of Management Applications Consulting, Inc. (MAC). This Company provides consulting services to the utility industry in such fields as loss studies, econometric studies, cost analyses, rate design, expert testimony, and regulatory assistance. The Company is located in Reading, Pennsylvania.

**Q. What is your educational background?**

A. I graduated from Northeastern University in 1975, with a Bachelor of Science Degree and a Master of Science Degree in Electrical Engineering-Power System Analysis. I have attended various conferences and meetings concerning engineering and cost analysis.

**Q. What is your professional background?**

A. I was employed by the Massachusetts Electric Company in the Distribution Engineering Department while attending Northeastern University. My principal areas of assignment included new service, voltage conversions, and system planning. Upon graduation from Northeastern University, I joined Westinghouse Electric Corporation Nuclear Division in Pittsburgh, Pennsylvania. In that position, I assisted in the procurement and economic analysis of electrical/electronic control equipment for the nuclear reactor system.

In 1976, I joined Gilbert Associates as an Engineer providing consulting services in the rate and regulatory area to utility companies. I was promoted to Senior Engineer in 1977, Manager of the Austin office 1980, and Director of Rate Regulatory Service in 1981.

In June, 1983, I left Gilbert to form a separate consulting firm and I am now a principal and President of Management Applications Consulting, Inc. My principal areas of concentration have been in loss studies, economic analyses, and pricing.

**Q. Have you testified in support of any cost studies that you participated in or performed?**

A. Yes, I have testified about such studies before the following regulatory agencies: the Maine Public Utility Commission, the Public Utility Commission of Texas, Illinois Commerce Commission, New Hampshire Public Utilities Commission, New Jersey Board of Public Utilities, New York Public Service Commission, Pennsylvania Public Utility Commission, the Massachusetts Department of Public Utilities, the Kentucky Public Service Commission, the Arkansas Public Service Commission, the Public Service Commission of Louisiana, the Public Utilities Commission of Ohio, the Public Service Commission of Missouri, the Delaware Public Service Commission, the Maryland Public Service Commission, the Indiana Utility Regulatory Commission, the North Carolina Utilities Commission and the Federal Energy Regulatory Commission.

**Q. Could you please briefly discuss your technical experience?**

A. I have performed numerous embedded and marginal cost of service studies, time differentiated bundled and fully unbundled cost studies for both electric and gas utilities since 1980. I have also used such studies in the design and presentation of detailed rate proposals before regulatory agencies.

My additional experience has been in the area of unaccounted for loss evaluations for electric and gas utilities for over thirty years. These studies include a detailed review of each system and the calculation of appropriate recovery factors.

Pike County Light & Power Company  
Gas Class Cost of Service Study  
12 Months Ending September 30,2024

SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
SUM	1	<b>SUMMARY AT PRESENT RATES</b>									
SUM	2										
SUM	3	<b>DEVELOPMENT OF RETURN</b>									
SUM	4										
SUM	5	<b>OPERATING REVENUE</b>									
SUM	6	Sales of Gas Revenue - Base	SCH REV, LN 4	1,086,334	893,067	193,268	863,119	26,369	3,578	82,879	110,389
SUM	7	Other Operating Revenue	SCH REV, LN 12	3,850	2,939	911	2,880	40	19	475	436
SUM	8	TOTAL OPERATING REVENUE		1,090,185	896,006	194,179	865,999	26,410	3,597	83,354	110,825
SUM	9										
SUM	10	<b>OPERATING EXPENSES</b>									
SUM	11	Operation and Maintenance Expense	SCH EOM, LN 86	634,194	576,075	58,119	551,220	22,667	2,188	17,667	40,452
SUM	12	Depreciation and Amortization Expense	SCH EDA, LN 25	208,161	184,078	24,082	176,268	7,089	721	7,649	16,433
SUM	13	Taxes Other Than Income Taxes	SCH TXO, LN 10	24,691	22,308	2,383	21,327	894	87	728	1,655
SUM	14	State Income Taxes	SCH TXI, LN 26	(22,516)	(26,608)	4,093	(24,854)	(1,662)	(93)	3,236	857
SUM	15	Federal Income Taxes	SCH TXI, LN 39	(54,449)	(64,347)	9,897	(60,105)	(4,018)	(224)	7,826	2,072
SUM	16	TOTAL OPERATING EXPENSES		790,080	691,506	98,574	663,856	24,970	2,680	37,105	61,469
SUM	17										
SUM	18	Operating Income Before Taxes		223,139	113,545	109,595	117,184	(4,240)	601	57,311	52,284
SUM	19										
SUM	20	<b>OPERATING INCOME (RETURN)</b>		300,104	204,500	95,605	202,143	1,440	917	46,249	49,355
SUM	21										
SUM	22	<b>DEVELOPMENT OF RATE BASE</b>									
SUM	23	Gas Utility Plant in Service	SCH RBP, LN 41	7,620,197	6,685,423	934,774	6,411,190	247,922	26,311	306,122	628,653
SUM	24	Less: Utility Accumulated Depreciation	SCH RBD, LN 23	569,683	495,437	74,246	474,907	18,583	1,947	23,957	50,289
SUM	25	Plus: Rate Base Additions	SCH RBO, LN 12	268,300	234,731	33,569	225,171	8,636	925	11,038	22,530
SUM	26	Less: Rate Base Deductions	SCH RBO, LN 22	315,400	230,904	84,496	221,662	8,356	886	60,054	24,441
SUM	27	<b>TOTAL RATE BASE</b>	SCH RBO, LN 24	7,003,414	6,193,813	809,601	5,939,791	229,619	24,403	233,149	576,452
SUM	28										
SUM	29	<b>RATE OF RETURN EXCL PURCHASED GAS (PRESENT)</b>		4.29%	3.30%	11.81%	3.40%	0.63%	3.76%	19.84%	8.56%
SUM	30	<b>INDEX RATE OF RETURN EXCL PURCHASED GAS (PRESENT)</b>		1.00	0.77	2.76	0.79	0.15	0.88	4.63	2.00
SUM	31										
SUM	32										
SUM	33										
SUM	34										
SUM	35										
SUM	36										
SUM	37										
SUM	38										
SUM	39										
SUM	40										
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SUM	43										
SUM	44										
SUM	45										
SUM	46										
SUM	47										
SUM	48										
SUM	49										
SUM	50										

**Pike County Light & Power Company  
Gas Class Cost of Service Study  
12 Months Ending September 30,2024**

SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
RRW	1	<b>DISTRIBUTION REVENUE REQUIREMENTS</b>									
RRW	2										
RRW	3	<b>PRESENT RATE OF RETURN (EXISTING RATES)</b>									
RRW	4	-----									
RRW	5	Rate Base		7,003,414	6,193,813	809,601	5,939,791	229,619	24,403	233,149	576,452
RRW	6	Net Operating Income (Present Rates)		300,104	204,500	95,605	202,143	1,440	917	46,249	49,355
RRW	7	Rate of Return @ Present Rates		4.29%	3.30%	11.81%	3.40%	0.63%	3.76%	19.84%	8.56%
RRW	8	Relative Rate of Return		1.00	0.77	2.76	0.79	0.15	0.88	4.63	2.00
RRW	9	Sales Revenue at Present Rates		1,086,334	893,067	193,268	863,119	26,369	3,578	82,879	110,389
RRW	10	Revenue Present Rates \$/Ccf		\$711.8354	\$799.8246	\$471.9309	\$798.2741	\$854.6320	\$796.5648	\$453.9848	\$486.3658
RRW	11	Revenue Required - \$/Month/Customer		\$66,002.46	\$57,784.98	\$192,497.60	\$58,445.23	\$42,056.61	\$59,637.37	\$276,262.96	\$156,802.13
RRW	12										
RRW	13										
RRW	14	<b>CLAIMED RATE OF RETURN</b>									
RRW	15	-----									
RRW	16	Claimed Rate of Return		8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%
RRW	17	Return Required for Claimed Rate of Return		917,310	809,432	107,878	776,197	30,048	3,187	32,525	75,353
RRW	18	Sales Revenue Required @ Claimed ROR		2,028,685	1,807,150	221,535	1,730,861	69,231	7,058	68,112	153,423
RRW	19	Sales Revenue Deficiency		942,350	914,083	28,267	867,742	42,861	3,480	(14,767)	43,034
RRW	20	Percent Increase Required		86.75%	102.35%	14.63%	100.54%	162.54%	97.25%	-17.82%	38.98%
RRW	21	Annual Booked Throughput Sales (Ccf)		1,526,104	1,116,578	409,525	1,081,232	30,855	4,492	182,559	226,966
RRW	22	Sales Revenue Required \$/Ccf		\$1,329.3230	\$1,618.4710	\$540.9553	\$1,600.8234	\$2,243.7594	\$1,571.2626	\$373.0969	\$675.9710
RRW	23	Sales Revenue Deficiency \$/Ccf		\$617.4877	\$818.6464	\$69.0244	\$802.5493	\$1,389.1274	\$774.6978	(\$80.8879)	\$189.6052
RRW	24										
RRW	25										
RRW	26	<b>PROPOSED RATE OF RETURN</b>									
RRW	27	-----									
RRW	28	Rate Base at Future Test Year 09/30/2025		10,679,156	9,423,260	1,255,896	9,036,345	349,808	37,108	378,655	877,240
RRW	29	Proposed Base Gas Sales Revenues		2,028,685	1,781,499	247,186	1,723,140	51,209	7,150	106,165	141,021
RRW	30	Base Sales Revenue Deficiency		942,351	888,432	53,919	860,021	24,840	3,572	23,286	30,633
RRW	31	Return Required for Proposed Revenue		2,028,685	1,807,150	221,535	1,730,861	69,231	7,058	68,112	153,423
RRW	32	Percent Increase Required at Proposed Rates		86.75%	99.48%	27.90%	99.64%	94.20%	99.81%	28.10%	27.75%
RRW	33	Proposed Rate of Return		19.00%	19.18%	17.64%	19.15%	19.79%	19.02%	17.99%	17.49%
RRW	34	Relative Rate of Return		1.00	1.01	0.93	1.01	1.04	1.00	0.95	0.92
RRW	35										
RRW	36										
RRW	37										
RRW	38										
RRW	39										
RRW	40										
RRW	41										
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RRW	50										

Pike County Light & Power Company  
Gas Class Cost of Service Study  
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
SUM	1	<b>SUMMARY AT PRESENT RATES</b>									
SUM	2										
SUM	3	<b>DEVELOPMENT OF RETURN</b>									
SUM	4										
SUM	5	<b>OPERATING REVENUE</b>									
SUM	6	Sales of Gas Revenue - Base	SCH REV, LN 4	1,086,334	893,067	193,268	863,119	26,369	3,578	82,879	110,389
SUM	7	Other Operating Revenue	SCH REV, LN 12	3,850	2,939	911	2,880	40	19	475	436
SUM	8	TOTAL OPERATING REVENUE		1,090,185	896,006	194,179	865,999	26,410	3,597	83,354	110,825
SUM	9										
SUM	10	<b>OPERATING EXPENSES</b>									
SUM	11	Operation and Maintenance Expense	SCH EOM, LN 86	634,194	576,075	58,119	551,220	22,667	2,188	17,667	40,452
SUM	12	Depreciation and Amortization Expense	SCH EDA, LN 25	208,161	184,078	24,082	176,268	7,089	721	7,649	16,433
SUM	13	Taxes Other Than Income Taxes	SCH TXO, LN 10	24,691	22,308	2,383	21,327	894	87	728	1,655
SUM	14	State Income Taxes	SCH TXI, LN 26	(22,516)	(26,608)	4,093	(24,854)	(1,662)	(93)	3,236	857
SUM	15	Federal Income Taxes	SCH TXI, LN 39	(54,449)	(64,347)	9,897	(60,105)	(4,018)	(224)	7,826	2,072
SUM	16	TOTAL OPERATING EXPENSES		790,080	691,506	98,574	663,856	24,970	2,680	37,105	61,469
SUM	17										
SUM	18	Operating Income Before Taxes		223,139	113,545	109,595	117,184	(4,240)	601	57,311	52,284
SUM	19										
SUM	20	<b>OPERATING INCOME (RETURN)</b>		300,104	204,500	95,605	202,143	1,440	917	46,249	49,355
SUM	21										
SUM	22	<b>DEVELOPMENT OF RATE BASE</b>									
SUM	23	Gas Utility Plant in Service	SCH RBP, LN 41	7,620,197	6,685,423	934,774	6,411,190	247,922	26,311	306,122	628,653
SUM	24	Less: Utility Accumulated Depreciation	SCH RBD, LN 23	569,683	495,437	74,246	474,907	18,583	1,947	23,957	50,289
SUM	25	Plus: Rate Base Additions	SCH RBO, LN 12	268,300	234,731	33,569	225,171	8,636	925	11,038	22,530
SUM	26	Less: Rate Base Deductions	SCH RBO, LN 22	315,400	230,904	84,496	221,662	8,356	886	60,054	24,441
SUM	27	<b>TOTAL RATE BASE</b>	SCH RBO, LN 24	7,003,414	6,193,813	809,601	5,939,791	229,619	24,403	233,149	576,452
SUM	28										
SUM	29	<b>RATE OF RETURN EXCL PURCHASED GAS (PRESENT)</b>		4.29%	3.30%	11.81%	3.40%	0.63%	3.76%	19.84%	8.56%
SUM	30	<b>INDEX RATE OF RETURN EXCL PURCHASED GAS (PRESENT)</b>		1.00	0.77	2.76	0.79	0.15	0.88	4.63	2.00
SUM	31										
SUM	32										
SUM	33										
SUM	34										
SUM	35										
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12 Months Ending September 30,2024

SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
SUM	1	<b>HISTORICAL AND FUTURE YEAR DIFFERENCE ADJUSTMENTS:</b>									
SUM	2	<b>(For Future Test Year 12 Months Ended September 30 2025)</b>									
SUM	3										
SUM	4	<b>OPERATING INCOME (RETURN) @ PRESENT RATES</b>		300,104	204,500	95,605	202,143	1,440	917	46,249	49,355
SUM	5	<b>LESS Historical and Future Year Differences:</b>									
SUM	6	Retail Sales Revenue	CLAIMREV	35,857	31,941	3,916	30,593	1,224	125	1,204	2,712
SUM	7	487-Late Payment Charges	REV_487	(2,500)	(2,019)	(481)	(1,961)	(48)	(11)	(228)	(253)
SUM	8	<b>PLUS Historical and Future Year Differences:</b>									
SUM	9	O&M Expense - Labor Related	LABOR	58,700	53,277	5,423	50,910	2,160	208	1,632	3,790
SUM	10	O&M Expense - 904-Uncollectible Accounts	EXP_904	(8,200)	(8,200)	0	(8,200)	0	0	0	0
SUM	11	O&M Expense - 928-Regulatory Commission	CLAIMREV	9,400	8,374	1,026	8,020	321	33	316	711
SUM	12	Depreciation Expense	TOTPLT	124,900	109,578	15,322	105,084	4,064	431	5,018	10,304
SUM	13	TOIT - Base Payroll Taxes	LABOR	3,106	2,819	287	2,694	114	11	86	201
SUM	14	TOIT - PA Property Tax	TOTPLT	(103)	(90)	(13)	(86)	(3)	(0)	(4)	(8)
SUM	15	State Income Taxes	CLAIMREV	(33,515)	(29,581)	(3,935)	(28,329)	(1,132)	(119)	(1,190)	(2,745)
SUM	16	Federal Income Taxes	CLAIMREV	(81,050)	(71,534)	(9,516)	(68,509)	(2,738)	(288)	(2,878)	(6,638)
SUM	17	<b>OPERATING INCOME @ PRESENT RATES WITH DIFFERENCES</b>		260,224	169,779	90,445	169,192	(170)	756	44,246	46,199
SUM	18	Operating Income Before Taxes		68,693	(22,291)	90,985	(12,605)	(9,719)	32	51,239	39,745
SUM	19										
SUM	20	<b>RATE BASE</b>	SCH SUM, LN 27	7,003,414	6,193,813	809,601	5,939,791	229,619	24,403	233,149	576,452
SUM	21	<b>Historical and Future Year Difference Adjustments:</b>									
SUM	22	Gas Utility Plant & Reserves Adjustments	TOTPLT	3,492,842	3,064,373	428,469	2,938,674	113,639	12,060	140,316	288,153
SUM	23	<b>Additions:</b>									
SUM	24	Cash Working Capital	OMXPP	143,400	129,952	13,448	124,200	5,245	506	4,088	9,360
SUM	25	Materials and Supplies	TOTPLT	5,800	5,089	711	4,880	189	20	233	478
SUM	26	Prepayments	TOTPLT	100	88	12	84	3	0	4	8
SUM	27	Deferred Debits (Net of Tax)	TOTPLT	18,200	15,967	2,233	15,312	592	63	731	1,501
SUM	28	<b>Deductions:</b>									
SUM	29	Customer Deposits	CUSTDEP	600	58	542	58	0	0	509	34
SUM	30	Deferred Income Taxes and Credits	TOTPLT	(16,000)	(14,037)	(1,963)	(13,461)	(521)	(55)	(643)	(1,320)
SUM	31	<b>RATE BASE WITH ADJUSTMENTS</b>		10,679,156	9,423,260	1,255,896	9,036,345	349,808	37,108	378,655	877,240
SUM	32										
SUM	33	<b>EQUALIZED RETURN AT PROPOSED ROR OF 8.59%</b>									
SUM	34	<b>DEVELOPMENT OF RETURN (RATE BASE * 8.59% ROR)</b>		917,310	809,432	107,878	776,197	30,048	3,187	32,525	75,353
SUM	35	Additional Return Required * Retention Factor 1.38%		906,521	882,470	24,051	837,428	41,688	3,354	(16,169)	40,220
SUM	36	487-Late Payment Charges	REV_487	2,500	2,019	481	1,961	48	11	228	253
SUM	37	<b>PLUS OPERATING EXPENSES</b>									
SUM	38	Operation and Maintenance Expense		696,594	631,545	65,049	603,911	25,195	2,439	19,842	45,206
SUM	39	Depreciation and Amortization Expense		333,061	293,657	39,404	281,352	11,152	1,153	12,666	26,738
SUM	40	Taxes Other Than Income Taxes		27,694	25,037	2,658	23,934	1,005	98	811	1,847
SUM	41	State Income Taxes		16,200	14,159	2,041	13,570	533	55	736	1,305
SUM	42	Federal Income Taxes		39,177	34,240	4,936	32,816	1,290	134	1,780	3,157
SUM	43	<b>TOTAL OPERATING EXPENSES</b>		1,112,725	998,638	114,087	955,583	39,176	3,879	35,834	78,253
SUM	44										
SUM	45	<b>EQUALS TOTAL COST OF SERVICE</b>		2,030,035	1,808,070	221,965	1,731,780	69,223	7,066	68,360	153,605
SUM	46										
SUM	47	<b>LESS: Other Operating Revenues</b>		1,350	920	430	919	(7)	8	248	183
SUM	48	<b>BASE RATE SALES @ EQUALIZED ROR 8.59%</b>		2,028,685	1,807,150	221,535	1,730,861	69,231	7,058	68,112	153,423
SUM	49	<b>BASE RATE SALES REVENUE INCREASE</b>		942,350	914,083	28,267	867,742	42,861	3,480	(14,767)	43,034
SUM	50										

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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
RBP	1	<b>DEVELOPMENT OF RATE BASE</b>									
RBP	2										
RBP	3	<b>GAS PLANT IN SERVICE</b>									
RBP	4	INTANGIBLE PLANT									
RBP	5	301-Organization	TOTPLT	0	0	0	0	0	0	0	0
RBP	6	303-Miscellaneous Intangible Plant	TOTPLT	0	0	0	0	0	0	0	0
RBP	7	TOTAL INTANGIBLE PLANT									
RBP	8										
RBP	9	DISTRIBUTION PLANT									
RBP	10	374-Land & Land Rights	DDIST	744	581	163	564	15	2	58	105
RBP	11	375-Structures & Improvements	DDIST	0	0	0	0	0	0	0	0
RBP	12	376-Mains									
RBP	13	Demand	DDIST	1,831,770	1,430,792	400,978	1,387,518	37,499	5,776	142,503	258,475
RBP	14	Customer	CUSTDIST	2,521,960	2,367,692	154,267	2,262,174	96,263	9,256	46,280	107,987
RBP	15	Total Account 376									
RBP	16	378-Measuring & Regulating Station Equip-Gen	DDIST	131,501	102,715	28,786	99,608	2,692	415	10,230	18,556
RBP	17	380-Services	CUSTSERV	1,693,812	1,529,392	164,419	1,461,446	61,986	5,960	49,524	114,895
RBP	18	381-Meters	CUSTMET	62,823	47,469	15,354	45,360	1,924	185	4,625	10,729
RBP	19	382-Meter Installations	CUSTMETIN	536,759	489,280	47,479	467,543	19,831	1,907	14,301	33,178
RBP	20	384-House Regulator Installations	CUSTREGULH	9,539	9,539	0	9,116	387	37	0	0
RBP	21	385-Industrial Meas. & Regulators	CUSTREGULI	36,151	0	36,151	0	0	0	10,889	25,262
RBP	22	TOTAL DISTRIBUTION PLANT									
RBP	23										
RBP	24	GENERAL PLANT									
RBP	25	389-Land and Land Rights	LABOR	0	0	0	0	0	0	0	0
RBP	26	390-Structures and Improvements	LABOR	0	0	0	0	0	0	0	0
RBP	27	391-Office Furniture & Equipment	LABOR	0	0	0	0	0	0	0	0
RBP	28	393-Store Equipment	LABOR	0	0	0	0	0	0	0	0
RBP	29	394-Tools, Shop & Garage Equip.	LABOR	368,454	334,416	34,037	319,558	13,556	1,303	10,246	23,792
RBP	30	395-Laboratory Equipment	LABOR	0	0	0	0	0	0	0	0
RBP	31	397-Communication Equipment	LABOR	0	0	0	0	0	0	0	0
RBP	32	398-Miscellaneous Equipment	LABOR	0	0	0	0	0	0	0	0
RBP	33	399-Excess Reserve	LABOR	0	0	0	0	0	0	0	0
RBP	34	TOTAL GENERAL PLANT									
RBP	35										
RBP	36	<b>TOTAL GAS PLANT IN SERVICE</b>									
RBP	37										
RBP	38	COMMON PLANT IN SERVICE (Allocated)	LABOR	(26,357)	(23,922)	(2,435)	(22,859)	(970)	(93)	(733)	(1,702)
RBP	39	CWIP not taking interest	TOTPLT	453,042	397,467	55,575	381,163	14,740	1,564	18,200	37,375
RBP	40										
RBP	41	<b>TOTAL GAS UTILITY PLANT</b>									
RBP	42										
RBP	43										
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RBP	47										
RBP	48										
RBP	49										
RBP	50										

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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
RBD	1	<b>LESS: ACCUMULATED DEPRECIATION</b>									
RBD	2										
RBD	3	INTANGIBLE PLANT ACCUM DEPRECIATION	INTPLT	0	0	0	0	0	0	0	0
RBD	4										
RBD	5	DISTRIBUTION PLANT ACCUMULATED DEPRECIATION									
RBD	6	374-Land Rights	PLT_374	0	0	0	0	0	0	0	0
RBD	7	375-Structures & Improvements	PLT_375	0	0	0	0	0	0	0	0
RBD	8	376-Mains	PLT_376	249,602	217,769	31,833	209,239	7,669	862	10,823	21,009
RBD	9	378-Measuring & Regulating Station Equip-Gen	PLT_378	30,369	23,721	6,648	23,004	622	96	2,363	4,285
RBD	10	380-Services	PLT_380	119,902	108,263	11,639	103,453	4,388	422	3,506	8,133
RBD	11	381-Meters	PLT_381	13,215	9,986	3,230	9,542	405	39	973	2,257
RBD	12	382-Meter Installations	PLT_382	52,697	48,035	4,661	45,901	1,947	187	1,404	3,257
RBD	13	384-House Regulator Installations	PLT_384	1,662	1,662	0	1,589	67	6	0	0
RBD	14	385-Industrial Meas. &Regulators	PLT_385	7,482	0	7,482	0	0	0	2,254	5,228
RBD	15	TOTAL DISTRIBUTION PLANT ACCUMULATED DEPRECIATION		474,930	409,437	65,492	392,728	15,097	1,612	21,322	44,171
RBD	16										
RBD	17	GENERAL PLANT ACCUMULATED DEPREC	GENLPLT	94,753	86,000	8,753	82,179	3,486	335	2,635	6,118
RBD	18										
RBD	19	TOTAL ACCUMULATED DEPRECIATION OF GAS PLANT		569,683	495,437	74,246	474,907	18,583	1,947	23,957	50,289
RBD	20										
RBD	21	COMMON PLANT ACCUM DEPRECIATION	COMPLT	0	0	0	0	0	0	0	0
RBD	22										
RBD	23	TOTAL UTILITY PLANT RESERVES		569,683	495,437	74,246	474,907	18,583	1,947	23,957	50,289
RBD	24										
RBD	25										
RBD	26	NET GAS PLANT IN SERVICE		7,050,514	6,189,986	860,529	5,936,282	229,339	24,364	282,165	578,363
RBD	27										
RBD	28										
RBD	29										
RBD	30										
RBD	31										
RBD	32										
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
RBO	1	<b>ADDITIONS AND DEDUCTIONS TO RATE BASE</b>									
RBO	2										
RBO	3	<b>PLUS: ADDITIONS TO RATE BASE</b>									
RBO	4										
RBO	5	<b>WORKING CAPITAL</b>									
RBO	6	Cash Working Capital	OMXPP	(24,600)	(22,293)	(2,307)	(21,306)	(900)	(87)	(701)	(1,606)
RBO	7	Materials and Supplies	TOTPLT	271,000	237,756	33,244	228,004	8,817	936	10,887	22,357
RBO	8	Prepayments - PA PUC Assessment	CLAIMREV	4,053	3,610	443	3,458	138	14	136	307
RBO	9	Prepayments - Property Tax and Insurance	TOTPLT	1,347	1,182	165	1,133	44	5	54	111
RBO	10	Deferred Debits (Net of Tax)	TOTPLT	16,500	14,476	2,024	13,882	537	57	663	1,361
RBO	11	TOTAL WORKING CAPITAL		268,300	234,731	33,569	225,171	8,636	925	11,038	22,530
RBO	12	TOTAL ADDITIONS TO RATE BASE		268,300	234,731	33,569	225,171	8,636	925	11,038	22,530
RBO	13										
RBO	14										
RBO	15	<b>LESS: DEDUCTIONS TO RATE BASE</b>									
RBO	16	Customer Deposits	CUSTDEP	58,700	5,665	53,035	5,665	0	0	49,754	3,281
RBO	17	Deferred Credits (Net of Tax)	TOTPLT	1,600	1,404	196	1,346	52	6	64	132
RBO	18	Deferred Income Taxes and Credits									
RBO	19	Plant	DGPLT	255,100	223,835	31,265	214,651	8,304	881	10,236	21,029
RBO	20	Common Plant	COMPLT	0	0	0	0	0	0	0	0
RBO	21	Total Deferred Income Taxes and Credits		255,100	223,835	31,265	214,651	8,304	881	10,236	21,029
RBO	22	TOTAL DEDUCTIONS TO RATE BASE		315,400	230,904	84,496	221,662	8,356	886	60,054	24,441
RBO	23										
RBO	24	<b>TOTAL RATE BASE</b>		7,003,414	6,193,813	809,601	5,939,791	229,619	24,403	233,149	576,452
RBO	25										
RBO	26										
RBO	27										
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
REV	1	<b>OPERATING REVENUES</b>									
REV	2										
REV	3	<b>SALES REVENUES</b>									
REV	4	Sales of Gas Revenues - Base		1,086,334	893,067	193,268	863,119	26,369	3,578	82,879	110,389
REV	5	Sales Revenues - Purchased Gas-PGC	EGAS	0	0	0	0	0	0	0	0
REV	6	TOTAL SALES OF GAS		1,086,334	893,067	193,268	863,119	26,369	3,578	82,879	110,389
REV	7										
REV	8	<b>OTHER OPERATING REVENUES</b>									
REV	9	487-Late Payments Charges	REV_487	6,301	5,089	1,212	4,942	120	27	574	638
REV	10	488-Miscellaneous Service Revenues	TOTPLT	0	0	0	0	0	0	0	0
REV	11	494-Other Gas Revenue (Adjustment)	TOTPLT	(2,451)	(2,760)	(301)	(2,062)	(80)	(8)	(98)	(202)
REV	12	TOTAL OTHER OPERATING REV		3,850	2,939	911	2,880	40	19	475	436
REV	13										
REV	14	<b>TOTAL OPERATING REVENUES</b>		1,090,185	896,006	194,179	865,999	26,410	3,597	83,354	110,825
REV	15										
REV	16										
REV	17										
REV	18										
REV	19										
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		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
EOM	1	<b>OPERATION &amp; MAINTENANCE EXPENSE</b>									
EOM	2	PRODUCTION EXPENSE									
EOM	3	Other Gas Supply Expense									
EOM	4	Operation									
EOM	5	804-Natural Gas Purchases-PGC	EGAS	0	0	0	0	0	0	0	0
EOM	6	805-Other Natural Gas Purchases	ETHRUPUT	0	0	0	0	0	0	0	0
EOM	7	807-Purchased Gas Expenses	ETHRUPUT	0	0	0	0	0	0	0	0
EOM	8	808.1 Gas withdrawn from storage—Debt.	ETHRUPUT	0	0	0	0	0	0	0	0
EOM	9	Total Other Gas Supply Expense									
EOM	10	TOTAL PRODUCTION EXPENSE									
EOM	11										
EOM	12	DISTRIBUTION EXPENSES									
EOM	13	Operation									
EOM	14	870-Operation Supervision and Engineering	LABORDM	5,755	5,196	559	4,965	211	20	168	390
EOM	15	874-Mains and Services Expenses	PLT_376380	0	0	0	0	0	0	0	0
EOM	16	875-Measuring & Reg. Station Exp.	PLT_378	0	0	0	0	0	0	0	0
EOM	17	878-Meter & House Regulator Expenses	PLT_3815	0	0	0	0	0	0	0	0
EOM	18	880-Other Expenses	DISTPLT	0	0	0	0	0	0	0	0
EOM	19	Total Distribution Operation									
EOM	20	Maintenance									
EOM	21	887-Maintenance of Mains	PLT_376	5,277	4,604	673	4,423	162	18	229	444
EOM	22	889-Maint. of Measuring & Reg. Station Equip.-G	PLT_378	0	0	0	0	0	0	0	0
EOM	23	892-Maintenance of Services	PLT_380	220,921	199,476	21,445	190,614	8,085	777	6,459	14,986
EOM	24	893-Maint. of Meters & House Regulators	PLT_3815	0	0	0	0	0	0	0	0
EOM	25	894-Maintenance of Other Equipment	DISTPLT	0	0	0	0	0	0	0	0
EOM	26	Total Distribution Maintenance									
EOM	27	TOTAL DISTRIBUTION PLANT O&M EXPENSES									
EOM	28										
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		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
EOM	51	<b>OPERATION &amp; MAINTENANCE EXPENSE</b>									
EOM	52										
EOM	53	CUSTOMER ACCOUNTS EXPENSES									
EOM	54	902-Meter Reading	CUSTMTRDG	2,982	2,801	181	2,676	114	11	55	127
EOM	55	903-Customer Records and Collection Exp	CUSTREC	36,158	33,952	2,206	32,443	1,377	132	659	1,547
EOM	56	904-Uncollectible Accounts	EXP_904	14,475	14,475	0	14,475	0	0	0	0
EOM	57	TOTAL CUSTOMER ACCTS EXPENSE		53,614	51,227	2,387	49,594	1,491	143	714	1,673
EOM	58										
EOM	59	CUSTOMER SERVICE & SALES EXPENSES									
EOM	60	908-Customer Assistance	CUSTASST	0	0	0	0	0	0	0	0
EOM	61	909-Advertisement	CUSTADVT	0	0	0	0	0	0	0	0
EOM	62	910-Miscellaneous CS	CUSTCSM	0	0	0	0	0	0	0	0
EOM	63	911-Informational and Instructional Exp	CUSTSALES	1,298	1,082	215	1,040	38	4	90	125
EOM	64	917-Promotional Advertising Exp	CUSTSALES	5,398	4,503	895	4,328	157	18	375	520
EOM	65	TOTAL CUSTOMER SERVICE & SALES EXP		6,696	5,586	1,110	5,368	195	22	465	645
EOM	66										
EOM	67	TOTAL OPER & MAINT EXCL A&G		292,263	266,089	26,174	254,965	10,144	981	8,035	18,138
EOM	68										
EOM	69										
EOM	70	ADMINISTRATIVE & GENERAL EXPENSE									
EOM	71	920-Administrative Salaries	LABOR	147,467	133,844	13,623	127,897	5,425	521	4,101	9,522
EOM	72	921-Office Supplies & Expense	LABOR	50,927	46,222	4,705	44,168	1,874	180	1,416	3,288
EOM	73	922-Administrative Exp Transferred - Credit	LABOR	(46,694)	(42,381)	(4,314)	(40,498)	(1,718)	(165)	(1,298)	(3,015)
EOM	74	923-Outside Service Employed	LABOR	65,071	59,060	6,011	56,436	2,394	230	1,809	4,202
EOM	75	924-Property Insurance	TOTPLT	336	295	41	283	11	1	13	28
EOM	76	925-Injuries and Damages	LABOR	23,970	21,756	2,214	20,789	882	85	667	1,548
EOM	77	926-Employee Pensions & Benefits	LABOR	65,875	59,789	6,085	57,133	2,424	233	1,832	4,254
EOM	78	928-Regulatory Commission	CLAIMREV	20,677	18,419	2,258	17,641	706	72	694	1,564
EOM	79	930.2-Miscellaneous General	LABOR	3,268	2,966	302	2,834	120	12	91	211
EOM	80	930.6-Miscellaneous General - Vehicles	GENLPLT	5,100	4,629	471	4,423	188	18	142	329
EOM	81	932-Maintenance of General Plant	GENLPLT	5,936	5,388	548	5,148	218	21	165	383
EOM	82	TOTAL A&G EXPENSE		341,931	309,986	31,945	296,255	12,523	1,208	9,632	22,314
EOM	83										
EOM	84	<b>TOTAL OPERATION &amp; MAINTENANCE EXPENSES</b>		634,194	576,075	58,119	551,220	22,667	2,188	17,667	40,452
EOM	85										
EOM	86	<b>TOTAL O&amp;M EXPENSES</b>		634,194	576,075	58,119	551,220	22,667	2,188	17,667	40,452
EOM	87										
EOM	88										
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		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
EDA	1	<b>DEPRECIATION &amp; AMORTIZATION EXPENSE</b>									
EDA	2										
EDA	3	INTANGIBLE PLANT EXPENSE	INTPLT	0	0	0	0	0	0	0	0
EDA	4										
EDA	5	DISTRIBUTION PLANT EXPENSE									
EDA	6	374-Land Rights	PLT_374	0	0	0	0	0	0	0	0
EDA	7	375-Structures & Improvements	PLT_375	0	0	0	0	0	0	0	0
EDA	8	376-Mains	PLT_376	54,300	47,375	6,925	45,519	1,668	187	2,354	4,571
EDA	9	378-Measuring & Regulating Station Equip-Gen	PLT_378	6,621	5,172	1,449	5,015	136	21	515	934
EDA	10	380-Services	PLT_380	17,878	16,142	1,735	15,425	654	63	523	1,213
EDA	11	381-Meters	PLT_381	3,737	2,824	913	2,698	114	11	275	638
EDA	12	382-Meter Installations	PLT_382	14,361	13,091	1,270	12,509	531	51	383	888
EDA	13	384-House Regulators	PLT_385	212	0	212	0	0	0	64	148
EDA	14	385-Industrial Meas. & Regulators	PLT_385	940	0	940	0	0	0	283	657
EDA	15	387-Other Equipment	PLT_378387	0	0	0	0	0	0	0	0
EDA	16	388-Asset Retirement Costs for Distribution Plant	PLT_388	0	0	0	0	0	0	0	0
EDA	17	TOTAL DISTRIBUTION PLANT EXPENSE		98,048	84,603	13,445	81,167	3,103	333	4,397	9,048
EDA	18										
EDA	19	GENERAL PLANT DEPRE & AMORT EXPENSE	GENLPLT	48,908	44,390	4,518	42,418	1,799	173	1,360	3,158
EDA	20										
EDA	21	COMMON PLANT DEPRE & AMORT EXPENSE	COMPLT	45,853	41,617	4,236	39,768	1,687	162	1,275	2,961
EDA	22										
EDA	23	Amoritzation of Unallocated Depreciation Res	TOTPLT	15,351	13,468	1,883	12,915	499	53	617	1,266
EDA	24										
EDA	25	<b>TOTAL DEPRECIATION &amp; AMORTIZATION EXPENSE</b>		208,161	184,078	24,082	176,268	7,089	721	7,649	16,433
EDA	26										
EDA	27										
EDA	28										
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		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
TXO	1	<b>OTHER OPERATING EXPENSES</b>									
TXO	2										
TXO	3	<b>TAXES OTHER THAN INCOME TAXES</b>									
TXO	4	<b>General Taxes</b>									
TXO	5	PURTA Taxes	TOTPLT	0	0	0	0	0	0	0	0
TXO	6	Capital Stock	TOTPLT	0	0	0	0	0	0	0	0
TXO	7	Payroll Related	LABOR	21,299	19,331	1,968	18,473	784	75	592	1,375
TXO	8	Property Tax	DGPLT	3,392	2,977	416	2,854	110	12	136	280
TXO	9	PA and Local Use Tax	CLAIMREV	0	0	0	0	0	0	0	0
TXO	10	Total General Taxes		24,691	22,308	2,383	21,327	894	87	728	1,655
TXO	11										
TXO	12										
TXO	13	<b>Franchise and Revenue Taxes</b>	CLAIMREV	0	0	0	0	0	0	0	0
TXO	14										
TXO	15	<b>TOTAL TAXES OTHER THAN INCOME</b>		24,691	22,308	2,383	21,327	894	87	728	1,655
TXO	16										
TXO	17										
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		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
TXI	1	<b>DEVELOPMENT OF INCOME TAXES</b>									
TXI	2										
TXI	3	TOTAL OPERATING REVENUES		1,090,185	896,006	194,179	865,999	26,410	3,597	83,354	110,825
TXI	4	LESS:									
TXI	5	OPERATION & MAINTENANCE EXPENSE	SCH EOM, LN 86	634,194	576,075	58,119	551,220	22,667	2,188	17,667	40,452
TXI	6	DEPRECIATION & AMORTIZATION EXPENSE	SCH EDA, LN 25	208,161	184,078	24,082	176,268	7,089	721	7,649	16,433
TXI	7	TAXES OTHER THAN INCOME TAXES	SCH TXO, LN 15	24,691	22,308	2,383	21,327	894	87	728	1,655
TXI	8	NET OPERATING INCOME BEFORE TAXES		223,139	113,545	109,595	117,184	(4,240)	601	57,311	52,284
TXI	9	LESS:									
TXI	10	Interest Expense (incl amort of debt exp)	RATEBASE	504,938	446,567	58,371	428,252	16,555	1,759	16,810	41,562
TXI	11										
TXI	12	<b>BASE TAXABLE DISTRIBUTION INCOME</b>		(281,799)	(333,022)	51,223	(311,068)	(20,795)	(1,159)	40,501	10,722
TXI	13										
TXI	14										
TXI	15	<b>CALCULATION OF PA STATE INCOME TAXES</b>									
TXI	16	BASE STATE TAXABLE INCOME (pretax)	SCH TXI, LN 12	(281,799)	(333,022)	51,223	(311,068)	(20,795)	(1,159)	40,501	10,722
TXI	17	PLUS:									
TXI	18	Book Depreciation	TOTPLT	47,085	41,309	5,776	39,614	1,532	163	1,892	3,884
TXI	19	LESS:									
TXI	20	State Tax Depreciation (Over) Under Book	TOTPLT	(201,513)	(176,793)	(24,720)	(169,541)	(6,556)	(696)	(8,095)	(16,624)
TXI	21	PA BASE STATE TAXABLE INCOME		(127,371)	(197,538)	70,167	(181,141)	(15,771)	(626)	46,705	23,463
TXI	22	<b>PA STATE INCOME TAXES @ Tax Rate 7.99%</b>		(10,177)	(15,783)	5,606	(14,473)	(1,260)	(50)	3,732	1,875
TXI	23	PLUS:									
TXI	24	Deferred Income Tax Dr.- Account 410	TOTPLT	18,569	16,291	2,278	15,622	604	64	746	1,532
TXI	25	Deferred Income Tax Cr.- Account 411	TOTPLT	(30,907)	(27,116)	(3,791)	(26,004)	(1,006)	(107)	(1,242)	(2,550)
TXI	26	<b>TOTAL STATE INCOME TAX EXPENSE</b>		(22,516)	(26,608)	4,093	(24,854)	(1,662)	(93)	3,236	857
TXI	27										
TXI	28										
TXI	29	<b>CALCULATION OF FEDERAL INCOME TAXES</b>									
TXI	30	PA BASE TAXABLE INCOME	SCH TXI, LN 16	(281,799)	(333,022)	51,223	(311,068)	(20,795)	(1,159)	40,501	10,722
TXI	31	LESS:									
TXI	32	PA State Income Taxes	SCH TXI, LN 26	(22,516)	(26,608)	4,093	(24,854)	(1,662)	(93)	3,236	857
TXI	33	Other Federal Tax Adjustments	TOTPLT	(154,428)	(135,484)	(18,944)	(129,927)	(5,024)	(533)	(6,204)	(12,740)
TXI	34	FEDERAL ADJUSTED TAXABLE INCOME		(104,855)	(170,929)	66,074	(156,287)	(14,109)	(533)	43,469	22,606
TXI	35	<b>FEDERAL INCOME TAXES @ Tax Rate 21.00%</b>		(22,020)	(35,895)	13,876	(32,820)	(2,963)	(112)	9,128	4,747
TXI	36	PLUS:									
TXI	37	Deferred Income Tax Dr.- Account 410	TOTPLT	48,803	42,817	5,987	41,060	1,588	169	1,961	4,026
TXI	38	Deferred Income Tax Cr.- Account 411	TOTPLT	(81,233)	(71,268)	(9,965)	(68,345)	(2,643)	(280)	(3,263)	(6,702)
TXI	39	<b>TOTAL FEDERAL INCOME TAX EXPENSE</b>		(54,449)	(64,347)	9,897	(60,105)	(4,018)	(224)	7,826	2,072
TXI	40										
TXI	41										
TXI	42	<b>TOTAL PA INCOME TAX EXPENSE</b>		(22,516)	(26,608)	4,093	(24,854)	(1,662)	(93)	3,236	857
TXI	43	<b>TOTAL FEDERAL INCOME TAX EXPENSE</b>		(54,449)	(64,347)	9,897	(60,105)	(4,018)	(224)	7,826	2,072
TXI	44	<b>TOTAL INCOME TAX EXPENSE</b>		(76,965)	(90,955)	13,990	(84,959)	(5,680)	(317)	11,062	2,929
TXI	45										
TXI	46	<b>TOTAL OPERATING EXPENSES</b>		790,080	691,506	98,574	663,856	24,970	2,680	37,105	61,469
TXI	47										
TXI	48										
TXI	49										
TXI	50										

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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
TXI	51	<b>DEVELOPMENT OF INCOME TAXES CONTINUED</b>									
TXI	52										
TXI	53										
TXI	54										
TXI	55	<b>TAX RATES &amp; FACTORS</b>									
TXI	56	GROSS RECEIPTS TAX RATE	0.00000								
TXI	57	STATE TAX RATE	0.07990								
TXI	58	EFFECTIVE STATE TAX RATE	0.09841								
TXI	59	FEDERAL TAX RATE - CURRENT	0.21000								
TXI	60	1 - EFFECTIVE TAX RATE	0.00000								
TXI	61	EFFECTIVE TAX RATE	0.27312								
TXI	62	EFFECTIVE FEDERAL RATE	0.18610								
TXI	63	RETENTION FACTOR	1.37961								
TXI	64	UNCOLLECTIBLES EXPENSE FACTOR	0.28000								
TXI	65										
TXI	66										
TXI	67										
TXI	68	<b>State Tax Income Adjustment</b>									
TXI	69	<b>(For Future Test Year 12 Months Ended September 30 2025)</b>									
TXI	70	Operating Income Before Income Taxes		(154,446)	(135,836)	(18,610)	(129,789)	(5,479)	(568)	(6,071)	(12,539)
TXI	71	Less Interest Expense (incl amort of debt exp)	RATEBASE	265,021	234,384	30,637	224,772	8,689	923	8,823	21,814
TXI	72	Pretax Income		(419,467)	(370,220)	(49,247)	(354,561)	(14,168)	(1,492)	(14,894)	(34,353)
TXI	73	<b>Add: Additional Taxable Income and Unallowable Deductions</b>									
TXI	74	Book Depreciation		124,900	109,578	15,322	105,084	4,064	431	5,018	10,304
TXI	75	Amortization of Rate Case Expenditures		9,400	8,374	1,026	8,020	321	33	316	711
TXI	76	Total		134,300	117,952	(32,899)	113,104	4,384	464	5,333	11,015
TXI	77	<b>Deduct: Non-Taxable Income and Allowable Deductions</b>									
TXI	78	Rate Case Expenditures		37,600	33,494	(16,551)	32,080	1,283	131	1,262	2,844
TXI	79	<b>State Taxable Income</b>									
TXI	80	Current Tax Provision - State Taxable Income 7.99%		(25,789)	(22,832)	(16,551)	(21,856)	(884)	(93)	(865)	(2,092)
TXI	81	Deferred Income Tax Dr.- Account 410		3,004	2,676	328	2,563	103	10	101	227
TXI	82	Deferred Income Tax Cr.- Account 411		(10,731)	(9,424)	(1,306)	(9,037)	(350)	(37)	(426)	(880)
TXI	83	<b>Total State Income Taxes</b>									
TXI	84			(33,515)	(29,581)	(17,529)	(28,329)	(1,132)	(119)	(1,190)	(2,745)
TXI	85	<b>Federal Tax Income Adjustment</b>									
TXI	86	<b>(For Future Test Year 12 Months Ended September 30 2025)</b>									
TXI	87	State Taxable Income		(322,767)	(285,762)	(37,005)	(273,537)	(11,067)	(1,159)	(10,824)	(26,181)
TXI	88	Less State Income Taxes		33,515	29,581	(37,005)	28,329	1,132	119	1,190	2,745
TXI	89	Adjusted Taxable Income		(289,252)	(256,182)	(74,010)	(245,208)	(9,935)	(1,039)	(9,633)	(23,437)
TXI	90	<b>Total Federal Income Taxes @ Tax Rate 21.00%</b>									
TXI	91	Deferred Income Tax Dr.- Account 410		7,896	7,034	862	6,737	269	27	265	597
TXI	92	Deferred Income Tax Cr.- Account 411		(28,203)	(24,770)	(3,433)	(23,752)	(921)	(97)	(1,120)	(2,313)
TXI	93	<b>Total Federal Income Taxes</b>									
TXI	94			(81,050)	(71,534)	(2,571)	(68,509)	(2,738)	(288)	(2,878)	(6,638)
TXI	95										
TXI	96										
TXI	97										
TXI	98										
TXI	99										
TXI	100										

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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
LAB	1	<b>DEVELOPMENT OF LABOR ALLOCATION FACTOR</b>									
LAB	2										
LAB	3	<b>PRODUCTION LABOR EXPENSE</b>									
LAB	4	Other Gas Supply Expense									
LAB	5	Operation - Accounts 804-808	OX_PRODO	0	0	0	0	0	0	0	0
LAB	6	Total Other Gas Supply		0	0	0	0	0	0	0	0
LAB	7	TOTAL PRODUCTION LABOR EXP		0	0	0	0	0	0	0	0
LAB	8										
LAB	9	<b>DISTRIBUTION LABOR EXPENSE</b>									
LAB	10	Operation									
LAB	11	874-Mains and Services Expenses	OX_874	0	0	0	0	0	0	0	0
LAB	12	875-Measuring & Reg. Station Exp.	OX_875	0	0	0	0	0	0	0	0
LAB	13	878-Meter & House Regulator Expenses	OX_878	0	0	0	0	0	0	0	0
LAB	14	880-Other Expenses	OX_880	0	0	0	0	0	0	0	0
LAB	15	Total Operation		0	0	0	0	0	0	0	0
LAB	16	Maintenance									
LAB	17	887-Maintenance of Mains	MX_887	0	0	0	0	0	0	0	0
LAB	18	889-Maint. of Measuring & Reg. Station Equip.	MX_889	0	0	0	0	0	0	0	0
LAB	19	892-Maintenance of Services	MX_892	229,258	207,004	22,254	197,807	8,390	807	6,703	15,551
LAB	20	893-Maint. of Meters & House Regulators	MX_893	0	0	0	0	0	0	0	0
LAB	21	894-Maintenance of Other Equipment	MX_894	0	0	0	0	0	0	0	0
LAB	22	Total Distribution Maintenance		229,258	207,004	22,254	197,807	8,390	807	6,703	15,551
LAB	23	TOTAL DISTRIBUTION LABOR EXP		229,258	207,004	22,254	197,807	8,390	807	6,703	15,551
LAB	24										
LAB	25	TOTAL OPER & MAINT LABOR EXP (PROD & DIST)		229,258	207,004	22,254	197,807	8,390	807	6,703	15,551
LAB	26										
LAB	27										
LAB	28										
LAB	29										
LAB	30										
LAB	31										
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
LAB	51	<b>DEVELOPMENT OF LABOR ALLOCATION FACTOR CONTINUED</b>									
LAB	52										
LAB	53	<b>CUSTOMER ACCOUNTS EXPENSES</b>									
LAB	54	902-Meter Reading	CUSTMTRDG	2,495	2,344	152	2,239	95	9	46	106
LAB	55	903-Customer Records and Collection Expense	CUSTREC	31,765	29,828	1,938	28,502	1,210	116	579	1,359
LAB	56	904-Uncollectible Accounts	EXP_904	0	0	0	0	0	0	0	0
LAB	57	<b>TOTAL CUSTOMER ACCTS LABOR EXPENSE</b>		<b>34,261</b>	<b>32,171</b>	<b>2,089</b>	<b>30,741</b>	<b>1,305</b>	<b>125</b>	<b>625</b>	<b>1,465</b>
LAB	58										
LAB	59	<b>CUSTOMER SERVICE &amp; SALES EXPENSES</b>									
LAB	60	908-Customer Assistance	CUSTASST	0	0	0	0	0	0	0	0
LAB	61	909-Advertisement	CUSTADVT	0	0	0	0	0	0	0	0
LAB	62	910-Miscellaneous CS	CUSTCSM	0	0	0	0	0	0	0	0
LAB	63	912-Demonstrating and Selling Expenses	CUSTSALES	0	0	0	0	0	0	0	0
LAB	64	916 Miscellaneous Sales Expenses	CUSTSALES	0	0	0	0	0	0	0	0
LAB	65	<b>TOTAL CUST SERVICE &amp; SALES LABOR EXP</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
LAB	66										
LAB	67	<b>TOTAL OPER &amp; MAINT LABOR EXP EXCL A&amp;G</b>		<b>263,519</b>	<b>239,175</b>	<b>24,344</b>	<b>228,549</b>	<b>9,695</b>	<b>932</b>	<b>7,328</b>	<b>17,016</b>
LAB	68										
LAB	69	<b>ADMINISTRATIVE &amp; GENERAL EXPENSE</b>									
LAB	70	920-Administrative Salaries	LABORXAG	10,748	9,755	993	9,322	395	38	299	694
LAB	71	921-Office Supplies & Expense	LABORXAG	0	0	0	0	0	0	0	0
LAB	72	923-Outside Service Employed	LABORXAG	0	0	0	0	0	0	0	0
LAB	73	924-Property Insurance	TOTPLT	0	0	0	0	0	0	0	0
LAB	74	925-Injuries and Damages	LABORXAG	0	0	0	0	0	0	0	0
LAB	75	926-Employee Pensions & Benefits	LABORXAG	0	0	0	0	0	0	0	0
LAB	76	928-Regulatory Commission	CLAIMREV	0	0	0	0	0	0	0	0
LAB	77	930.2-Miscellaneous General	LABORXAG	0	0	0	0	0	0	0	0
LAB	78	935-Maintenance of General Plant	GENLPLT	0	0	0	0	0	0	0	0
LAB	79	<b>TOTAL A&amp;G LABOR EXPENSE</b>		<b>10,748</b>	<b>9,755</b>	<b>993</b>	<b>9,322</b>	<b>395</b>	<b>38</b>	<b>299</b>	<b>694</b>
LAB	80										
LAB	81	<b>TOTAL OPER &amp; MAINTENANCE LABOR EXP</b>		<b>274,267</b>	<b>248,930</b>	<b>25,336</b>	<b>237,870</b>	<b>10,090</b>	<b>970</b>	<b>7,627</b>	<b>17,710</b>
LAB	82										
LAB	83										
LAB	84										
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		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
AF	1	<b>ALLOCATION FACTOR TABLE</b>									
AF	2	<b><u>EXTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>									
AF	3										
AF	4	<b><u>CAPACITY</u></b>									
AF	5										
AF	6										
AF	7										
AF	8										
AF	9										
AF	10										
AF	11	<b><u>CAPACITY - DISTRIBUTION RELATED (Design Day)</u></b>									
AF	12	Capacity Distribution	DDIST	16,281	12,717	3,564	12,333	333	51	1,267	2,297
AF	13										
AF	14										
AF	15										
AF	16										
AF	17										
AF	18										
AF	19										
AF	20	<b><u>COMMODITY</u></b>									
AF	21	Annual Gas Cost (PGC)	EGAS	0	0	0	0	0	0	0	0
AF	22										
AF	23	Annual Gas Deliveries - Thruput (CCF)	ETHRUPUT	1,509,018	1,100,928	408,090	1,066,077	30,422	4,429	181,919	226,171
AF	24										
AF	25										
AF	26										
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
AF	51	<b>ALLOCATION FACTOR TABLE CONTINUED</b>									
AF	52	<b>EXTERNALLY DEVELOPED ALLOCATION FACTORS</b>									
AF	53										
AF	54	<b>CUSTOMER</b>									
AF	55	Distribution Mains	CUSTDIST	16,348	15,348	1,000	14,664	624	60	300	700
AF	56										
AF	57	Service Investment	CUSTSERV	1,693,812	1,529,392	164,419	1,461,446	61,986	5,960	49,524	114,895
AF	58	Meter Investment	CUSTMET	62,823	47,469	15,354	45,360	1,924	185	4,625	10,729
AF	59	Meter Installations	CUSTMETIN	536,759	489,280	47,479	467,543	19,831	1,907	14,301	33,178
AF	60	Regulators Investment	CUSTREGUL	9,539	8,960	580	8,562	363	35	175	405
AF	61	Regulators Investment - House	CUSTREGULH	8,960	8,960	0	8,562	363	35	0	0
AF	62	Regulators Investment - Industrial	CUSTREGULI	580	0	580	0	0	0	175	405
AF	63	Customer Deposits	CUSTDEP	381	37	344	37	0	0	323	21
AF	64										
AF	65										
AF	66										
AF	67	902-Meter Reading Expense	CUSTMTRDG	1,366	1,283	83	1,226	52	5	25	58
AF	68	903-Customer Records and Collections	CUSTREC	16,459	15,455	1,004	14,768	627	60	300	704
AF	69										
AF	70	908-Customer Assistance	CUSTASST	1.0000	0.8342	0.1658	0.8017	0.0292	0.0033	0.0695	0.0963
AF	71	909-Informational and Instructional Advertising	CUSTADVT	1.0000	0.8342	0.1658	0.8017	0.0292	0.0033	0.0695	0.0963
AF	72	910-Miscellaneous Customer Service	CUSTCSM	1.0000	0.8342	0.1658	0.8017	0.0292	0.0033	0.0695	0.0963
AF	73	916-Miscellaneous Sales Expense	CUSTSALES	1.0000	0.8342	0.1658	0.8017	0.0292	0.0033	0.0695	0.0963
AF	74										
AF	75	Number of Bills	CUSTBILLS	16,459	15,455	1,004	14,768	627	60	300	704
AF	76	Number of Customers (Average Annual)	CUST	16,348	15,348	1,000	14,664	624	60	300	700
AF	77										
AF	78										
AF	79										
AF	80										
AF	81										
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
AF	101	<b>ALLOCATION FACTOR TABLE CONTINUED</b>									
AF	102	<b>INTERNALLY DEVELOPED ALLOCATION FACTORS</b>									
AF	103	<b>Plant Related</b>									
AF	104	Intangible Plant	INTPLT	0	0	0	0	0	0	0	0
AF	105	Distribution Plant in Service	DISTPLT	6,825,059	5,977,462	847,597	5,733,328	220,596	23,538	278,409	569,188
AF	106	Distribution Plant in Service - Capacity Related	DDISTPLT	2,653,460	2,470,408	183,053	2,361,782	98,955	9,671	56,510	126,543
AF	107	General Plant in Service	GENLPLT	368,454	334,416	34,037	319,558	13,556	1,303	10,246	23,792
AF	108	Common Plant in Service	COMPLT	(26,357)	(23,922)	(2,435)	(22,859)	(970)	(93)	(733)	(1,702)
AF	109	Total Gas Utility Plant In Service	TOTPLT	7,620,197	6,685,423	934,774	6,411,190	247,922	26,311	306,122	628,653
AF	110	Distribution Plant Excl Asset Retirement	DISTPLTXAR	6,825,059	5,977,462	847,597	5,733,328	220,596	23,538	278,409	569,188
AF	111	Total Distribution and General Plant	DGPLT	7,193,512	6,311,878	881,634	6,052,886	234,152	24,840	288,655	592,979
AF	112	Rate Base	RATEBASE	7,003,414	6,193,813	809,601	5,939,791	229,619	24,403	233,149	576,452
AF	113										
AF	114	Account 374 - Land & Land Rights	PLT_374	744	581	163	564	15	2	58	105
AF	115	Account 375 - Structures & Improvements	PLT_375	0	0	0	0	0	0	0	0
AF	116	Account 376 - Mains	PLT_376	4,353,729	3,798,485	555,245	3,649,691	133,762	15,032	188,783	366,462
AF	117	Account 378 - Meas & Reg Station Equip-General	PLT_378	131,501	102,715	28,786	99,608	2,692	415	10,230	18,556
AF	118	Account 380 - Services	PLT_380	1,693,812	1,529,392	164,419	1,461,446	61,986	5,960	49,524	114,895
AF	119	Account 381 - Meters	PLT_381	62,823	47,469	15,354	45,360	1,924	185	4,625	10,729
AF	120	Account 382 - Meter Installations	PLT_382	536,759	489,280	47,479	467,543	19,831	1,907	14,301	33,178
AF	121	Account 384-House Regulator Installations	PLT_384	9,539	9,539	0	9,116	387	37	0	0
AF	122	Account 385-Industrial Regulators	PLT_385	36,151	0	36,151	0	0	0	10,889	25,262
AF	123	Account 387 - Other Equipment	PLT_387	9,539	9,539	0	9,116	387	37	0	0
AF	124	Account 388-Asset Retirement Costs for Distribution	PLT_388	36,151	0	36,151	0	0	0	10,889	25,262
AF	125	Accounts 376 & 378 - Mains & M&R	PLT_376379	4,485,230	3,901,200	584,031	3,749,300	136,454	15,446	199,013	385,018
AF	126	Accounts 376 & 380 - Mains & Services	PLT_376380	6,047,541	5,327,877	719,664	5,111,137	195,748	20,992	238,307	481,357
AF	127	Accounts 380 & 381 - Services & Meters	PLT_380381	1,693,812	1,529,392	164,419	1,461,446	61,986	5,960	49,524	114,895
AF	128	Accounts 381 through 385	PLT_3815	645,272	546,288	98,984	522,018	22,141	2,129	29,814	69,170
AF	129	Accounts 378 & 387	PLT_378387	141,040	112,255	28,786	108,724	3,079	452	10,230	18,556
AF	130										
AF	131	Distribution Plant in Service - Capacity Related									
AF	132	Residential Space Heating	DPLTRESSH	2,361,782	2,361,782	0	2,361,782	0	0	0	0
AF	133	Residential Domestic	DPLTRESO	98,955	98,955	0	0	98,955	0	0	0
AF	134	Residential Other	DPLTRESO	9,671	9,671	0	0	0	9,671	0	0
AF	135	General Service Commercial	DPLTGSC	56,510	0	56,510	0	0	0	56,510	0
AF	136	Commercial Space Heating	DPLTCSH	126,543	0	126,543	0	0	0	0	126,543
AF	137										
AF	138										
AF	139										
AF	140										
AF	141										
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
AF	151	<b>ALLOCATION FACTOR TABLE CONTINUED</b>									
AF	152	<b><u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>									
AF	153										
AF	154	<b><u>Production Expense Related</u></b>									
AF	155	Other Production Operation Expense	OX_PRODO	0	0	0	0	0	0	0	0
AF	156										
AF	157										
AF	158										
AF	159										
AF	160										
AF	161										
AF	162										
AF	163	<b><u>Distribution Expense Related</u></b>									
AF	164	Account 874 - Mains & Services Exp	OX_874	0	0	0	0	0	0	0	0
AF	165	Account 875 - Meas & Reg Station Exp - Gen	OX_875	0	0	0	0	0	0	0	0
AF	166	Account 878-Meter & House Regulator Expenses	OX_878	0	0	0	0	0	0	0	0
AF	167	Account 880 - Other Dist Oper Exp	OX_880	0	0	0	0	0	0	0	0
AF	168	Account 887 - Maint of Mains Exp	MX_887	5,277	4,604	673	4,423	162	18	229	444
AF	169	Account 889 - Maint of Meas & Reg Station Exp - G	MX_889	0	0	0	0	0	0	0	0
AF	170	Account 892 - Maint of Services Exp	MX_892	220,921	199,476	21,445	190,614	8,085	777	6,459	14,986
AF	171	Account 893 - Maint of Meter & House Reg Exp	MX_893	0	0	0	0	0	0	0	0
AF	172	Account 894 - Maint of Other Equipment Exp	MX_894	0	0	0	0	0	0	0	0
AF	173	O&M Accounts 874-880	OX_DIST	0	0	0	0	0	0	0	0
AF	174	O&M Accounts 887-894	MX_DIST	220,921	199,476	21,445	190,614	8,085	777	6,459	14,986
AF	175										
AF	176										
AF	177	<b><u>Customer Distribution Expense Related</u></b>									
AF	178	Account 902	OX_902	2,982	2,801	181	2,676	114	11	55	127
AF	179	Account 903	OX_903	36,158	33,952	2,206	32,443	1,377	132	659	1,547
AF	180	Account 904	OX_904	14,475	14,475	0	14,475	0	0	0	0
AF	181	O&M Accounts 902-905	OX_CA	53,614	51,227	2,387	49,594	1,491	143	714	1,673
AF	182										
AF	183	Account 908	OX_908	0	0	0	0	0	0	0	0
AF	184	Account 909	OX_909	0	0	0	0	0	0	0	0
AF	185	Account 910	OX_910	0	0	0	0	0	0	0	0
AF	186	O&M Accounts 908-910	OX_CS	0	0	0	0	0	0	0	0
AF	187	Accounts 901-910	X_CACS	60,310	56,813	3,497	54,962	1,686	165	1,179	2,318
AF	188										
AF	189	Total O&M less Purchased Gas and Uncollectibles	OMXPP	619,719	561,600	58,119	536,745	22,667	2,188	17,667	40,452
AF	190										
AF	191										
AF	192										
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AF	198										
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Pike County Light & Power Company  
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
AF	201	<b>ALLOCATION FACTOR TABLE CONTINUED</b>									
AF	202	<b><u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>									
AF	203										
AF	204	<b><u>Labor Expense Related</u></b>									
AF	205	Labor Distribution Accounts 870-880	LABORDO	0	0	0	0	0	0	0	0
AF	206	Labor Distribution Accounts 887-894	LABORDM	229,258	207,004	22,254	197,807	8,390	807	6,703	15,551
AF	207	Labor Customer Accounts 902-905	LABORCA	34,261	32,171	2,089	30,741	1,305	125	625	1,465
AF	208	Labor Customer Accounts 908-910	LABORCS	0	0	0	0	0	0	0	0
AF	209	Labor Excluding Admin & Gen	LABORXAG	263,519	239,175	24,344	228,549	9,695	932	7,328	17,016
AF	210	Total Labor Expense	LABOR	274,267	248,930	25,336	237,870	10,090	970	7,627	17,710
AF	211										
AF	212										
AF	213	Base Rate Sales Revenue	SALESREV	1,086,334	893,067	193,268	863,119	26,369	3,578	82,879	110,389
AF	214										
AF	215	Claimed Rate Sales Revenue	CLAIMREV	2,028,685	1,807,150	221,535	1,730,861	69,231	7,058	68,112	153,423
AF	216										
AF	217	Residential Space Heating	SREVRESSH	1,730,861	1,730,861	0	1,730,861	0	0	0	0
AF	218	Residential Domestic	SREVRESH	69,231	69,231	0	0	69,231	0	0	0
AF	219	Residential Other	SREVRESO	7,058	7,058	0	0	0	7,058	0	0
AF	220	General Service Commercial	SREVGSC	68,112	0	68,112	0	0	0	68,112	0
AF	221	Commercial Space Heating	SREVCSH	153,423	0	153,423	0	0	0	0	153,423
AF	222			2,028,685							
AF	223										
AF	224										
AF	225										
AF	226										
AF	227										
AF	228										
AF	229										
AF	230										
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
AF	251	<b>REVENUES AND BILLING DETERMINANTS</b>									
AF	252										
AF	253										
AF	254	<b>PRESENT REVENUES FROM SALES INPUT</b>									
AF	255										
AF	256	Total Sales of Gas Revenues		1,086,334	893,067	193,268	863,119	26,369	3,578	82,879	110,389
AF	257	Total Delivery Revenues - Actual		892,835	735,221	157,614	710,266	22,013	2,942	68,771	88,843
AF	258	Total Delivery Revenues - Weather Adjustment		91,543	79,776	11,768	77,345	2,107	323	3,321	8,447
AF	259	DSIC Revenues rolled into Base		101,956	78,070	23,886	75,507	2,249	313	10,787	13,099
AF	260										
AF	261			984,378							
AF	262						77,345	2,107	323	3,321	8,447
AF	263										
AF	264	<b>12 Months Ending September 30,2024</b>									
AF	265	<b>BILLING DETERMINATE INPUTS</b>									
AF	266	Annual Booked Throughput Sales (Ccf)	SCH AF, LN 23	1,509,018	1,100,928	408,090	1,066,077	30,422	4,429	181,919	226,171
AF	267	Number of Customer Bills	SCH AF, LN 75	16,459	15,455	1,004	14,768	627	60	300	704
AF	268	Average Use Per Customer		92	71	406	72	49	74	606	321
AF	269										
AF	270										
AF	271	<b>RATE OF RETURN</b>									
AF	272	Rate of Return (Equalized)	SCH AF, LN 272	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%
AF	273										
AF	274										
AF	275										
AF	276										
AF	277										
AF	278										
AF	279										
AF	280	<b>12 Months Ended September 30, 2025</b>									
AF	281	<b>BILLING DETERMINATE INPUTS</b>									
AF	282	Annual Booked Throughput Sales (Ccf)		1,526,104	1,116,578	409,525	1,081,232	30,855	4,492	182,559	226,966
AF	283	Number of Customer Bills		17,040	16,008	1,032	15,295	651	63	310	722
AF	284	Average Use Per Customer		90	70	397	71	47	72	590	314
AF	285										
AF	286										
AF	287										
AF	288										
AF	289										
AF	290										
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
AP	1	<b>ALLOCATION PROPORTIONS TABLE</b>									
AP	2	<b>EXTERNALLY DEVELOPED ALLOCATION FACT</b>									
AP	3										
AP	4	<b>CAPACITY</b>									
AP	5										
AP	6										
AP	7										
AP	8										
AP	9										
AP	10										
AP	11	<b>CAPACITY - DISTRIBUTION RELATED (Design Da</b>									
AP	12	Capacity Distribution	DDIST	1.00000	0.78110	0.21890	0.75747	0.02047	0.00315	0.07780	0.14111
AP	13										
AP	14										
AP	15										
AP	16										
AP	17										
AP	18										
AP	19										
AP	20	<b>COMMODITY</b>									
AP	21	Annual Gas Cost (PGC)	EGAS	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	22										
AP	23	Annual Gas Deliveries - Thruput (CCF)	ETHRUPUT	1.00000	0.72957	0.27043	0.70647	0.02016	0.00294	0.12055	0.14988
AP	24										
AP	25										
AP	26										
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
AP	51	<b>ALLOCATION PROPORTIONS TABLE CONTINUED</b>									
AP	52	<b>EXTERNALLY DEVELOPED ALLOCATION FACTORS</b>									
AP	53										
AP	54	<b>CUSTOMER</b>									
AP	55	Distribution Mains	CUSTDIST	1.00000	0.93883	0.06117	0.89699	0.03817	0.00367	0.01835	0.04282
AP	56										
AP	57	Service Investment	CUSTSERV	1.00000	0.90293	0.09707	0.86281	0.03660	0.00352	0.02924	0.06783
AP	58	Meter Investment	CUSTMET	1.00000	0.75559	0.24441	0.72203	0.03062	0.00294	0.07362	0.17079
AP	59	Meter Installations	CUSTMETIN	1.00000	0.91155	0.08845	0.87105	0.03694	0.00355	0.02664	0.06181
AP	60	Regulators Investment	CUSTREGUL	1.00000	0.93924	0.06076	0.89751	0.03807	0.00366	0.01830	0.04246
AP	61	Regulators Investment - House	CUSTREGULH	1.00000	1.00000	0.00000	0.95557	0.04053	0.00390	0.00000	0.00000
AP	62	Regulators Investment - Industrial	CUSTREGULI	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.30120	0.69880
AP	63	Customer Deposits	CUSTDEP	1.00000	0.09652	0.90348	0.09652	0.00000	0.00000	0.84759	0.05589
AP	64										
AP	65										
AP	66										
AP	67	902-Meter Reading Expense	CUSTMTRDG	1.00000	0.93924	0.06076	0.89751	0.03807	0.00366	0.01830	0.04246
AP	68	903-Customer Records and Collections	CUSTREC	1.00000	0.93900	0.06100	0.89726	0.03809	0.00365	0.01823	0.04277
AP	69										
AP	70	908-Customer Assistance	CUSTASST	1.00000	0.83420	0.16580	0.80173	0.02917	0.00330	0.06945	0.09635
AP	71	909-Informational and Instructional Advertising	CUSTADVT	1.00000	0.83420	0.16580	0.80173	0.02917	0.00330	0.06945	0.09635
AP	72	910-Miscellaneous Customer Service	CUSTCSM	1.00000	0.83420	0.16580	0.80173	0.02917	0.00330	0.06945	0.09635
AP	73	916-Miscellaneous Sales Expense	CUSTSALES	1.00000	0.83420	0.16580	0.80173	0.02917	0.00330	0.06945	0.09635
AP	74										
AP	75	Number of Bills	CUSTBILLS	1.00000	0.93900	0.06100	0.89726	0.03809	0.00365	0.01823	0.04277
AP	76	Number of Customers (Average Annual)	CUST	1.00000	0.93883	0.06117	0.89699	0.03817	0.00367	0.01835	0.04282
AP	77										
AP	78										
AP	79										
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		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
AP	101	<b>ALLOCATION PROPORTIONS TABLE CONTINUED</b>									
AP	102	<b>INTERNALLY DEVELOPED ALLOCATION FACTORS</b>									
AP	103	<b>Plant Related</b>									
AP	104	Intangible Plant	INTPLT	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	105	Distribution Plant in Service	DISTPLT	1.00000	0.87581	0.12419	0.84004	0.03232	0.00345	0.04079	0.08340
AP	106	Distribution Plant in Service - Capacity Related	DDISTPLT	1.00000	0.93101	0.06899	0.89008	0.03729	0.00364	0.02130	0.04769
AP	107	General Plant in Service	GENLPLT	1.00000	0.90762	0.09238	0.86730	0.03679	0.00354	0.02781	0.06457
AP	108	Common Plant in Service	COMPLT	1.00000	0.90762	0.09238	0.86730	0.03679	0.00354	0.02781	0.06457
AP	109	Total Gas Utility Plant In Service	TOTPLT	1.00000	0.87733	0.12267	0.84134	0.03253	0.00345	0.04017	0.08250
AP	110	Distribution Plant Excl Asset Retirement	DISTPLTXAR	1.00000	0.87581	0.12419	0.84004	0.03232	0.00345	0.04079	0.08340
AP	111	Total Distribution and General Plant	DGPLT	1.00000	0.87744	0.12256	0.84144	0.03255	0.00345	0.04013	0.08243
AP	112	Rate Base	RATEBASE	1.00000	0.88440	0.11560	0.84813	0.03279	0.00348	0.03329	0.08231
AP	113										
AP	114	Account 374 - Land & Land Rights	PLT_374	1.00000	0.78110	0.21890	0.75747	0.02047	0.00315	0.07780	0.14111
AP	115	Account 375 - Structures & Improvements	PLT_375	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	116	Account 376 - Mains	PLT_376	1.00000	0.87247	0.12753	0.83829	0.03072	0.00345	0.04336	0.08417
AP	117	Account 378 - Meas & Reg Station Equip-General	PLT_378	1.00000	0.78110	0.21890	0.75747	0.02047	0.00315	0.07780	0.14111
AP	118	Account 380 - Services	PLT_380	1.00000	0.90293	0.09707	0.86281	0.03660	0.00352	0.02924	0.06783
AP	119	Account 381 - Meters	PLT_381	1.00000	0.75559	0.24441	0.72203	0.03062	0.00294	0.07362	0.17079
AP	120	Account 382 - Meter Installations	PLT_382	1.00000	0.91155	0.08845	0.87105	0.03694	0.00355	0.02664	0.06181
AP	121	Account 384-House Regulator Installations	PLT_384	1.00000	1.00000	0.00000	0.95557	0.04053	0.00390	0.00000	0.00000
AP	122	Account 385-Industrial Regulators	PLT_385	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.30120	0.69880
AP	123	Account 387 - Other Equipment	PLT_387	1.00000	1.00000	0.00000	0.95557	0.04053	0.00390	0.00000	0.00000
AP	124	Account 388-Asset Retirement Costs for Distribution	PLT_388	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.30120	0.69880
AP	125	Accounts 376 & 378 - Mains & M&R	PLT_376379	1.00000	0.86979	0.13021	0.83592	0.03042	0.00344	0.04437	0.08584
AP	126	Accounts 376 & 380 - Mains & Services	PLT_376380	1.00000	0.88100	0.11900	0.84516	0.03237	0.00347	0.03941	0.07960
AP	127	Accounts 380 & 381 - Services & Meters	PLT_380381	1.00000	0.90293	0.09707	0.86281	0.03660	0.00352	0.02924	0.06783
AP	128	Accounts 381 through 385	PLT_3815	1.00000	0.84660	0.15340	0.80899	0.03431	0.00330	0.04620	0.10719
AP	129	Accounts 378 & 387	PLT_378387	1.00000	0.79590	0.20410	0.77087	0.02183	0.00320	0.07253	0.13156
AP	130										
AP	131	Distribution Plant in Service - Capacity Related									
AP	132	Residential Space Heating	DPLTRESSH	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP	133	Residential Domestic	DPLTRESO	1.00000	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP	134	Residential Other	DPLTRESO	1.00000	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP	135	General Service Commercial	DPLTGSC	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	136	Commercial Space Heating	DPLTCSH	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000
AP	137										
AP	138										
AP	139										
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		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
AP	151	<b>ALLOCATION PROPORTIONS TABLE CONTINUED</b>									
AP	152	<b>INTERNALLY DEVELOPED ALLOCATION FACTORS</b>									
AP	153										
AP	154	<b>Production Expense Related</b>									
AP	155	Other Production Operation Expense	OX_PRODO	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	156										
AP	157										
AP	158										
AP	159			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	160			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	161										
AP	162										
AP	163	<b>Distribution Expense Related</b>									
AP	164	Account 874 - Mains & Services Exp	OX_874	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	165	Account 875 - Meas & Reg Station Exp - Gen	OX_875	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	166	Account 878-Meter & House Regulator Expenses	OX_878	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	167	Account 880 - Other Dist Oper Exp	OX_880	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	168	Account 887 - Maint of Mains Exp	MX_887	1.00000	0.87247	0.12753	0.83829	0.03072	0.00345	0.04336	0.08417
AP	169	Account 889 - Maint of Meas & Reg Station Exp - G	MX_889	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	170	Account 892 - Maint of Services Exp	MX_892	1.00000	0.90293	0.09707	0.86281	0.03660	0.00352	0.02924	0.06783
AP	171	Account 893 - Maint of Meter & House Reg Exp	MX_893	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	172	Account 894 - Maint of Other Equipment Exp	MX_894	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	173	O&M Accounts 874-880	OX_DIST	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	174	O&M Accounts 887-894	MX_DIST	1.00000	0.90293	0.09707	0.86281	0.03660	0.00352	0.02924	0.06783
AP	175										
AP	176										
AP	177	<b>Customer Distribution Expense Related</b>									
AP	178	Account 902	OX_902	1.00000	0.93924	0.06076	0.89751	0.03807	0.00366	0.01830	0.04246
AP	179	Account 903	OX_903	1.00000	0.93900	0.06100	0.89726	0.03809	0.00365	0.01823	0.04277
AP	180	Account 904	OX_904	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP	181	O&M Accounts 902-905	OX_CA	1.00000	0.95548	0.04452	0.92501	0.02781	0.00266	0.01331	0.03121
AP	182										
AP	183	Account 908	OX_908	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	184	Account 909	OX_909	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	185	Account 910	OX_910	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	186	O&M Accounts 908-910	OX_CS	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	187	Accounts 901-910	X_CACS	1.00000	0.94202	0.05798	0.91132	0.02796	0.00273	0.01954	0.03844
AP	188										
AP	189	Total O&M less Purchased Gas and Uncollectibles	OMXPP	1.00000	0.90622	0.09378	0.86611	0.03658	0.00353	0.02851	0.06527
AP	190										
AP	191										
AP	192										
AP	193										
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AP	198										
AP	199										
AP	200										

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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
AP	201	<b>ALLOCATION PROPORTIONS TABLE CONTINUED</b>									
AP	202	<b>INTERNALLY DEVELOPED ALLOCATION FACTORS</b>									
AP	203										
AP	204	<b>Labor Expense Related</b>									
AP	205	Labor Distribution Accounts 870-880	LABORDO	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	206	Labor Distribution Accounts 887-894	LABORDM	1.00000	0.90293	0.09707	0.86281	0.03660	0.00352	0.02924	0.06783
AP	207	Labor Customer Accounts 902-905	LABORCA	1.00000	0.93902	0.06098	0.89728	0.03809	0.00365	0.01823	0.04275
AP	208	Labor Customer Accounts 908-910	LABORCS	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	209	Labor Excluding Admin & Gen	LABORXAG	1.00000	0.90762	0.09238	0.86730	0.03679	0.00354	0.02781	0.06457
AP	210	Total Labor Expense	LABOR	1.00000	0.90762	0.09238	0.86730	0.03679	0.00354	0.02781	0.06457
AP	211										
AP	212										
AP	213	Base Rate Sales Revenue	SALESREV	1.00000	0.82209	0.17791	0.79452	0.02427	0.00329	0.07629	0.10162
AP	214										
AP	215	Claimed Rate Sales Revenue	CLAIMREV	1.00000	0.89080	0.10920	0.85319	0.03413	0.00348	0.03357	0.07563
AP	216										
AP	217	Residential Space Heating	SREVRESSH	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP	218	Residential Domestic	SREVRES	1.00000	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP	219	Residential Other	SREVRESO	1.00000	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP	220	General Service Commercial	SREVGSC	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	221	Commercial Space Heating	SREVCSH	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000
AP	222										
AP	223										
AP	224										
AP	225										
AP	226										
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
AP	251	<b>REVENUES AND BILLING DETERMINANTS</b>									
AP	252										
AP	253										
AP	254	<b>PRESENT REVENUES FROM SALES INPUT</b>									
AP	255										
AP	256	Total Sales of Gas Revenues		1.00000	0.82209	0.17791	0.79452	0.02427	0.00329	0.07629	0.10162
AP	257	Total Delivery Revenues - Actual		1.00000	0.82347	0.17653	0.79552	0.02466	0.00329	0.07703	0.09951
AP	258	Total Delivery Revenues - Weather Adjustment									
AP	259	DSIC Revenues rolled into Base									
AP	260										
AP	261										
AP	262										
AP	263										
AP	264	12 Months Ending September 30,2024									
AP	265										
AP	267										
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
ADA	1	<b>ALLOCATED DIRECT ASSIGNMENTS</b>									
ADA	2	<b>DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS</b>									
ADA	3										
ADA	4	<b>Net Write-Offs</b>									
ADA	5	Residential Space Heating	SREVRESSH	15,883	15,883	0	15,883	0	0	0	0
ADA	6	Residential Domestic	SREVRESH	0	0	0	0	0	0	0	0
ADA	7	Residential Other	SREVRESO	0	0	0	0	0	0	0	0
ADA	8	General Service Commercial	SREVGSC	0	0	0	0	0	0	0	0
ADA	9	Commercial Space Heating	SREVCSH	0	0	0	0	0	0	0	0
ADA	10										
ADA	11										
ADA	12	Total Write-Offs	EXP_904	15,883	15,883	0	15,883	0	0	0	0
ADA	13										
ADA	14	Total Write-Offs	EXP_904	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
ADA	15										
ADA	16										
ADA	17										
ADA	18										
ADA	19	<b>Forfeited Discounts - Account 487</b>									
ADA	20	Residential Space Heating	SREVRESSH	5,123	5,123	0	5,123	0	0	0	0
ADA	21	Residential Domestic	SREVRESH	125	125	0	0	125	0	0	0
ADA	22	Residential Other	SREVRESO	28	28	0	0	0	28	0	0
ADA	23	General Service Commercial	SREVGSC	595	0	595	0	0	0	595	0
ADA	24	Commercial Space Heating	SREVCSH	661	0	661	0	0	0	0	661
ADA	25										
ADA	26										
ADA	27	Total Forfeited Discounts	REV_487	6,532	5,276	1,256	5,123	125	28	595	661
ADA	28										
ADA	29	Total Forfeited Discounts	REV_487	1.00000	0.80767	0.19233	0.78425	0.01907	0.00435	0.09108	0.10125
ADA	30										
ADA	31										
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SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
RRW	1	<b>DISTRIBUTION REVENUE REQUIREMENTS</b>									
RRW	2										
RRW	3	<b>PRESENT RATE OF RETURN (EXISTING RATES)</b>									
RRW	4	-----									
RRW	5	Rate Base		7,003,414	6,193,813	809,601	5,939,791	229,619	24,403	233,149	576,452
RRW	6	Net Operating Income (Present Rates)		300,104	204,500	95,605	202,143	1,440	917	46,249	49,355
RRW	7	Rate of Return @ Present Rates		4.29%	3.30%	11.81%	3.40%	0.63%	3.76%	19.84%	8.56%
RRW	8	Relative Rate of Return		1.00	0.77	2.76	0.79	0.15	0.88	4.63	2.00
RRW	9	Sales Revenue at Present Rates		1,086,334	893,067	193,268	863,119	26,369	3,578	82,879	110,389
RRW	10	Revenue Present Rates \$/Ccf		\$711.8354	\$799.8246	\$471.9309	\$798.2741	\$854.6320	\$796.5648	\$453.9848	\$486.3658
RRW	11	Revenue Required - \$/Month/Customer		\$66,002.46	\$57,784.98	\$192,497.60	\$58,445.23	\$42,056.61	\$59,637.37	\$276,262.96	\$156,802.13
RRW	12										
RRW	13										
RRW	14	<b>CLAIMED RATE OF RETURN</b>									
RRW	15	-----									
RRW	16	Claimed Rate of Return		8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%
RRW	17	Return Required for Claimed Rate of Return		917,310	809,432	107,878	776,197	30,048	3,187	32,525	75,353
RRW	18	Sales Revenue Required @ Claimed ROR		2,028,685	1,807,150	221,535	1,730,861	69,231	7,058	68,112	153,423
RRW	19	Sales Revenue Deficiency		942,350	914,083	28,267	867,742	42,861	3,480	(14,767)	43,034
RRW	20	Percent Increase Required		86.75%	102.35%	14.63%	100.54%	162.54%	97.25%	-17.82%	38.98%
RRW	21	Annual Booked Throughput Sales (Ccf)		1,526,104	1,116,578	409,525	1,081,232	30,855	4,492	182,559	226,966
RRW	22	Sales Revenue Required \$/Ccf		\$1,329.3230	\$1,618.4710	\$540.9553	\$1,600.8234	\$2,243.7594	\$1,571.2626	\$373.0969	\$675.9710
RRW	23	Sales Revenue Deficiency \$/Ccf		\$617.4877	\$818.6464	\$69.0244	\$802.5493	\$1,389.1274	\$774.6978	(\$80.8879)	\$189.6052
RRW	24										
RRW	25										
RRW	26	<b>PROPOSED RATE OF RETURN</b>									
RRW	27	-----									
RRW	28	Rate Base at Future Test Year 09/30/2025		10,679,156	9,423,260	1,255,896	9,036,345	349,808	37,108	378,655	877,240
RRW	29	Proposed Base Gas Sales Revenues		2,028,685	1,781,499	247,186	1,723,140	51,209	7,150	106,165	141,021
RRW	30	Base Sales Revenue Deficiency		942,351	888,432	53,919	860,021	24,840	3,572	23,286	30,633
RRW	31	Return Required for Proposed Revenue		2,028,685	1,807,150	221,535	1,730,861	69,231	7,058	68,112	153,423
RRW	32	Percent Increase Required at Proposed Rates		86.75%	99.48%	27.90%	99.64%	94.20%	99.81%	28.10%	27.75%
RRW	33	Proposed Rate of Return		19.00%	19.18%	17.64%	19.15%	19.79%	19.02%	17.99%	17.49%
RRW	34	Relative Rate of Return		1.00	1.01	0.93	1.01	1.04	1.00	0.95	0.92
RRW	35										
RRW	36										
RRW	37										
RRW	38										
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RRW	50										

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	(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
1	<b>PRESENT RATE OF RETURN SUMMARY SCHEDULE - REVENUE REQUIREMENTS</b>									
2										
3	<b>RATE OF RETURN</b>		4.29%	3.30%	11.81%	3.40%	0.63%	3.76%	19.84%	8.56%
4										
5	<b>REVENUES REQUIRED</b>									
6	<b>CAPACITY COMPONENT</b>	133,445	133,445	62,241	71,204	61,877	87	278	40,495	30,708
7	CAPACITY PRODUCTION COMPONENT		0	0	0	0	0	0	0	0
8	CAPACITY TRANSMISSION COMPONENT		0	0	0	0	0	0	0	0
9	CAPACITY DISTRIBUTION MAINS		133,445	62,241	71,204	61,877	87	278	40,495	30,708
10	<b>COMMODITY COMPONENT</b>	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
11	COMMODITY PURCHASED GAS		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
12	COMMODITY OTHER COMMODITY		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
13	<b>CUSTOMER COMPONENT</b>	952,890	952,890	830,826	122,064	801,243	26,283	3,301	42,383	79,680
14	CUSTOMER DISTRIBUTION MAINS		113,452	89,354	24,098	89,009	(50)	395	12,284	11,814
15	CUSTOMER SERVICES INVESTMENT		701,955	614,856	87,099	590,343	22,107	2,407	32,183	54,915
16	CUSTOMER METERS & INSTALL INVESTMENT		39,002	28,435	10,567	27,956	359	120	5,106	5,461
17	CUSTOMER REGULATORS		5,775	206	5,569	210	(5)	1	2,688	2,881
18	CUSTOMER SERVICE & SALES EXPENSE		6,780	5,671	1,108	5,452	197	22	462	647
19	CUSTOMER ACCOUNTS EXPENSE		85,927	92,304	(6,377)	88,274	3,674	356	(10,339)	3,962
20										
21										
22	<b>TOTAL COMPANY</b>	1,086,334	1,086,334	893,067	193,268	863,119	26,369	3,578	82,879	110,389
23										
24										
25										
26										
27	Annual Booked Throughput Sales (Ccf)		1,509,018	1,100,928	408,090	1,066,077	30,422	4,429	181,919	226,171
28	Average Use Per Customer		92	71	406	72	49	74	606	321
29	Number of Customer Bills		16,459	15,455	1,004	14,768	627	60	300	704
30										
31	Use per Month per Customer		91.68	71.23	406.46	72.19	48.52	73.82	606.40	321.27
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LINE NO.	DESCRIPTION	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331	
	(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
1	<b>PRESENT RATE OF RETURN SUMMARY SCHEDULE - UNIT COST</b>									
2										
3	<b>RATE OF RETURN</b>		4.29%	3.30%	11.81%	3.40%	0.63%	3.76%	19.84%	8.56%
4										
5	<u><b>\$/Ccf</b></u>									
6	<b>CAPACITY COMPONENT</b>	\$87.4416	\$87.4416	\$55.7426	\$173.8693	\$57.2279	\$2.8163	\$61.7882	\$221.8214	\$135.2995
7	CAPACITY PRODUCTION COMPONENT		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
8	CAPACITY DISTRIBUTION MAINS		\$87.4416	\$55.7426	\$173.8693	\$57.2279	\$2.8163	\$61.7882	\$221.8214	\$135.2995
9	<b>COMMODITY COMPONENT</b>	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
10	COMMODITY PURCHASED GAS		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
11	COMMODITY OTHER COMMODITY		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
12	<b>CUSTOMER COMPONENT</b>	\$624.3938	\$624.3938	\$744.0820	\$298.0616	\$741.0462	\$851.8158	\$734.7766	\$232.1634	\$351.0663
13	CUSTOMER DISTRIBUTION MAINS		\$74.3409	\$80.0246	\$58.8441	\$82.3216	(\$1.6099)	\$87.8753	\$67.2904	\$52.0503
14	CUSTOMER SERVICES INVESTMENT		\$459.9653	\$550.6609	\$212.6819	\$545.9909	\$716.4781	\$535.7654	\$176.2900	\$241.9534
15	CUSTOMER METERS & INSTALL INVESTMENT		\$25.5563	\$25.4659	\$25.8029	\$25.8555	\$11.6263	\$26.7486	\$27.9672	\$24.0620
16	CUSTOMER REGULATORS		\$3.7840	\$0.1843	\$13.5987	\$0.1938	(\$0.1533)	\$0.2147	\$14.7238	\$12.6937
17	CUSTOMER SERVICE & SALES EXPENSE		\$4.4426	\$5.0792	\$2.7067	\$5.0424	\$6.3891	\$4.9504	\$2.5281	\$2.8504
18	CUSTOMER ACCOUNTS EXPENSE		\$56.3047	\$82.6669	(\$15.5726)	\$81.6420	\$119.0855	\$79.2223	(\$56.6360)	\$17.4565
19										
20										
21	<b>TOTAL COMPANY</b>	\$711.8354	\$711.8354	\$799.8246	\$471.9309	\$798.2741	\$854.6320	\$796.5648	\$453.9848	\$486.3658
22										
23	<u><b>\$/MONTH/CUSTOMER</b></u>									
24	<b>CUSTOMER COMPONENTS</b>	\$57.89	\$57.89	\$53.76	\$121.58	\$54.26	\$41.92	\$55.01	\$141.28	\$113.18
25	CUSTOMER DISTRIBUTION MAINS		\$6.89	\$5.78	\$24.00	\$6.03	(\$0.08)	\$6.58	\$40.95	\$16.78
26	CUSTOMER SERVICES INVESTMENT		\$42.65	\$39.78	\$86.75	\$39.97	\$35.26	\$40.11	\$107.28	\$78.00
27	CUSTOMER METERS & INSTALL INVESTMENT		\$2.37	\$1.84	\$10.52	\$1.89	\$0.57	\$2.00	\$17.02	\$7.76
28	CUSTOMER REGULATORS		\$0.35	\$0.01	\$5.55	\$0.01	(\$0.01)	\$0.02	\$8.96	\$4.09
29	CUSTOMER SERVICE & SALES EXPENSE		\$0.41	\$0.37	\$1.10	\$0.37	\$0.31	\$0.37	\$1.54	\$0.92
30	CUSTOMER ACCOUNTS EXPENSE		\$5.22	\$5.97	(\$6.35)	\$5.98	\$5.86	\$5.93	(\$34.46)	\$5.63
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Gas Class Cost of Service Study  
12 Months Ending September 30,2024

LINE NO.	DESCRIPTION	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331	
	(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
1	<b>CLAIMED RATE OF RETURN SUMMARY SCHEDULE - REVENUE REQUIREMENTS</b>									
2	(For Future Test Year 12 Months Ended September 30 2025)									
3	<b>RATE OF RETURN</b>	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%
4										
5	<b>REVENUES REQUIRED</b>									
6	<b>CAPACITY COMPONENT</b>	342,986	342,986	268,201	74,785	260,115	7,008	1,078	26,542	48,242
7	CAPACITY PRODUCTION COMPONENT		(0)	(0)	(0)	(0)	(0)	0	(0)	(0)
8	CAPACITY DISTRIBUTION MAINS		342,986	268,201	74,785	260,115	7,008	1,078	26,542	48,242
9	<b>COMMODITY COMPONENT</b>	0	0	0	0	0	0	0	0	0
10	COMMODITY PURCHASED GAS		0	0	0	0	0	0	0	0
11	COMMODITY OTHER COMMODITY		0	0	0	0	0	0	0	0
12	<b>CUSTOMER COMPONENT</b>	1,685,698	1,685,698	1,538,948	146,750	1,470,746	62,223	5,980	41,570	105,180
13	CUSTOMER DISTRIBUTION MAINS		436,764	410,170	26,594	391,947	16,626	1,597	7,967	18,627
14	CUSTOMER SERVICES INVESTMENT		1,013,128	915,185	97,943	874,655	36,977	3,553	29,468	68,475
15	CUSTOMER METERS & INSTALL INVESTMENT		111,398	99,560	11,838	95,150	4,023	386	3,561	8,277
16	CUSTOMER REGULATORS		7,908	1,432	6,476	1,369	58	6	1,948	4,528
17	CUSTOMER SERVICE & SALES EXPENSE		6,978	5,825	1,153	5,599	203	23	482	670
18	CUSTOMER ACCOUNTS EXPENSE		109,522	106,776	2,746	102,025	4,336	415	(1,856)	4,603
19										
20										
21	<b>TOTAL COMPANY</b>	2,028,685	2,028,685	1,807,150	221,535	1,730,861	69,231	7,058	68,112	153,423
22										
23										
24										
25	<b>12 Months Ended September 30, 2025</b>									
26	Annual Booked Throughput Sales (Ccf)		1,526,104	1,116,578	409,525	1,081,232	30,855	4,492	182,559	226,966
28	Number of Customer Bills		17,040	16,008	1,032	15,295	651	63	310	722
27	Average Use Per Customer		92	71	406	72	49	74	606	321
29										
30										
31										
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Pike County Light & Power Company  
Gas Class Cost of Service Study  
12 Months Ending September 30,2024

LINE NO.	DESCRIPTION	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331	
	(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
1	<b>CLAIMED RATE OF RETURN SUMMARY SCHEDULE - UNIT COSTS</b>									
2	(For Future Test Year 12 Months Ended September 30 2025)									
3	<b>RATE OF RETURN</b>		8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%
4										
5	<b>\$/Ccf</b>									
6	<b>CAPACITY COMPONENT</b>	\$224.7464	\$224.7464	\$240.1993	\$182.6137	\$240.5731	\$227.1204	\$240.0607	\$145.3915	\$212.5531
7	CAPACITY PRODUCTION COMPONENT		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
8	CAPACITY DISTRIBUTION MAINS		\$224.7464	\$240.1993	\$182.6137	\$240.5731	\$227.1204	\$240.0607	\$145.3915	\$212.5531
9	<b>COMMODITY COMPONENT</b>	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
10	COMMODITY PURCHASED GAS		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
11	COMMODITY OTHER COMMODITY		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
12	<b>CUSTOMER COMPONENT</b>	\$1,104.5766	\$1,104.5766	\$1,378.2716	\$358.3416	\$1,360.2503	\$2,016.6390	\$1,331.2019	\$227.7054	\$463.4179
13	CUSTOMER DISTRIBUTION MAINS		\$286.1958	\$367.3457	\$64.9390	\$362.5004	\$538.8513	\$355.5708	\$43.6391	\$82.0714
14	CUSTOMER SERVICES INVESTMENT		\$663.8661	\$819.6335	\$239.1633	\$808.9436	\$1,198.4175	\$790.9028	\$161.4181	\$301.6971
15	CUSTOMER METERS & INSTALL INVESTMENT		\$72.9949	\$89.1651	\$28.9065	\$88.0018	\$130.3840	\$86.0382	\$19.5047	\$36.4688
16	CUSTOMER REGULATORS		\$5.1816	\$1.2825	\$15.8127	\$1.2658	\$1.8754	\$1.2375	\$10.6698	\$19.9493
17	CUSTOMER SERVICE & SALES EXPENSE		\$4.5722	\$5.2169	\$2.8143	\$5.1784	\$6.5794	\$5.1140	\$2.6425	\$2.9525
18	CUSTOMER ACCOUNTS EXPENSE		\$71.7660	\$95.6280	\$6.7058	\$94.3602	\$140.5314	\$92.3386	(\$10.1688)	\$20.2787
19										
20										
21	<b>TOTAL COMPANY</b>	\$1,329.3230	\$1,329.3230	\$1,618.4710	\$540.9553	\$1,600.8234	\$2,243.7594	\$1,571.2626	\$373.0969	\$675.9710
22										
23	<b>\$/MONTH/CUSTOMER</b>									
24	<b>CUSTOMER COMPONENTS</b>	\$98.93	\$98.93	\$96.14	\$142.20	\$96.16	\$95.61	\$95.56	\$134.27	\$145.60
25	CUSTOMER DISTRIBUTION MAINS		\$25.63	\$25.62	\$25.77	\$25.63	\$25.55	\$25.52	\$25.73	\$25.79
26	CUSTOMER SERVICES INVESTMENT		\$59.46	\$57.17	\$94.91	\$57.19	\$56.81	\$56.77	\$95.18	\$94.79
27	CUSTOMER METERS & INSTALL INVESTMENT		\$6.54	\$6.22	\$11.47	\$6.22	\$6.18	\$6.18	\$11.50	\$11.46
28	CUSTOMER REGULATORS		\$0.46	\$0.09	\$6.27	\$0.09	\$0.09	\$0.09	\$6.29	\$6.27
29	CUSTOMER SERVICE & SALES EXPENSE		\$0.41	\$0.36	\$1.12	\$0.37	\$0.31	\$0.37	\$1.56	\$0.93
30	CUSTOMER ACCOUNTS EXPENSE		\$6.43	\$6.67	\$2.66	\$6.67	\$6.66	\$6.63	(\$6.00)	\$6.37
31										
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The listing of all external allocation factors shown are in pages 15 to 16 of the Allocation Factor Table and pages 20 to 21 of the Ratio Table of Exhibit G-6, Schedule GRP-4-G of the Pike County Light & Power Company embedded gas cost of service study.

**DESCRIPTION OF ALLOCATION FACTORS**  
**Reference for Internal Allocators Not Shown in Allocation Factor Table**

**External Allocators – Capacity Related, Page 15, line 12**

1. DDIST – Demand Distribution Allocator.  
Based on the daily sendout at 74 design degree day for all firm rate classes. Allocator Ratio is on Page 21, line 12.

**External Allocators – Commodity Related, Page 15, lines 21 and 23**

2. EGAS – Commodity Allocator  
Annual Gas Costs (PGC) – not currently used in this study.  
Allocator Ratio is on Page 21, line 21.
3. ETHRUPUT – Commodity Allocator  
Annual Gas Deliveries – Throughput (Ccf). Allocator Ratio is on Page 21, line 23.

**External Allocators – Customer Related, Page 16, lines 55 to 73**

4. CUSTDIST – Acct 376 – Customer Distribution Function.  
This allocator represents the average annual number of customers.  
Allocation Ratio is on Page 22, line 55.
5. CUSTSERV – Acct 380 Service Investment – Customer Services Function.  
This allocator represents the direct assignment of service plant account to the customer classes. See Workpapers for details. Allocation Ratio is on Page 22, line 57.
6. CUSTMET – Acct 381 Meter Investments – Customer Meters Function.  
This allocator represents the direct assignment of meter plant account to the customer classes. See Workpapers for detail. Allocation Ratio is on Page 22, line 58.
7. CUSTMETIN – Acct 382 – Meter Installations – Customer Meters Function.  
This allocator represents the assignment of plant to classes. See Workpapers for detail. Allocation Ratio is on Page 22, line 59.
8. CUSTREGUL – Acct 384 & 385 – Regulators Investment – Customer Regulators Function. This allocator represents the assignment of plant to classes. See Workpapers for detail. Allocation Ratio is on Page 22, line 60.

**DESCRIPTION OF ALLOCATION FACTORS**  
**Reference for Internal Allocators Not Shown in Allocation Factor Table**

**External Allocators – Customer Related, Page 16, lines 55 to 73, continued**

9. CUSTDEP – Customer Deposits – Customer Other Function  
This allocator represents the direct assignment of customer deposits to the customer classes. See Workpapers for detail. Allocation Ratio is on Page 22, line 63.
10. CUSTMTRDG – Acct 902 Meter Reading Expense – Customer Accounts Expense Function  
This allocator was based on the number of meters by rate class. Allocation Ratio is on Page 22, line 67.
11. CUSTREC – Acct 903 Customer Records & Collection Expenses – Customer Accounts Expense Function  
This allocator was based on the number of bills by rate class. Allocation Ratio is on Page 22, line 68.
12. CUSTASST – Customer Assistance Expense – Customer Services Expense Function  
This allocator was developed internally in the cost of service model. Since these costs are not totally related to the total number of customers or the amount of sales, a weighted allocation factor was developed. The allocator is based on a 50% weighting on the annual number of customers (Page 22, line 76) and a 50% weighting on the total annual throughput Ccf sales at the meters (Page 21, line 23). Allocation Ratio is on Page 22, line 70.
13. CUSTADV – Customer Informational Advertising Expenses – Customer Service Expense Function  
This allocator was developed in the same manner as the CUSTASST allocator. Allocation Ratio is on Page 22, line 71.
14. CUSTCSM – Miscellaneous Customer Assistance Expenses – Customer Service Expense Function  
This allocator was developed in the same manner as the CUSTASST allocator. Allocation Ratio is on Page 22, line 72.
15. CUSTSALES – Demonstrating and Selling Expenses – Sales Expense Function  
This allocator was developed in the same manner as the CUSTASST allocator. Allocation Ratio is on Page 22, line 73.

**DESCRIPTION OF ALLOCATION FACTORS**  
**Reference for Internal Allocators Not Shown in Allocation Factor Table**

**External Allocators – Revenue Related, Page 27**

16. EXP\_904 – Account 904 – Uncollectible Accounts  
This allocator is a direct assignment allocator that was developed using write-offs by class. The allocator is on Page 27, line 12, and the Allocation Ratio is on Page 27, line 14.
17. REV\_487 – Account 487 – Late Payment Charges  
This allocator is a direct assignment allocator that was developed using the forfeited discounts by class. The allocator is on Page 27, line 27, and the Allocation Ratio is on Page 27, line 29.

Pike County Light & Power Company  
Gas Class Cost of Service Study  
12 Months Ending September 30,2024

SCH	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL GAS COMPANY	Total Residential SC1	Total Commercial SC2	Residential Space Heating Rate 231	Residential Domestic Rate 631	Residential Other Rate 531 & 731	General Service Commercial Rate 162	Commercial Space Heating Rate 331
		(a)	(b)	(c)	(a)	(e)	(f)	(g)	(h)	(i)	(j)
SUM	1	<b>HISTORICAL AND FUTURE YEAR DIFFERENCE ADJUSTMENTS:</b>									
SUM	2	<b>(For Future Test Year 12 Months Ended September 30 2025)</b>									
SUM	3										
SUM	4	<b>OPERATING INCOME (RETURN) @ PRESENT RATES</b>		300,104	204,500	95,605	202,143	1,440	917	46,249	49,355
SUM	5	<b>LESS Historical and Future Year Differences:</b>									
SUM	6	Retail Sales Revenue	CLAIMREV	35,857	31,941	3,916	30,593	1,224	125	1,204	2,712
SUM	7	487-Late Payment Charges	REV_487	(2,500)	(2,019)	(481)	(1,961)	(48)	(11)	(228)	(253)
SUM	8	<b>PLUS Historical and Future Year Differences:</b>									
SUM	9	O&M Expense - Labor Related	LABOR	58,700	53,277	5,423	50,910	2,160	208	1,632	3,790
SUM	10	O&M Expense - 904-Uncollectible Accounts	EXP_904	(8,200)	(8,200)	0	(8,200)	0	0	0	0
SUM	11	O&M Expense - 928-Regulatory Commission	CLAIMREV	9,400	8,374	1,026	8,020	321	33	316	711
SUM	12	Depreciation Expense	TOTPLT	124,900	109,578	15,322	105,084	4,064	431	5,018	10,304
SUM	13	TOIT - Base Payroll Taxes	LABOR	3,106	2,819	287	2,694	114	11	86	201
SUM	14	TOIT - PA Property Tax	TOTPLT	(103)	(90)	(13)	(86)	(3)	(0)	(4)	(8)
SUM	15	State Income Taxes	CLAIMREV	(33,515)	(29,581)	(3,935)	(28,329)	(1,132)	(119)	(1,190)	(2,745)
SUM	16	Federal Income Taxes	CLAIMREV	(81,050)	(71,534)	(9,516)	(68,509)	(2,738)	(288)	(2,878)	(6,638)
SUM	17	<b>OPERATING INCOME @ PRESENT RATES WITH DIFFERENCES</b>		260,224	169,779	90,445	169,192	(170)	756	44,246	46,199
SUM	18	Operating Income Before Taxes		68,693	(22,291)	90,985	(12,605)	(9,719)	32	51,239	39,745
SUM	19										
SUM	20	<b>RATE BASE</b>	SCH SUM, LN 27	7,003,414	6,193,813	809,601	5,939,791	229,619	24,403	233,149	576,452
SUM	21	<b>Historical and Future Year Difference Adjustments:</b>									
SUM	22	Gas Utility Plant & Reserves Adjustments	TOTPLT	3,492,842	3,064,373	428,469	2,938,674	113,639	12,060	140,316	288,153
SUM	23	<b>Additions:</b>									
SUM	24	Cash Working Capital	OMXPP	143,400	129,952	13,448	124,200	5,245	506	4,088	9,360
SUM	25	Materials and Supplies	TOTPLT	5,800	5,089	711	4,880	189	20	233	478
SUM	26	Prepayments	TOTPLT	100	88	12	84	3	0	4	8
SUM	27	Deferred Debits (Net of Tax)	TOTPLT	18,200	15,967	2,233	15,312	592	63	731	1,501
SUM	28	<b>Deductions:</b>									
SUM	29	Customer Deposits	CUSTDEP	600	58	542	58	0	0	509	34
SUM	30	Deferred Income Taxes and Credits	TOTPLT	(16,000)	(14,037)	(1,963)	(13,461)	(521)	(55)	(643)	(1,320)
SUM	31	<b>RATE BASE WITH ADJUSTMENTS</b>		10,679,156	9,423,260	1,255,896	9,036,345	349,808	37,108	378,655	877,240
SUM	32										
SUM	33	<b>EQUALIZED RETURN AT PROPOSED ROR OF 8.59%</b>									
SUM	34	<b>DEVELOPMENT OF RETURN (RATE BASE * 8.59% ROR)</b>		917,310	809,432	107,878	776,197	30,048	3,187	32,525	75,353
SUM	35	Additional Return Required * Retention Factor 1.38%		906,521	882,470	24,051	837,428	41,688	3,354	(16,169)	40,220
SUM	36	487-Late Payment Charges	REV_487	2,500	2,019	481	1,961	48	11	228	253
SUM	37	<b>PLUS OPERATING EXPENSES</b>									
SUM	38	Operation and Maintenance Expense		696,594	631,545	65,049	603,911	25,195	2,439	19,842	45,206
SUM	39	Depreciation and Amortization Expense		333,061	293,657	39,404	281,352	11,152	1,153	12,666	26,738
SUM	40	Taxes Other Than Income Taxes		27,694	25,037	2,658	23,934	1,005	98	811	1,847
SUM	41	State Income Taxes		16,200	14,159	2,041	13,570	533	55	736	1,305
SUM	42	Federal Income Taxes		39,177	34,240	4,936	32,816	1,290	134	1,780	3,157
SUM	43	<b>TOTAL OPERATING EXPENSES</b>		1,112,725	998,638	114,087	955,583	39,176	3,879	35,834	78,253
SUM	44										
SUM	45	<b>EQUALS TOTAL COST OF SERVICE</b>		2,030,035	1,808,070	221,965	1,731,780	69,223	7,066	68,360	153,605
SUM	46										
SUM	47	<b>LESS: Other Operating Revenues</b>		1,350	920	430	919	(7)	8	248	183
SUM	48	<b>BASE RATE SALES @ EQUALIZED ROR 8.59%</b>		2,028,685	1,807,150	221,535	1,730,861	69,231	7,058	68,112	153,423
SUM	49	<b>BASE RATE SALES REVENUE INCREASE</b>		942,350	914,083	28,267	867,742	42,861	3,480	(14,767)	43,034
SUM	50										

**Pike County Light & Power Company**  
**Gas Rate Design**  
**Test Year 12 Months Ended September 30, 2024**  
**Rate Year 12 Months Ended September 30, 2025**

**Allocation of Proposed Revenue Adjustments to Base Rates**

Line No.	Description (A)	Current Base Sales Revenue (B) (1)	DSIC Revenue (C)	Total Sales Revenue (D) (col B + col C)	Increase Target Base Revenue Increase @ Uniform ROR 8.59% (E) (2)	Revenue Increase Capped at 1.96.% of Uniform ROR 8.59% 16.81% (F)	Capped Revenue (G)	Total To Redistribute (H) (total col E - total col G)	Redistributed Capped Revenue (I)
1	<b>Rate Schedule:</b>								
2	SC-1 Residential Space Heating 231	\$787,612	\$75,507	\$863,119	\$867,742	\$132,398			843,367
3	SC-1 Residential Domestic 631	\$24,120	\$2,249	\$26,369	\$42,861	\$4,055			41,657
4	SC-1 Residential Other 531 & 731	\$3,265	\$313	\$3,578	\$3,480	\$549			3,382
5	SC-2 General Service Commercial 162	\$72,092	\$10,787	\$82,879	(\$14,767)	\$12,119	\$12,119		
6	SC-2 Commercial Space Heating 331	\$97,289	\$13,099	\$110,389	\$43,034	\$16,354			41,825
11	<b>Total</b>	\$984,378	\$101,956	\$1,086,334	\$942,350		\$12,119	\$930,231	\$930,231

- 12
- 13
- 14 **Notes**
- 15 (1) Source for columns B and C is file
- 16 Pike Gas Revenue Proof 9-30-24 Test Year Rev 11-19-24.xlsx
- 17 (2) Source for column E is Exhibit G-6, Sch GRP-3-G, line 19.
- 18 (3) Overall Increase is based on col D base sales revenue
- 19 calculated using historical volumes and col L proposed base
- 20 revenues are calculated using test year volumes.
- 95.7%  
Base Increase

**Pike County Light & Power Company**  
**Gas Rate Design**  
**Test Year 12 Months Ended September 30, 2024**  
**Rate Year 12 Months Ended September 30, 2025**

**Allocation of Proposed Revenue Adjustments to Base Rates**

Line No.	Description (A)	Target Base Revenue Proposed Increase (J) <small>(col G + col I)</small>	Target Proposed Base Revenue (K) <small>(col B + col J)</small>	Proposed Total Base Sales Revenue (L)	Base Sales Percent Increase (M)	Overall Increase (N) <small>(3)</small>
1	<b>Rate Schedule:</b>					
2	SC-1 Residential Space Heating 231	\$843,367	\$1,706,486	\$1,723,140	118.8%	99.6%
3	SC-1 Residential Domestic 631	\$41,657	\$68,027	\$51,209	112.3%	94.2%
4	SC-1 Residential Other 531 & 731	\$3,382	\$6,961	\$7,150	119.0%	99.8%
5	SC-2 General Service Commercial 162	\$12,119	\$94,998	\$106,165	47.3%	28.1%
6	SC-2 Commercial Space Heating 331	\$41,825	\$152,214	\$141,021	45.0%	27.7%
11	<b>Total</b>	<b>\$942,350</b>	<b>\$2,028,685</b>	<b>\$2,028,685</b>	<b>106.1%</b>	<b>86.7%</b>
12				\$1 diff		
13						
14	<b>Notes</b>					
15	(1) Source for columns B and C is file					
16	Pike Gas Revenue Proof 9-30-24 Test Year Rev 11-19-24.xlsx					
17	(2) Source for column E is Exhibit G-6, Sch GRP-3-G, line 19.					
18	(3) Overall Increase is based on col D base sales revenue					
19	calculated using historical volumes and col L proposed base					
20	revenues are calculated using test year volumes.					





**Exhibit G-8 - Impact of the Proposed Rate Change on Total Bill Revenues  
for the Twelve Months Ended September 30, 2025**

**PIKE COUNTY LIGHT AND POWER COMPANY**

Present and Proposed Rates

Present SC1		Proposed SC1	
<b>Customer Charge</b>	<b>\$8.00</b>	Customer Charge	<b>\$9.50</b>
Delivery Rate	\$0.64660 / CCF	Delivery Rate	\$1.45930 / CCF
Cost of Gas	\$0.87297 / CCF	Cost of Gas	\$0.87297 / CCF
<b>All CCF @</b>	<u>\$1.51957 / CCF</u>	<b>All CCF @</b>	<u>\$2.33227 / CCF</u>
Plus: State Tax Adjustment	0.0000%	Plus: State Tax Adjustment	0.0000%
Plus: DSIC	\$0.07767 / CCF	Plus: DSIC	\$0.00000 / CCF
Minimum Charge:	\$8.00 / Month	Minimum Charge:	\$9.50 / Month
Present SC2		Proposed SC2	
<b>Customer Charge</b>	<b>\$12.23</b>	Customer Charge	<b>\$14.25</b>
<b>First 300 CCF</b>		<b>First 300 CCF</b>	
Delivery Rate	\$0.50890 / CCF	Delivery Rate	\$0.69380 / CCF
Cost of Gas	\$0.87297 / CCF	Cost of Gas	\$0.87297 / CCF
First 300 CCF @	<u>\$1.38187 / CCF</u>	First 300 CCF @	<u>\$1.56677 / CCF</u>
<b>Over 300 CCF</b>		<b>Over 300 CCF</b>	
Delivery Rate	\$0.35370 / CCF	Delivery Rate	\$0.52040
Cost of Gas	\$0.87297 / CCF	Cost of Gas	\$0.87297
Over 300 CCF @	<u>\$1.22667 / CCF</u>	Over 300 CCF @	<u>\$1.39337 / CCF</u>
Plus: State Tax Adjustment	0.0000%	Plus: STAS	0.0000%
Plus: DSIC	\$0.07767 / CCF	Plus: DSIC	\$0.00000 / CCF
Minimum Charge:	\$12.23 / Month	Minimum Charge:	\$14.25 / Month

**PIKE COUNTY LIGHT AND POWER COMPANY**

Monthly Bill Comparison  
Reflecting Proposed Rate Increase With & Without Gas Costs

	<u>Total Bill</u> Monthly Bill @ <u>Present Rate</u>	<u>Total Bill</u> Monthly Bill @ <u>Proposed Rate</u>	<u>Total Bill</u> <u>Change</u>	<u>Total Bill</u> Percent <u>Change</u>	<u>Delivery Only</u> Monthly Bill @ <u>Present Rate</u>	<u>Delivery Only</u> Monthly Bill @ <u>Proposed Rate</u>	<u>Delivery</u> Only <u>Change</u>	<u>Delivery</u> Percent <u>Change</u>
Service Classification No. 1								
0	\$8.00	\$9.50	\$1.50	18.8%	\$8.00	\$9.50	\$1.50	18.8%
3	12.79	\$16.50	3.71	29.0%	\$10.17	\$13.88	3.71	36.4%
10	23.97	\$32.82	8.85	36.9%	\$15.24	\$24.09	8.85	58.1%
30	55.92	\$79.47	23.55	42.1%	\$29.73	\$53.28	23.55	79.2%
50	87.86	\$126.11	38.25	43.5%	\$44.21	\$82.47	38.25	86.5%
100	167.72	\$242.73	75.00	44.7%	\$80.43	\$155.43	75.00	93.3%
200	327.45	\$475.95	148.51	45.4%	\$152.85	\$301.36	148.51	97.2%
300	487.17	\$709.18	222.01	45.6%	\$225.28	\$447.29	222.01	98.5%
400	646.90	\$942.41	295.51	45.7%	\$297.71	\$593.22	295.51	99.3%

Service Classification No. 2

0	\$12.23	14.25	\$2.02	16.5%	\$12.23	\$14.25	\$2.02	16.5%
3	16.61	18.95	2.34	14.1%	\$13.99	\$16.33	2.34	16.7%
10	26.83	29.92	3.09	11.5%	\$18.10	\$21.19	3.09	17.1%
50	85.21	92.59	7.38	8.7%	\$41.56	\$48.94	7.38	17.8%
100	158.18	170.93	12.74	8.1%	\$70.89	\$83.63	12.74	18.0%
200	304.14	327.60	23.47	7.7%	\$129.54	\$153.01	23.47	18.1%
250	377.12	405.94	28.83	7.6%	\$158.87	\$187.70	28.83	18.1%
300	450.09	484.28	34.19	7.6%	\$188.20	\$222.39	34.19	18.2%
400	580.53	623.62	43.09	7.4%	\$231.34	\$274.43	43.09	18.6%
500	710.96	762.96	51.99	7.3%	\$274.48	\$326.47	51.99	18.9%
750	1,037.05	1,111.30	74.25	7.2%	\$382.32	\$456.57	74.25	19.4%
1,000	1,363.13	1,459.64	96.51	7.1%	\$490.16	\$586.67	96.51	19.7%
2,000	2,667.48	2,853.01	185.54	7.0%	\$921.53	\$1,107.07	185.54	20.1%
3,000	3,971.82	4,246.38	274.57	6.9%	\$1,352.90	\$1,627.47	274.57	20.3%
4,000	5,276.16	5,639.76	363.60	6.9%	\$1,784.27	\$2,147.87	363.60	20.4%

Included in the above bill calculations are:

	<u>Present</u>	<u>Proposed</u>
State Tax Adj	0.0000%	0.0000%
DSIC (\$/Ccf)	\$0.07767	\$0.00000

**PIKE COUNTY LIGHT AND POWER COMPANY**

Statement of Revenues for the  
Twelve Months Ending September 30, 2025  
(At Current Rates)

<u>Customer Classification</u>	<u>Delivery Revenue (\$)</u>	<u>Gas Cost &amp; DSIC Revenue (\$)</u>	<u>Total Revenue (\$)</u>
SC1	850,044	1,061,467	1,911,511
SC2	<u>174,801</u>	<u>389,312</u>	<u>564,114</u>
Total	1,024,845	1,450,779	2,475,624

Note: Pike has other operating revenues of 3,775

Statement of Total Number of Customers  
Served at September 30, 2025

SC1 Residential	<span style="color: blue;">1,334</span>
SC2 Commercial	<span style="color: blue;"><u>86</u></span>
Total	<u>1,420</u>

**PIKE COUNTY LIGHT AND POWER COMPANY**

Tariff Regulations 52 Pa. Code § 53.52(b)(3) to (6)

53.52(b)(3) to (4) -- Statement of the number of gas customers whose bills will be increased and the annual increase in dollars (without gas costs).

<u>Customer Classification</u>	<u>Customers @ 06/30/25</u>	<u>Annual Increase (\$)</u>
SC1 Residential	1,334	844,729
SC2 Commercial	<u>86</u>	<u>40,577</u>
Total	<u>1,420</u>	<u>885,306</u>

53.52(b)(5) to (6) -- Statement of the number of gas customers whose bills will be decreased and the annual decrease in dollars (without gas costs).

<u>Customer Classification</u>	<u>Customers @ 06/30/25</u>	<u>Annual Decrease (\$)</u>
SC1 Residential	0	0
SC2 Commercial	<u>0</u>	<u>0</u>
Total	<u>0</u>	<u>0</u>

**PIKE COUNTY LIGHT & POWER COMPANY**

Rate Design Workpapers

***Summary of Proposed Increases on Base Rates***

	<u>Sales</u>	<u>Delivery Charges</u>	<u>DSIC</u>	<u>Base Cost of Gas</u>	<u>Total</u>
<u>Revenue:</u>					
Service Classification No. 1	1,116,578	\$931,455	(\$86,726)	\$0	\$844,729
Service Classification No. 2	409,525	\$72,385	(\$31,808)	\$0	\$40,577
Total	1,526,104	<u>\$1,003,840</u>	<u>(\$118,534)</u>	<u>\$0</u>	<u>\$885,306</u>

Average Price per Ccf (cents per Ccf):

Service Classification No. 1	83.420	-7.767	0.000	75.653
Service Classification No. 2	17.675	-7.767	0.000	9.908
Total	65.778	-7.767	0.000	58.011

Percentage Increases

Service Classification No. 1	44.2%
Service Classification No. 2	7.2%
Total	35.8%

**PIKE COUNTY LIGHT & POWER COMPANY**

Rate Design Workpapers

***Revenue Summary at Current Rates***

<u>Revenue:</u>	<u>Sales</u>	<u>Delivery Charges</u>	<u>DSIC</u>		<u>Base Cost of Gas</u>	<u>Total</u>
Service Classification No. 1	1,116,578	\$850,044	\$86,726	0	974,741	\$1,911,511
Service Classification No. 2	409,525	\$174,801	\$31,808	0	357,504	\$564,114
Total	1,526,104	1,024,845	118,534	0	1,332,245	2,475,624

Average Price per Ccf (cents per Ccf):

Service Classification No. 1	76.129	7.767	0.000	87.297	171.194
Service Classification No. 2	42.684	7.767	0.000	87.297	137.748

**PIKE COUNTY LIGHT & POWER COMPANY**

Rate Design Workpapers

***Revenue Summary at Proposed Rates with Gas Costs***

	<u>Sales</u>	<u>Delivery Charges</u>	<u>DSIC</u>		<u>Base Cost of Gas</u>	<u>Total</u>
<u>Revenue:</u>						
Service Classification No. 1	1,116,578	\$1,781,499	\$0	\$0	\$974,741	\$2,756,240
Service Classification No. 2	409,525	\$247,186	\$0	\$0	\$357,504	\$604,690
Total	1,526,104	\$2,028,685	\$0	\$0	\$1,332,245	\$3,360,930

Average Price per Ccf (cents per Ccf):

Service Classification No. 1	159.550	0.000	0.000	87.297	246.847
Service Classification No. 2	60.359	0.000	0.000	87.297	147.656

**PIKE COUNTY LIGHT AND POWER COMPANY**

**Impact of Proposed Rate Change on Total Billed Revenue with Gas Costs  
For the 12 Months Ending September 30, 2025**

<u>Service Class</u>	<u>Type of Service</u>	<u>Annual Bills</u>	<u>Total Sales (CCF)</u>	<u>Total Revenue at:</u>		<u>Increase:</u>	
				<u>Present Rates</u>	<u>Proposed Rates</u>	<u>Rev Change</u>	<u>Percent Change</u>
1	Residential	16,008	1,116,578	\$1,911,511	\$2,756,240	\$844,729	44.2%
2	Commercial	<u>1,032</u>	<u>409,525</u>	<u>\$564,114</u>	<u>\$604,690</u>	<u>\$40,577</u>	7.2%
Total		<u>17,040</u>	<u>1,526,104</u>	<u>\$2,475,624</u>	<u>\$3,360,930</u>	<u>\$885,306</u>	35.8%

**PIKE COUNTY LIGHT AND POWER COMPANY**

**Impact of Proposed Rate Change on Delivery Billed Revenue without Gas Costs  
For the 12 Months Ending September 30, 2025**

Service Class	Type of Service	Annual Bills	Total Sales (CCF)	Del Revenue at:		Increase:	
				Present Rates	Proposed Rates	Rev Change	Percent Change
1	Residential	16,008	1,116,578	\$850,044	\$1,781,499	\$931,455	109.6%
2	Commercial	<u>1,032</u>	<u>409,525</u>	<u>\$174,801</u>	<u>\$247,186</u>	<u>\$72,385</u>	41.4%
Total		<u>17,040</u>	<u>1,526,104</u>	<u>\$1,024,845</u>	<u>\$2,028,685</u>	<u>\$1,003,840</u>	98.0%

**BEFORE THE**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility :  
Commission :  
 :  
v. : DOCKET NO. R-2024-3052357  
 :  
Pike County Light :  
& Power Company (gas) :

**Pike County Light and Power Company**

**Statement No. 3**

**Direct Testimony of**

**Ed Verbraak**

1 **Q. Please state your name and business address.**

2 A. My name is Ed Verbraak and my business address is One Hundred  
3 Five Schneider Lane, Milford, Pa 18337.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by Pike County Light & Power Company ("Pike"  
6 or the "Company") as the Company's General Manager. . In this  
7 position I am responsible for all operations at Pike.

8 **Q. Please provide your educational background and professional  
9 experience.**

10 A. I have a Bachelor's of Engineering in Mechanical Engineering  
11 from Stevens Institute of Technology and a Master's of Business  
12 Administration in Finance and Economics from Pace University.  
13 Prior to joining Pike, I was employed for 34 years by  
14 Consolidated Edison Company of New York, and its wholly owned  
15 subsidiary, Orange & Rockland Utilities Corporation in various  
16 capacities, including, but not limited to, customer service,  
17 new construction, control center operations, electric  
18 operations, emergency management, and electrical engineering.

19 **Q. Have you previously sponsored testimony before the  
20 Pennsylvania Public Utility Commission ("PAPUC")?**

21 A. Yes, in 2022 I provided testimony in both Pike's electric and  
22 gas DISC filings.

23 **Q. What is the purpose of your testimony in this proceeding?**

24 A. I will provide an overview of Pike's gas system that serves  
25 the Matamoras and Westfall areas in Pennsylvania and I will  
26 discuss Pike's gas main replacement program and planned system  
27 pressure upgrades as presented in the Company's Distribution  
28 Gas Long Term Infrastructure Improvement Plan ("LTIIP") that  
29 was submitted to the PAPUC in 2019 and approved by order  
30 entered June 13, 2019 at Docket No. P-2019-3007304.

1 **Q. Please provide an overview of Pike's gas system that serves**  
2 **the Matamoras, Pennsylvania area.**

3 A. The Pike natural gas distribution system was installed over a  
4 one-hundred-year time frame to where it is today. The system  
5 was expanded in spurts of construction and customer growth  
6 throughout Matamoras Borough and eventually into Westfall  
7 Township. The system operates primarily on low pressure which  
8 has advantages, but also has limitations on expansion and  
9 reliability.

10 **Q. Please continue with your description of the Pike gas system.**

11 A. Pike serves approximately 1,400 residential and commercial gas  
12 customers in the Matamoras and Westfall areas. The system  
13 consists of 21.58 miles of medium and low pressure distribution  
14 main ranging in diameter from 2" through 8". The gas system  
15 is supplied from Port Jervis, New York via a 6" cathodically  
16 protected 55 pounds per square inch gauge ("psig") main. The  
17 55 psig system continues through many parts of Matamoras and  
18 Westfall served by Pike. The low-pressure system in the older  
19 parts of Matamoras operates at a utilization pressure of from  
20 6 to 8 inches' water column, which is equivalent to  
21 approximately one quarter of a psig. This is the same pressure  
22 that is used by customers for normal household appliances so  
23 there are no service regulators, and the meters are generally  
24 indoors to prevent freezing problems. The Company's low-  
25 pressure system is supplied by three distribution regulator  
26 stations supplied from the 55 psig system. The 55 psig system  
27 consists of approximately 5.84 miles of plastic main, 0.5  
28 miles of cathodically protected steel gas main, and  
29 approximately 0.2 miles of bare steel main. The low-pressure  
30 system consists of 6.9 miles of cast iron main, 3.4 miles of

1 bare steel main, 2 miles of cathodically protected steel main  
2 and approximately 1 mile of plastic main.

3 **Q. How does Pike manage its gas facility assets?**

4 A. The Company closely monitors the performance of its in service  
5 gas infrastructure. The Company focuses on recognizing signs  
6 of deterioration in the integrity of cast iron main and bare  
7 steel main through tracking leak performance by area, age and  
8 materials, and water infiltration into low-pressure systems.  
9 The Company's gas system has been operating without major  
10 incident with the exception of water infiltration into a cast  
11 iron main and service in low lying area.

12 **Q. Was the water infiltration into a cast iron main and service  
13 in low a lying area a one-time occurrence or is this a  
14 recurring problem in the system?**

15 A. Water infiltration is a recurring condition in a specific  
16 area of the gas distribution system that was installed prior  
17 to the Company's ownership.

18 **Q. What is Pike's approach to improve its aging infrastructure?**

19 A. In 2019, Pike submitted its LTIIP to maintain system  
20 reliability and to replace aging infrastructure as assets  
21 reach the end of their service lives. Pike filed an 11-year  
22 plan to provide a program to complete its gas distribution  
23 system upgrade. .

24 Pike selected and prioritized three programs over the 11 years,  
25 including a main replacement program, regulator station  
26 replacement/overhaul, and a metering upgrade program. These  
27 programs are all based on sound engineering and Northeast Gas  
28 Association ("NGA") recognized practices, Federal Department  
29 of Transportation ("DOT") Codes and Standards, and Pike  
30 Operating and Maintenance Standards and Practices.

1 The three programs address Pike's areas of aging  
2 infrastructure, which is approaching useful life, improving  
3 system safety, and mitigating over time the risk of leaks and  
4 higher maintenance. Therefore, an accelerated, proactive  
5 replacement program is a prudent, reasonable, and necessary  
6 course of action. Such an accelerated program was listed as  
7 one of the "highest priority" in the Commission's last  
8 management audit of Pike. *Focused Management and Operations*  
9 *Audit of Pike County Light and Power Company and*  
10 *Leatherstocking Gas Company LLC*, Docket Nos. D-2017-2584891  
11 et al., Audit at 54-56 (issued Nov. 2017).

12 **Q. What capital projects did Pike construct in the last year?**

13 A. In 2023, Pike completed its Ave K and Delaware Drive LTIIP  
14 conversion projects. In 2024, Pike completed its Avenue I  
15 LTIIP conversion projects (10th to 3rd) and (3rd to Delaware  
16 Dr). This totals 9,964' of retired main and 4569' of installed  
17 main with 73 services. Pike also connected mains on 3rd Street  
18 and Delaware Drive along Avenue H. This totaled 900' of main  
19 installed, with nothing retired.

20 **Q. What gas projects is Pike currently working on?**

21 A. In 2025, Pike will be completing Avenues O and P LTIIP  
22 conversion projects (from 5th street to Delaware Dr) and Bertha  
23 Street (Flood zone - smaller diameter pipe west of 10th Street)

24 **Q. Are there other benefits to the system from replacing cast iron  
25 and bare steel main?**

26 A. Yes. The main replacement program includes service renewals,  
27 service regulator installations, and moving inside gas meters  
28 to outside a residence or commercial building. Excess flow

1 valves are installed on every service as well to automatically  
2 shut-off the gas flow if there is damage to the service line  
3 or in the event of a fire, thereby reducing the amount of gas  
4 going to a break in the gas piping at the building, and  
5 minimizing risk of personal injury and/or property damage..

6 **Q. What is the annual cost of the replacement program?**

7 A. The annual cost of the replacement program is estimated to be  
8 \$1.353 million for 2025 and \$2.059 million for 2026 as set  
9 forth in Exhibit G-3, Schedule 10.

10 **Q. Please describe the major plant expenditures that Pike plans**  
11 **to complete over the next five years.**

12 A.

13

LTIP Project	Retired	Installed	Year
Ave O & P (4th - 1st), start Ave N (1st-3rd)	2,680	2,494	2025
Flood zone - smaller diameter pipe west of 10th Street	3,758	3,288	2025
Flood Zone/4" & 6" CI & 6" MJ, 2" WI - Ave N (10th - 4th)	3,371	2,382	2026
Flood Zone/4" & 6" CI & 6" MJ & BS - Ave M (10th - 4th)	3,252	3,402	2026
Flood Zone/4" & 6" CI & 6" MJ & BS -Ave L (9th-4th)	3,902	4,027	2027
Pond Dr-Ave B from 1st-2nd st/mostly 2" & 4" BS	2,684	2,684	2027
Ave B - Ave D from Delaware - 4th St/mostly 6" MJ & BS	3,647	3,547	2028
Ave E from 6th-3rd St/2", 3", 4" various pipe material	3,161	2,530	2028
Ave F from 6th-3rd st/2", 3", 4" various pipe material	2,991	3,791	2029
Ave G from 6th - 1st st/ mostly 2" WI, 2", 3" BS	2,912	2,912	2029
Flood Zone/4" & 6"CI & 4" & 6" BS - Penn Ave (10th - 1st)	4,521	4,831	2030
Tie Delaware Ave/Penn Ave to Ave O & P along 1st St	3,068	3,268	2030

14

15

16 **Q. Are you proposing any staffing changes in Pike?**

17 A. Yes, Pike has a relatively small staff in Pennsylvania, and  
18 we need an additional person to help support our workload. As  
19 shown on Exhibit G-4, Schedule 3, page 2 of 2, the Company has

1 plans to hire an Assistant General Manager, along with a  
2 Systems Planner for Pike Electric. The Assistant General  
3 Manager will perform several tasks including having direct  
4 supervision of and coordination of gas planning work,  
5 scheduling and assigning all work to the Company's  
6 contractors, updating project statuses in the corporate work  
7 management system ("WMS"), prepare and file all gas related  
8 Public Utility Commission Report filings and coordinate with  
9 the General Manager on all updates for the gas long term  
10 infrastructure improvement plans. The estimated annual wages  
11 for this employee would be \$140,000. 14.3 percent of the  
12 expense portion of the salary for this position (\$20,000) was  
13 allocated to Pike's gas operations based on the current gas  
14 vs. electric customer split. \$50,000 will be allocated to  
15 Pike Electric expense, and the remaining \$70,000 will be  
16 allocated to capital between electric and gas at the 85/15  
17 split. The second position is a Systems Planner, which will  
18 be allocated 100% to Pike Electric.

19 **Q. Does that conclude your testimony?**

20 A. Yes, it does. I reserve the right to update or amend my  
21 testimony.



Pike County Light & Power Co.  
330 West William Street  
Corning, NY 14830

### **Verification of Customer Notice**

Pike County Light & Power Company has provided the following notice of its gas base rate increase:

1. Notices to customers of the proposed increases was mailed to all Pike County Light & Power gas customers on December 30, 2024;
2. Notice of a Rate Increase has been posted in the Company's offices at 105 Schneider Lane, Milford, PA 18337 on December 30, 2024. This notice is the same notice as the notice mailed to customers;
3. Notice of a Rate Increase for Pike County Light & Power Gas was delivered on behalf of the Company to two local newspapers, the Pike County Courier (Straus News) and the Pike County Dispatch, for publication, on December 30, 2024; and
4. Notice of a Rate Increase that was posted on the Company's website [www.pclpeg.com](http://www.pclpeg.com) on December 30, 2024. This notice is the same notice that was mailed to customers.

I, Charles Lenns, Senior Vice President and Chief Financial Officer, on behalf of Pike County Light & Power Company, hereby state that the facts set forth in the foregoing document 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 hearing in this matter. This verification is made subject to the penalties of 18 Pa.C.S.s. § 4904 relating to unsworn falsification to authorities.

A handwritten signature in black ink, appearing to read "Charles Lenns", is written above a horizontal line.

Charles Lenns  
Senior Vice President and Chief Financial Officer  
Pike County Light & Power Company

Dated: December 30, 2024



Pike County Light & Power Co.  
330 West William Street  
Corning, NY 14830

## NOTICE OF PROPOSED GAS RATE CHANGES

12/30/2024

To Our Gas Customer

Pike County Light and Power Company, Inc. is filing a request with the Pennsylvania Public Utility Commission (PUC) to increase your Gas rates as of October 1, 2025. This notice describes the company's rate request, the PUC's role, and what actions you can take.

Pike County Light and Power Company, Inc. has requested an overall rate increase of \$905,900 per year, if the company's entire request is approved, customer bills would increase as follows:

- Residential heating customers using 80 CCF would increase from \$135.78 to \$196.08 per month, or by 44.4% including estimated gas costs.
- Residential non-heating customers using 50 CCF would increase from \$87.86 to \$126.11 per month, or by 43.5% including estimated gas costs.
- General Service Commercial customers using 623 CCF per month would increase from \$871.40 to \$934.43 per month or by 7.2% including estimated gas costs and sales tax.
- Commercial Space Heating customers using 250 CCF per month would increase from \$377.12 per month to \$405.94 per month or by 7.6% including estimated gas costs and sales tax.

To find out your customer class or how the requested increase may affect your gas bill, contact Pike County Light & Power Company at (855) 855-2050. The rates requested by the company may be found in TARIFF SUPPLEMENT NO. 127 TO TARIFF-GAS PA PUC NO. 6. You may examine the material filed with the PUC which explains the requested increase and the reasons for it. A copy of this material is kept at Pike County Light & Power's office.

The state agency that approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates. The PUC may change the amount of the rate increase or decrease requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the company and shown above. There are three ways to challenge a company's request to change its rates:

1. You can file a formal complaint. If you want a hearing before a PUC judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before



Pike County Light & Power Co.  
330 West William Street  
Corning, NY 14830

February 28, 2025. If no formal complaints are filed, the Commission may grant all, some or none of the request without holding a hearing before a judge.

2. You can send the PUC a letter telling why you object to the requested rate increase. Sometimes there is information in these letters that makes the PUC aware of problems with the company's service or management. This information can be helpful when the PUC investigates the rate request. Send your letter or formal complaint form to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg PA 17105-3265.
3. You can be a witness at a public input hearing. Public input hearings are held if the Commission opens an investigation of the company's rate request and if there is a large number of customers interested in the case. At these hearings you have the opportunity to present your views in person to the PUC judge hearing the case and the company representatives. All testimony given "under oath" becomes part of the official rate case record. These hearings are held in the service area of the company.

Pike County Light & Power Company



Pike County Light & Power Co.  
330 West William Street  
Corning, NY 14830

## PUBLIC NOTICE GAS RATES

Pike County Light and Power Company, Inc. is filing a request with the Pennsylvania Public Utility Commission (PUC) to increase your gas rates as of October 1, 2025. The Company has requested an overall rate increase of \$905,900 per year. If the company's entire request is approved, the total customer bill would increase as follows:

- Residential heating customers using 80 CCF would increase from \$135.78 to \$196.08 per month, or by 44.4% including estimated gas costs.
- Residential non-heating customers using 50 CCF would increase from \$87.86 to \$126.11 per month, or by 43.5% including estimated gas costs.
- General Service Commercial customers using 623 CCF per month would increase from \$871.40 to \$934.43 per month or by 7.2% including estimated gas costs and sales tax.
- Commercial Space Heating customers using 250 CCF per month would increase from \$377.12 per month to \$405.94 per month or by 7.6% including estimated gas costs and sales tax.

The company has requested the rate increase because it has incurred and will realize increased operating expenses since its last rate change in 2021. These expenses include the financing of investments in new and replacement infrastructure, as well as increased operating costs due to normal operating conditions and other regulatory demands to meet customer service and reliability requirements. Customers can contact the company at (855) 855-2050 to get further information on the proposed increases, or to find out what action they may take.

**Pike County Light and Power Company, Inc.**

Gas Rate Case Filing Docket No. R-2024-3052357

Data Responses to 52 Pa. Code Sections 53.52

(1) The specific reasons for each change.

**Response:** Pike is not earning an adequate return on equity to finance its construction budget.

(2) The total number of customers served by the utility.

**Response:** Pike serves approximately 1,366 gas customers.

(3) A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.

**Response:** All SC1, and SC2 customers will be impacted by the rate change.

(4) The effect of the change on the utility's customers.

**Response:** See Exhibit G-8.

(5) The direct or indirect effect of the proposed change on the utility's revenue and expenses.

**Response:** See Exhibit G-4, Summary.

(6) The effect of the change on the service rendered by the utility.

**Response:** Service levels will not change, but Pike's ability to raise capital at a lower cost will improve.

(7) A list of factors considered by the utility in its determination to make the change.

**Response:** The Company seeks new rates to respond to the continued increase in the cost of system improvements needed to ensure safe and reliable gas service to its customers, and to respond to inflationary pressures on operating expenses such as salaries and wages, insurance costs, and cybersecurity improvements.

(8) Studies undertaken by the utility in order to draft its proposed change.

**Response:** N/A.

(9) Plans the utility has for introducing or implementing the changes with respect to its ratepayers.

**Response:** General rate increase utilizing the Cost of Service Study included as Exhibit G-6.

(10) Commission orders or rulings applicable to the filing.

**Response:** N/A .

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**Part (b)** Whenever a public utility files a tariff, revision or supplement which will increase or decrease the bills to its customers, it shall submit in addition to the requirements of subsection (a), to the Commission, with the tariff, revision or supplement, statements showing the following:

(1) The specific reasons for each increase or decrease.

**Response:** A delivery rate Increase is necessary to provide a reasonable rate of return to the Company's investors.

(2) The operating income statement of the utility for a 12-month period, the end of which may not be more than 120 days prior to the filing.

**Response:** Please refer to Exhibit G-1, Schedules 3 and 4.

(3) A calculation of the number of customers, by tariff subdivision, whose bills will be increased.

**Response:** Please refer to Exhibit G-5, Schedule 6.

(4) A calculation of the total increases, in dollars, by tariff subdivision, projected to an annual basis.

**Response:** Please refer to Exhibit G-8.

(5) A calculation of the number of customers, by tariff subdivision, whose bills will be decreased.

**Response:** None.

(6) A calculation of the total decreases, in dollars, by tariff subdivision, projected to an annual basis.

**Response:** N/A.

**Part (c)** If a public utility files a tariff, revision or supplement which it is calculated will increase the bills of a customer or a group of customers by an amount, when projected to an annual basis, exceeding 3% of the operating revenues of the utility—subsection (b)(4) divided by the operating revenues of the utility for a 12-month period as defined in subsection (b)(2)—or which it is calculated will increase the bills of 5% or more of the number of customers served by the utility—subsection (b)(3) divided by subsection (a)(2)—it shall submit to the Commission with the tariff, revision or supplement, in addition to the statements required by subsections (a) and (b), all of the following information:

(1) A statement showing the utility's calculation of the rate of return earned in the 12-month period referred to in subsection (b)(2), and the anticipated rate of return or operating ratio to be earned

when the tariff, revision or supplement becomes effective. The rate base used in this calculation shall be supported by summaries of original cost for the rate of return calculation. When an

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operating ratio is used in this calculation, it shall be supported by studies of margin above operation and maintenance expense plus depreciation as referred to in § 53.54(b)(2)(B).

**Response:** See Exhibit G-4 and G-3.

- (2) A detailed balance sheet of the utility as of the close of the period referred to in subsection (b)(2).

**Response:** See Exhibit G-1, Schedule 1.

- (3) A summary, by detailed plant accounts, of the book value of the property of the utility at the date of the balance sheet required by paragraph (2).

**Response:** See Exhibit G-1, Schedule 2.

- (4) A statement showing the amount of the depreciation reserve, at the date of the balance sheet required by paragraph (2), applicable to the property, summarized as required by paragraph (3).

**Response:** See Exhibit G-1, Schedule 2.

- (5) A statement of operating income, setting forth the operating revenues and expenses by detailed accounts for the 12-month period ending on the date of the balance sheet required by paragraph (2).

**Response:** See Exhibit G-1, Schedule 3.

- (6) A brief description of a major change in the operating or financial condition of the utility occurring between the date of the balance sheet required by paragraph (2) and the date of transmittal of the tariff, revision or supplement. As used in this paragraph, a major change is one which materially alters the operating or financial condition of the utility from that reflected in paragraphs (1)—(5).

**Response:** There were no significant changes.

(d) If a utility renders more than one type of public service, such as electric and gas, information required by § 53.51—53.53 (relating to information furnished with the filing of rate changes), except subsection (c)(2), relates solely to the kind of service to which the tariff or tariff supplement is applicable. In subsection (c)(2), the book value of property used in furnishing each type of public service, as well as the depreciation reserve applicable to the property, shall be shown separately.

**Response:** Exhibit G-1, Schedules 2 and 4 show Pike's gas and electric information separately.

**VERIFICATION**

I, Charles Lenns, Vice President and Chief Financial Officer of Pike County Light & Power Company, hereby state that the facts set forth in the foregoing document 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 in this matter. This verification is made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.



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Charles Lenns  
Senior Vice President and Chief Financial Officer  
Pike County Light & Power Company

Dated: December 30, 2024

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA ELECTRONIC MAIL ONLY

Office of Consumer Advocate  
555 Walnut Street  
5<sup>th</sup> Floor Forum Place  
Harrisburg, PA 17101  
[ra-oca@paoca.org](mailto:ra-oca@paoca.org)

Commonwealth of Pennsylvania  
Office of Small Business Advocate  
555 Walnut Street, 1<sup>st</sup> Floor  
Forum Place | Harrisburg, PA 17101  
[ra-sba@pa.gov](mailto:ra-sba@pa.gov)

Allison Kaster  
Bureau of Investigation & Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120  
[akaster@pa.gov](mailto:akaster@pa.gov)

*/s/ Whitney E. Snyder*  
Whitney E. Snyder

DATED: December 30, 2024