

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	R-2024-3052359
	:	
Pike County Light & Power Company (Electric)	:	

ORDER
GRANTING APPLICATION OF THE OFFICE OF CONSUMER ADVOCATE FOR
THE ISSUANCE OF SUBPOENA

Procedural History

On January 14, 2025, Pike County Light & Power Company (“Pike”) filed Supplement No. 105 to Electric PA PUC No. 8, containing changes in electric rates, rules, and regulations with a proposed revenue increase of \$1,874,600 per year above existing rates (“Supplement No. 105”). On February 6, 2025, the Pennsylvania Public Utility Commission (“Commission”) suspended Supplement No. 105 until October 15, 2025.

On March 18, 2025, the Office of Consumer Advocate (“OCA”) filed an application for a subpoena pursuant to 52 Pa. Code § 5.421, to obtain workpapers from the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Technical Utility Services (“TUS”) from its Quarterly Earnings Reports (“QERs”) (“Application”). Specifically, OCA seeks workpapers relating to the “Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended June 30, 2024” (“June 2024 QER”), available at Docket No. M-2024-3051104, and the “Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended September 30, 2024” (“Sept 2024 QER”), available at Docket No. M-2025-3053025.

The certificate of service contained in the Application indicates that the Application was served by e-mail to the parties, the undersigned Administrative Law Judges (“ALJs”), Paul Diskin, the Bureau Director of TUS, and the Commission’s Law Bureau.¹ The notice to plead contained in the Application states that a response shall be filed to the Application within 5 days.²

June 2024 QER

In its Application, OCA explains that Pike’s proposed return on equity of 9.75% was rounded from the 9.90% return on equity authorized by the Commission in its June 2024 QER for electric distribution companies. OCA goes on to explain that Pike did not provide workpapers or other documents to support its proposed return on equity of 9.75%, other than to point to the return on equity published in the Commission’s June 2024 QER. OCA points out that Attachment F to the June 2024 QER includes a “market indicated common equity cost rate range” which “consists of data used from the barometer groups and is based on a series of calculations to average the Discount Cash Flow (“DCF”) methods.” In support of the return on equity authorized by the Commission, the June 2024 QER provides a current DCF result, a 52-week average DCF result, the average of the current and 52-week average DCF result, a market-indicated range within one standard deviation of the mean of 16 DCF observations, and a Capital Asset Pricing Model (“CAPM”) check of DCF reasonableness.

¹ An application for a subpoena shall be filed with the Commission and copies served by the petitioner upon:

(c) *Service.* An application for a subpoena shall be filed with the Commission and copies served by the petitioner upon:

- (1) The party, person or individual to be subpoenaed.
- (2) The presiding officer.
- (3) The parties.
- (4) The Commission's Law Bureau, if the subpoena is directed to a Commission employee.

52 Pa. Code § 5.421(c)(1)-(4).

² The written application must contain a notice that a response or objection to the application shall be filed with the Commission and presiding officer within 10 days of service of the application. 52 Pa. Code § 5.421(b)(3).

In its Application, OCA claims that it needs access to the workpapers TUS used to develop its June 2024 QER to fully investigate the just and reasonableness of Pike's proposed return on equity. Specifically, OCA is seeking the Excel files, in native format with links and formulae intact, supporting the DCF and CAPM results which are provided in Attachment F of the June 2024 QER.

Sept 2024 QER

OCA also seeks the Excel files, in native format with links and formulae intact, supporting the DCF and CAPM results which are provided in Attachment F of the Sept 2024 QER. OCA seeks this information so that it can incorporate the most up-to-date data provided in the Sept 2024 QER to provide a fully detailed analysis of Pike's cost of equity proposal so that it may fully investigate the just and reasonableness of Pike's proposed return on equity.

Expedited treatment of Application

OCA requests expedited treatment of its Application seeking a response to its Application within 5 days, instead of the 10 days provided by the Commission's regulations. It also seeks an order from the undersigned ALJs 2 days after the close of the response period, instead of the 10 days provided by the Commission's regulations. OCA states an expedited response period is necessary due to the fact that its direct testimony is due April 3, 2025, and its expert witness on rate of return and cost of capital issues cannot present a comprehensive analysis of Pike's requested return on equity without the June 2024 QER and Sept 2024 QER workpapers.

Analysis

As an initial matter, we will treat OCA's Application in an expedited manner.³ The Application was served on the Commission's Law Bureau March 18, 2025, and the Law Bureau did not object to OCA's request to treat the Application in an expedited manner. As OCA noted, our Corrected Prehearing Order which established a litigation schedule for this case set a deadline of April 3, 2025, for the submission of direct testimony by the other parties. If the original deadlines for treatment of applications for subpoenas were to be kept, OCA may not have adequate time to serve the subpoena and address the June 2024 QER and Sept 2024 QER workpapers in its direct testimony. Thus, it is appropriate to treat the Application in an expedited manner.

Regarding the grounds for the subpoena, we find that OCA adequately specified the general relevance, materiality and scope of the documentary evidence sought, including, specifying the documents desired, and adequately listed the facts to be proved by the documents in sufficient detail to indicate the necessity of the documents.⁴ As OCA explained, the June 2024 QER and Sept 2024 QER workpapers will assist its expert witness in analyzing Pike's proposed return on equity. Further, as noted, TUS, through the Commission's Law Bureau, did not object or otherwise respond to the Application. Therefore, OCA's Application will be granted in the Ordering paragraphs below.

³ See, 52 Pa. Code § 1.2(c), which permits presiding officers to waive a requirement in the Commission's regulations when necessary or appropriate, if the waiver does not adversely affect a substantive right of a party.

⁴ 52 Pa. Code § 5.421(b)(1), (2).

THEREFORE,

IT IS ORDERED:

1. That the Application of the Office of Consumer Advocate for the Issuance of Subpoena, filed on March 18, 2025, in the above captioned matter, is granted.

Date: March 26, 2025

Marta Guhl
Administrative Law Judge

Alphonso Arnold III
Administrative Law Judge

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	R-2024-3052359
	:	
Pike County Light & Power Company (Electric)	:	

SUBPOENA

To: Paul Diskin, Director
Pennsylvania Public Utility Commission
Bureau of Technical Utility Services.
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Pursuant to the authority of this Commission under Sections 309, 331(d)(2), and 333(j) of the Public Utility Code:

YOU ARE ORDERED by the Commission to provide within the next three (3) calendar days to the Office of Consumer Advocate (OCA):

1. Workpapers used to develop the report titled “Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended June 30, 2024,” including the Excel files, in native format with links and formulae intact, and all linked Excel files,

supporting the DCF and CAPM results which are provided in Attachment F of the Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended June 30, 2024.

2. Workpapers used to develop the report titled “Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended September 30, 2024,” including the Excel files, in native format with links and formulae intact, and all linked Excel files, supporting the DCF and CAPM results which are provided in Attachment F of the Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended September 30, 2024.

This subpoena is issued subject to the provisions of 52 Pa. Code Section 5.421 (with regard to the issuance, notice, service and witness fees).

BY THE COMMISSION

DATE: _____

_____/s/
Marta Guhl
Administrative law Judge

DATE: _____

_____/s/
Alphonso Arnold III
Administrative law Judge

R-2024-3052357, R-2024-3052359 - PENNSYLVANIA PUBLIC UTILITY COMMISSION v. PIKE COUNTY LIGHT & POWER COMPANY – (GAS & ELECTRIC)

Revised: March 14, 2025

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