

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120**

Public Meeting held June 5, 2025

Commissioners Present:

Stephen M. DeFrank, Chairman
Kimberly Barrow, Vice Chairman, Statement
Kathryn L. Zerfuss
John F. Coleman, Jr.
Ralph V. Yanora

Pennsylvania Public Utility Commission,
Bureau of Investigation and Enforcement

M-2025-3041757

v.

PPL Electric Utilities Corporation

OPINION AND ORDER

BY THE COMMISSION:

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition is the proposed Joint Petition for Approval of Settlement (Settlement Agreement or Joint Petition), filed on April 23, 2025, by the Commission's Bureau of Investigation and Enforcement (I&E) and PPL Electric Utilities Corporation (PPL or the Company) (collectively the Parties), with respect to an informal investigation conducted by I&E. The Joint Petition contains terms and conditions representing a comprehensive settlement, along with Statements in Support of the Settlement Agreement (Statements in Support), regarding an Informal Investigation that I&E

conducted. Both Parties submit that the proposed Settlement Agreement is in the public interest and is consistent with our Policy Statement at 52 Pa. Code § 69.1201, *Factors and standards for evaluating litigated and settled proceedings involving violations of the Public Utility Code and Commission regulations—statement of policy* (Policy Statement). Settlement Agreement at ¶ 36. Before issuing a final decision on the merits of the proposed Settlement, and consistent with the requirement of 52 Pa. Code § 3.113(b)(3), we shall publish the Settlement in the *Pennsylvania Bulletin* and provide an opportunity for interested parties to file comments regarding the proposed Settlement.¹

I. History of the Proceeding

This matter concerns an informal investigation initiated by I&E based on a referral from I&E’s Electric Safety Division (Electric Safety) regarding an incident that occurred on December 9, 2022. The incident involved a hot leg wire burning open on the secondary side of the transformer and falling onto a communications line beneath it on the pole, causing a fire at a service address in Carbondale, Pennsylvania (Carbondale Incident). As a result of the Carbondale Incident, approximately 2,538 PPL customers in Carbondale, Lackawanna County, lost electric service for several hours. Settlement Agreement at ¶ 12, 14.

To investigate the Carbondale Incident, I&E initiated an informal investigation of PPL based upon Electric Safety’s referral. Through its informal investigation, I&E concluded that sufficient data had been gathered to substantiate PPL’s

¹ As discussed, *infra*, due to the nature of the alleged violations in this matter, it is appropriate to publish the Settlement in the *Pennsylvania Bulletin*.

alleged violation of the Commission’s Regulation’s at 52 Pa. Code § 57.28(a)(1)² and 52 Pa. Code § 57.28(b),³ *Electric safety standards*. Settlement Agreement at ¶ 27.

The Parties entered into negotiations and agreed to resolve these matters in accordance with the Commission’s policy to promote settlements at 52 Pa. Code § 5.231. Settlement Agreement at ¶ 13. The Parties filed the instant Settlement Agreement on April 23, 2025.

II. Background

A. I&E Informal Investigation

As indicated above, the basis for the instant Settlement Agreement stemmed from Electric Safety’s referral following the Carbondale Incident. As a result of Electric Safety’s referral, I&E opened an informal investigation of PPL regarding the Carbondale Incident. As part of its investigation, on December 15, 2022, I&E served PPL with a Data Request. On December 22, 2022, PPL provided its response to the Data Request. PPL also conducted a root cause analysis that revealed the timeline and series

² 52 Pa. Code § 57.28(a)(1) provides, in pertinent part, as follows:

[a]n electric utility shall use reasonable effort to properly warn and protect the public from danger, and shall exercise reasonable care to reduce the hazards to which employees, customers, the public and others may be subjected to by reason of its provision of electric utility service and its associated equipment and facilities.

52 Pa. Code § 57.28(a)(1).

³ 52 Pa. Code § 57.28(b), provides, in pertinent part, as follows: “[a]n electric utility shall comply with the minimum safety standards established by the National Electric Safety Code pursuant to its terms of applicability.” 52 Pa. Code § 57.28(b).

of events that culminated in the Carbondale Incident. As part of its root cause analysis, PPL determined, *inter alia*, that the open wire secondary failure was due to improper cleaning of the conductor between the transformer lead and the open wire secondary. Settlement Agreement at ¶¶ 14-25.

I&E's investigation included a careful review of PPL's response to the Data Request, including the information contained in PPL's root cause analysis, as well as a review of relevant Commission Regulations and statutes. Settlement Agreement at ¶ 26. Thereafter, following its informal investigation, I&E was prepared to contend that PPL violated the Commission's Regulations regarding electric safety standards at 52 Pa. Code § 57.28(a)(1) and 52 Pa. Code § 57.28 (b). *Id.* at ¶¶ 26-27.

B. Alleged Violations

I&E was prepared to contend, through filing a formal complaint, that PPL violated the Commission's Regulations regarding electric safety standards at 52 Pa. Code § 57.28(a)(1) and 52 Pa. Code § 57.28 (b) because "PPL failed to properly clean the improper cleaning of the conductor between the transformer lead and the open wire secondary." Settlement Agreement at ¶¶ 26-27. More specifically, I&E alleged that, if proven, PPL's failure would constitute: (1) a violation of 52 Pa. Code § 57.28(a)(1), which provides that "[a]n electric utility ... shall exercise reasonable care to reduce the hazards to which employees, customers, the public and others may be subjected to by reason of its provision of electric utility service and its associated equipment and facilities;" and (2) a violation of 52 Pa. Code § 57.28(b), which provides that a "[a]n electric utility shall comply with the minimum safety standards established by the National Electric Safety Code pursuant to its terms of applicability." *Id.* at ¶ 27.

With respect to PPL's alleged violation of 52 Pa. Code § 57.28(b), I&E was prepared to contend that PPL violated the following two National Electric Safety Code

(NESC) provisions: (1) NESC 421.A.2, which provides that “a first-level supervisor or person in charge...shall...[s]ee that the safety rules and operating procedures are observed by the employees under the direction of that individual;” and (2) NESC 214.A.5, which provides that “[I]ines and equipment with recorded conditions or defects that would reasonably be expected to endanger human life or property shall be promptly corrected, disconnected, or isolated.” Settlement Agreement at ¶ 27.

If this matter had been litigated, PPL notes that it would have denied the alleged violations, raised defenses and/or mitigating factors in support of its defense, and defended against the same at a hearing. Settlement Agreement at ¶ 28.

As a result of negotiations, the Parties entered into the proposed Settlement Agreement, which is attached to this Opinion and Order, to amicably resolve the disputed issues. The Parties assert that the proposed Settlement Agreement is in the public interest and should, therefore, be approved by the Commission. Settlement Agreement at ¶¶ 32, 36.

III. Terms of the Settlement⁴

The Parties state that the purpose of the Settlement is to terminate I&E’s informal investigation and settle this matter completely without litigation. Both Parties jointly acknowledge that approval of the Settlement Agreement is in the public interest and is fully consistent with the Commission’s Policy Statement. Moreover, the Parties agree that the Settlement Agreement is in the public interest because it effectively addresses I&E’s allegations that are the subject of I&E’s informal investigation, it avoids the inherent unpredictability of the outcome of a contested proceeding, and it recognizes the need to prevent the reoccurrence of misconduct. Settlement Agreement at ¶¶ 30-32.

⁴ Pages 8-9 of the Settlement Agreement set forth the full Settlement Terms and Conditions.

The essential terms of the Settlement are set forth in Paragraph Nos. 33 and 34 of the Joint Petition, which are recited in full, below, as they appear in the Joint Petition:

33. I&E and PPL, intending to be legally bound and for consideration given, desire to fully and finally conclude this informal investigation and agree to stipulate as to the following terms solely for the purposes of this Settlement Agreement:

- A. PPL Electric Utilities shall provide I&E-Electric Safety Division a list of 50 examples of previously completed work involving conductors between the transformer primary lead and secondary (crimped) connections over the past five years in Lackawanna and Luzerne Counties including, but not limited to, the Wilkes Barre/Scranton/Carbondale areas or, if extending beyond Lackawanna and Luzerne Counties, the service territory of the crew assigned to service the Carbondale area.
 - (i) Upon review of this list, the Electric Safety Division shall choose up to 30 percent of the previously completed work, which PPL shall then conduct a thorough overhead line inspection and thermal imaging inspection.
 - (ii) During the inspection process, PPL shall record and analyze any defects or otherwise unsatisfactory work and devise remedial measures or changes to its procedures to avoid work quality related failures and incidents going forward.

- (iii) At the conclusion of the inspections, PPL shall share the findings of these inspections with Electric Safety.
- (iv) Should there be more than two (2) crimped connections that are defective or otherwise show signs of unsatisfactory work, Electric Safety shall reserve the right to request further inspections of previously completed work involving conductors between the transformer primary lead and secondary (crimped) connections completed over the past five years in Lackawanna and Luzerne Counties or the service territory of the crew assigned to service the Carbondale area if it extends beyond those two counties.

B. PPL Electric Utilities shall review its overhead transformer installation procedures and create a provision for proper conductor cleaning and crimping procedures. A provision for performing a polarity check and verification prior to re-connecting the secondary lines shall be added to the procedure if this provision is not already in place.

34. Additionally, PPL shall pay a civil penalty of \$4,500 within thirty (30) days of the Commission's Final Order approving the Settlement.

Settlement Agreement at ¶¶ 33-34.

The Parties further represent that, through the Joint Petition, PPL acknowledges the seriousness of I&E's allegations and recognizes the need to prevent the reoccurrence of misconduct which was the subject of I&E's investigation. Settlement Agreement at ¶ 31. In consideration of PPL's agreement to the terms of the Joint

Petition, and upon the Commission's approval of the Joint Petition without modification, I&E agrees that it will not file any complaints or initiate other action against PPL at the Commission with respect to the allegations which were the subject of I&E's investigation. Settlement Agreement at ¶¶ 31, 35.

Additionally, the Parties indicate that the Joint Petition represents the Settlement Agreement in its entirety. The proposed Settlement Agreement is conditioned on the Commission's approval, without modification of any of its terms or conditions. If the Commission rejects the proposed Settlement Agreement, or makes any change or modification thereto, either Party may elect to withdraw from the Settlement Agreement. Moreover, the Settlement Agreement represents a compromise of positions and does not constitute a finding of culpability or an admission concerning the alleged violations. Finally, the Parties present the Settlement Agreement without prejudice to any position that I&E or PPL may advance in the future on the merits of the issues in any future proceeding, except to the extent necessary to effectuate the terms and conditions of the Settlement Agreement. Settlement Agreement at ¶¶ 37-42.

IV. Discussion

Pursuant to our Regulations at 52 Pa. Code § 5.231, it is the Commission's policy to promote settlements. However, the Commission must review proposed settlements to determine whether the terms are in the public interest. *Pa. PUC v. Philadelphia Gas Works*, Docket No. M-00031768 (Order entered January 7, 2004).

In reviewing settlements that resolve informal investigations, the Commission will provide other potentially affected parties with the opportunity to file

comments regarding a proposed settlement prior to issuing a decision. The Commission's Regulations at 52 Pa. Code § 3.113(b) provide as follows:

§ 3.113. Resolution of informal investigations.

* * *

(b) Under 65 Pa.C.S. Chapter 7 (relating to Sunshine Act), the Commission's official actions resolving informal investigations will be as follows:

* * *

(3) When the utility, or other person subject to the Commission's jurisdiction, has committed to undertake action to address or remedy a violation or potential violation of the act or to resolve another perceived deficiency at the utility, in the form of a settlement with the Commission staff or other resolution of the matter, the Commission's consideration of the settlement or approval of the utility's action will occur at public meeting. Except for staff reports and other documents covered by a specific legal privilege, documents relied upon by the Commission in reaching its determination shall be made part of the public record. **Before the Commission makes a final decision to adopt the settlement or to approve the utility's action, the Commission will provide other potentially affected persons with the opportunity to submit exceptions thereon or to take other action provided for under law.**

52 Pa. Code § 3.113(b)(3) (emphasis added). *See also, Pa. PUC, Bureau of Investigation and Enforcement v. PPL Electric Utilities Corporation*, Docket No. M-2012-2264635 (Order entered September 13, 2012); *Pa. PUC, Bureau of Investigation and Enforcement v. Liberty Power Holdings, LLC*, Docket No. M-2019-2568471 (Order entered August 8, 2019).

V. Conclusion

Before issuing a decision on the merits of the proposed Settlement, and consistent with the requirement of 52 Pa. Code § 3.113(b)(3), and for the reason(s) stated above, we believe it is appropriate to publish the Settlement in the *Pennsylvania Bulletin*. Therefore, we will: (1) publish this Opinion and Order and a copy of the proposed Settlement and Statements in Support, attached hereto, in the *Pennsylvania Bulletin*; and (2) provide an opportunity for interested parties to file comments regarding the proposed Settlement within twenty-five (25) days after the date of publication in the *Pennsylvania Bulletin*; **THEREFORE,**

IT IS ORDERED:

1. That the Secretary's Bureau shall duly certify this Opinion and Order along with the attached Joint Petition for Approval of Settlement and the Statements in Support thereof, at Docket No. M-2025-3041757, and send them to the Legislative Reference Bureau for publication in the *Pennsylvania Bulletin*.
2. That within twenty-five (25) days after the date that this Opinion and Order and the attached Joint Petition for Approval of Settlement and the Statements in Support thereof are published in the *Pennsylvania Bulletin*, interested parties may file comments concerning the proposed Settlement.
3. That a copy of this Opinion and Order, together with the attached Joint Petition for Approval of Settlement and the Statements in Support thereof, at Docket No. M-2025-3041757, shall be served on the Office of Consumer Advocate and the Office of Small Business Advocate.

4. That, subsequent to the Commission's review of any comments filed in this proceeding, at Docket No. M-2025-3041757, a final Opinion and Order will be issued by the Commission.

BY THE COMMISSION,

A handwritten signature in black ink, reading "Matthew L. Homsher". The signature is written in a cursive style with a large, stylized initial "M".

Matthew L. Homsher
Secretary

(SEAL)

ORDER ADOPTED: June 5, 2025

ORDER ENTERED: June 5, 2025

ATTACHMENT



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

April 23, 2025

Via Electronic Filing

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission,
Bureau of Investigation and Enforcement v.
PPL Electric Utilities Corp.
Docket No. M-2025-3041757
Joint Petition for Approval of Settlement

Dear Secretary Homsher:

Enclosed for electronic filing is the Joint Petition for Approval of Settlement of the Bureau of Investigation and Enforcement ("I&E") of the Pennsylvania Public Utility Commission and PPL Electric Utilities Corp. in the above-referenced matter.

Copies have been served on parties in accordance with the Certificate of Service. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Rosul", written over a light blue horizontal line.

Grant Rosul Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 318204
(717) 783-5243
grosul@pa.gov

GR/ac
Enclosures

cc: Per Certificate of Service
Michael L. Swindler, Deputy Chief Prosecutor, (via email – mwindler@pa.gov)
Office of Special Assistants (via email – ra-OSA@pa.gov)
As Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement	:	
	:	
v.	:	Docket No. M-2025-3041757
	:	
PPL Electric Utilities Corp.	:	

JOINT PETITION FOR APPROVAL OF SETTLEMENT

TO THE HONORABLE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to 52 Pa. Code §§ 5.41 and 5.232, the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E”) and PPL Electric Utilities Corp. (“PPL” or “the Company”) hereby submit this Joint Petition for Approval of Settlement (“Settlement” or “Settlement Agreement”) to resolve all issues related to the above-docketed informal investigation.

As part of this Settlement Agreement, I&E and PPL (hereinafter referred to collectively as the “Parties”) respectfully request that the Commission enter a Final Opinion and Order approving the Settlement without modification. Statements in Support of the Settlement expressing the views of I&E and PPL are attached hereto as Appendix A and Appendix B, respectively.

I. INTRODUCTION

1. The Parties to this Settlement Agreement are the Pennsylvania Public Utility Commission's Bureau of Investigation and Enforcement, by its prosecuting attorneys, with a principal address of Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120 and PPL with its principal place of business at Two North Ninth Street, Allentown, PA 18101.

2. The Commission is a duly constituted agency of the Commonwealth of Pennsylvania empowered to regulate public utilities within this Commonwealth as well as other entities subject to its jurisdiction, pursuant to the Public Utility Code (the "Code"), 66 Pa.C.S. §§ 101, *et seq.*

3. I&E is the entity established to prosecute complaints against public utilities and other entities subject to the Commission's jurisdiction pursuant to 66 Pa.C.S. § 308.2(a)(11); *See also Implementation of Act 129 of 2008; Organization of Bureaus and Offices*, Docket No. M-2008-2071852 (Order entered August 11, 2011) (delegating authority to initiate proceedings that are prosecutory in nature to I&E).

4. Section 501(a) of the Pennsylvania Public Utility Code ("Code"), 66 Pa.C.S. § 501(a), authorizes and obligates the Commission to execute and enforce the provisions of the Code.

5. Section 2804(1)(ii) of the Code, 66 Pa.C.S. § 2804(1)(ii), requires the Commission "to ensure the continuation of safe and reliable electric service to all consumers in the Commonwealth, including . . . [t]he installation and maintenance of transmission and distribution facilities in conformity with established industry standards and practices,

including the standards set forth in the National Electric Safety Code [(“NESC”).” *See also* 52 Pa. Code § 57.28.

6. Section 701 of the Code, 66 Pa.C.S. § 701, authorizes the Commission, *inter alia*, to hear and determine complaints alleging a violation of any law or regulation that the Commission has jurisdiction to administer.

7. Section 3301 of the Code, 66 Pa.C.S. § 3301, authorizes the Commission to impose civil penalties on any public utility or on any other person or corporation subject to the Commission’s authority for violations of the Code, the Commission’s regulations, or both. Section 3301 allows for the imposition of a fine for each violation and each day’s continuance of such violation(s). 66 Pa.C.S. § 3301.

8. PPL is a “public utility” as that term is defined at 66 Pa.C.S. § 102 as it is engaged in providing public utility service as an electric distribution company (“EDC”) in the Commonwealth of Pennsylvania to the public for compensation.

9. PPL, as an EDC, is subject to the power and authority of the Commission pursuant to Section 501(c) of the Code, 66 Pa.C.S. § 501(c), which requires a public utility to comply with Commission regulations and orders.

10. Pursuant to the provisions of the applicable Commonwealth statutes and regulations, the Commission has jurisdiction over the subject matter and the actions of PPL in its capacity as an EDC.

11. Pursuant to Sections 331(a) and 506 of the Code, 66 Pa.C.S. §§ 331(a) and 506, and Section 3.113 of the Commission’s regulations, 52 Pa. Code § 3.113, Commission staff has the authority to conduct informal investigations or informal proceedings in order to gather data and/or to substantiate allegations of potential violations of the Commission’s

regulations.

12. I&E instituted an informal investigation of PPL based on information referred to I&E-Enforcement by I&E-Electric Safety Division (“Electric Safety”) regarding an incident that had occurred on December 9, 2022, wherein a hot leg wire burned open on the secondary side of the transformer and fell onto a communications line beneath it on the pole, causing a fire at 22 Shannon Street, Carbondale, Pennsylvania, and resulting in approximately 2,538 PPL customers in Carbondale, Lackawanna County, losing electric service for several hours. I&E determined that this referral warranted further investigation to examine whether the actions of PPL violated the Code, Commission regulations, and the NESC. I&E concluded that enforcement action was warranted.

13. As a result of successful negotiations between I&E and PPL, the Parties have reached an agreement on an appropriate outcome to the informal investigation as encouraged by the Commission’s policy to promote settlements. *See* 52 Pa. Code § 5.231. The Settlement also is consistent with the Commission’s Policy Statement for evaluating litigated and settled proceedings involving violations of the Code and Commission regulations, 52 Pa. Code § 69.1201. The duly authorized Parties executing this Settlement Agreement agree to the settlement terms set forth herein and urge the Commission to approve the Settlement Agreement as submitted as being in the public interest.

II. BACKGROUND

14. On December 9, 2022, a hot leg wire burned open on the secondary side of the transformer and fell onto a communications line beneath it on the pole, causing a fire at 22 Shannon Street in Carbondale and resulting in approximately 2,538 PPL customers in Carbondale, Lackawanna County, losing electric service for several hours.

15. I&E-Enforcement instituted an informal investigation of PPL based on information referred to I&E-Enforcement by Electric Safety regarding an incident that had occurred.

16. On December 15, 2022, Electric Safety sent PPL a Data Request.

17. On December 22, 2022, PPL provided its response to Electric Safety's Data Request.

18. As provided by PPL in its response to the Electric Safety Data Request, PPL conducted a root cause analysis and determined that the open wire secondary failure was due to improper cleaning of the conductor between the transformer lead and the open wire secondary. The wire failed directly at the crimp, causing the conductor to fail at the splice and come into contact with the communication cables below.

19. The data request revealed the timeline and series of events that led up to the incident.

20. PPL informed Electric Safety that a 25 kVA transformer was connected to approximately 20 customers prior to the incident. However, only five of these customers had meters set, and the others were inactive.

21. On December 4, 2022, PPL replaced the 25 kVA transformer with a new 25 kVA transformer.

22. On December 6, 2022, PPL received a trouble call regarding the newly installed transformer.

23. PPL inspected the line on December 8, 2022. Upon inspection, it was determined that the load on the 25 kVA transformer may have exceeded its rated ampere capacity, which could result in overheating.

24. As a result of this discovery, PPL upgraded the 25 kVA transformer to a 50 kVA transformer.

25. While installing the 50 kVA transformer, the PPL worker failed to properly clean the conductor between the transformer lead and the open wire secondary. Improper cleaning of the transformer lead allowed the secondary wire to fail at the crimp and allowed the energized PPL line to fall upon and contact a communication line directly below it.

III. ALLEGED VIOLATIONS

26. Based on information obtained through its investigation, as described above, and a review of the Commission's regulations and relevant regulations and statutes, I&E was prepared to contend by the filing of a formal complaint that PPL violated certain provisions of the Commission's regulations and the NESC, in that:

A. PPL failed to properly clean the improper cleaning of the conductor between the transformer lead and the open wire secondary.

27. This allegations, if proven, constitute a violation of 52 Pa. Code § 57.28(a)(1) (providing that [a]n electric utility ... shall exercise reasonable care to reduce the hazards to which employees, customers, the public and others may be subjected to by reason of its provision of electric utility service and its associated equipment and facilities"); 52 Pa. Code § 57.28(b) (providing that a "[a]n electric utility shall comply with the minimum safety standards established by the National Electric Safety Code pursuant to its terms of applicability."); NESC 421.A.2 (providing that the "a first-level supervisor or person in charge...shall...[s]ee that the safety rules and operating procedures are observed by the employees under the direction of that individual); and NESC 214.A.5 (providing that "[l]ines

and equipment with recorded conditions or defects that would reasonably be expected to endanger human life or property shall be promptly corrected, disconnected, or isolated.”).

28. Had the matter been litigated, PPL would have denied the alleged violations, raised defenses and/or mitigating factors in support of its defense, and defended against the same at hearing.

29. PPL understands the nature of the allegations that I&E would have asserted in a formal complaint and will undertake remedial measures to prevent recurrence of the issues giving rise to the instant Settlement.

IV. SETTLEMENT TERMS

30. Pursuant to the Commission’s policy of encouraging settlements that are reasonable and in the public interest,¹ I&E and PPL held a series of discussions that culminated in this Settlement. The purpose of this Joint Petition for Approval of Settlement is to terminate I&E’s informal investigation and to settle this matter completely without litigation. There has been no Formal Complaint filed, no evidentiary hearing before any tribunal, and no sworn testimony taken in any proceeding related to this incident.

31. PPL fully acknowledges the seriousness of I&E’s allegations and recognizes the need to prevent the reoccurrence of the misconduct which was the subject of I&E’s instant investigation.

32. The Parties recognize that their positions and claims are disputed and given that the precise outcome of a contested proceeding is uncertain, the Parties further recognize the benefits of amicably resolving the disputed issues through settlement.

¹ See 52 Pa. Code § 5.231(a).

33. I&E and PPL, intending to be legally bound and for consideration given, desire to fully and finally conclude this informal investigation and agree to stipulate as to the following terms solely for the purposes of this Settlement Agreement:

- A. PPL Electric Utilities shall provide I&E-Electric Safety Division a list of 50 examples of previously completed work involving conductors between the transformer primary lead and secondary (crimped) connections over the past five years in Lackawanna and Luzerne Counties including, but not limited to, the Wilkes Barre/Scranton/Carbondale areas or, if extending beyond Lackawanna and Luzerne Counties, the service territory of the crew assigned to service the Carbondale area.
 - (i) Upon review of this list, the Electric Safety Division shall choose up to 30 percent of the previously completed work, which PPL shall then conduct a thorough overhead line inspection and thermal imaging inspection.
 - (ii) During the inspection process, PPL shall record and analyze any defects or otherwise unsatisfactory work and devise remedial measures or changes to its procedures to avoid work quality related failures and incidents going forward.
 - (iii) At the conclusion of the inspections, PPL shall share the findings of these inspections with Electric Safety.
 - (iv) Should there be more than two (2) crimped connections that are defective or otherwise show signs of unsatisfactory work, Electric Safety shall reserve the right to request further inspections of previously completed work involving conductors between the transformer primary lead and secondary (crimped) connections completed over the past five years in Lackawanna and Luzerne Counties or the service territory of the crew assigned to service the Carbondale area if it extends beyond those two counties.

- B. PPL Electric Utilities shall review its overhead transformer installation procedures and create a provision for proper conductor cleaning and crimping procedures. A provision for performing a polarity check and verification prior to re-connecting the secondary lines shall be added to the procedure if this provision is not already in place.

34. Additionally, PPL shall pay a civil penalty of \$4,500 within thirty (30) days of the Commission's Final Order approving the Settlement.

35. Upon Commission approval of the Settlement in its entirety without modification, I&E will not file any complaints or initiate other action against PPL at the Commission with respect to the allegations which were the subject of I&E's instant investigation.

36. I&E and PPL jointly acknowledge that approval of this Settlement Agreement is in the public interest and fully consistent with the Commission's Policy Statement regarding Factors and Standards for Evaluating Litigated and Settled Proceedings, 52 Pa. Code § 69.1201. The Parties submit that the Settlement Agreement is in the public interest because it effectively addresses I&E's allegations that are the subject of I&E's informal investigation and avoids the time and expense of litigation, which entails hearings, various expenses, and the preparation and filing of briefs, exceptions, and reply exceptions, as well as possible appeals. Statements in Support filed by I&E and PPL are attached as Appendices A and B, respectively, setting forth the bases upon which the Parties believe the Settlement Agreement is in the public interest.

V. CONDITIONS OF SETTLEMENT

37. This document represents the Settlement Agreement in its entirety. No changes to obligations set forth herein may be made unless they are in writing and are expressly accepted by the parties involved. This Settlement Agreement shall be construed and interpreted under Pennsylvania law.

38. The Settlement is conditioned upon the Commission's approval of the terms and conditions contained in this Joint Petition for Approval of Settlement without

modification. If the Commission modifies this Settlement Agreement, any party may elect to withdraw from this Settlement Agreement and may proceed with litigation or take such other action that is deemed appropriate and, in such event, this Settlement Agreement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission and served upon all parties within twenty (20) business days after entry of an Order modifying the Settlement.

39. The Parties agree that the underlying allegations were not the subject of any hearing or formal procedure and that there has been no order, findings of fact or conclusions of law rendered in this complaint proceeding. It is further understood that, by entering into this Settlement Agreement, PPL has made no concession or admission of fact or law and may dispute all issues of fact and law for all purposes in all proceedings that may arise as a result of the circumstances described in this Settlement Agreement.

40. The Parties acknowledge that this Settlement Agreement reflects a compromise of competing positions and does not necessarily reflect any party's position with respect to any issues raised in this proceeding.

41. This Settlement Agreement is being presented only in the context of this proceeding in an effort to resolve the proceeding in a manner that is fair and reasonable. This Settlement Agreement is presented without prejudice to any position that any of the parties may have advanced and without prejudice to the position any of the parties may advance in the future on the merits of the issues in future proceedings, except to the extent necessary to effectuate the terms and conditions of this Settlement Agreement. This Settlement does not preclude the Parties from taking other positions in any other proceeding but is conclusive in this proceeding and may not be reasserted in any other proceeding or

forum except for the limited purpose of enforcing the Settlement by a Party.

42. The terms and conditions of this Settlement Agreement constitute a carefully crafted package representing reasonably negotiated compromises on the issues addressed herein. Thus, the Settlement Agreement is consistent with the Commission's rules and practices encouraging negotiated settlements set forth in 52 Pa. Code §§ 5.231 and 69.1201.

WHEREFORE, the Pennsylvania Public Utility Commission's Bureau of Investigation and Enforcement and PPL Electric Utilities Corp. respectfully request that the Commission issue an Order approving the terms of this Settlement Agreement in their entirety as being in the public interest.

[Signature Page to Follow]

Pennsylvania Public Utility Commission,
Bureau of Investigation and Enforcement

By:  _____

Grant Rosul
Prosecutor
PA Attorney ID No. 318204
Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
400 North Street
Harrisburg, PA 17120
grosul@pa.gov

Date: April 23, 2025

Respectfully Submitted,

PPL Electric Utilities Corp.

By:  _____

Kimberly A. Klock, Esq.
Michael J. Shafer, Esq.
PPL Electric Utilities Corp.
Office of General Counsel
Two North Ninth Street
Allentown, PA 18101
kklock@pplweb.com
mjshafer@pplweb.com

Dated: April 22, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, :
Bureau of Investigation and Enforcement :
 :
v. : Docket No. M-2025-3041757
 :
PPL Electric Utilities Corp. :

**STATEMENT OF THE BUREAU OF INVESTIGATION AND ENFORCEMENT
IN SUPPORT OF THE JOINT PETITION FOR APPROVAL OF SETTLEMENT**

TO THE HONORABLE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

The Bureau of Investigation and Enforcement (“I&E”) offers the following Statement in Support of the Joint Petition for Approval of Settlement between PPL Electric Utilities Corp. (“PPL” or “the Company”) and I&E (hereinafter referred to as the “Parties”) regarding PPL’s violation of the Pennsylvania Public Utility Code, 66 Pa.C.S. §§ 101 *et seq.* and Commission regulations.

I. INTRODUCTION

I&E is the entity established to prosecute complaints against public utilities and other entities subject to the Commission’s jurisdiction pursuant to 66 Pa.C.S. § 308.2(a)(11); See *Implementation of Act 129 of 2008; Organization of Bureaus and Offices, Docket No. M-2008-2071852* (Order entered August 11, 2011) (delegating authority to initiate proceedings that are prosecutory in nature to I&E).

Section 501(a) of the Code, 66 Pa.C.S. § 501(a), authorizes and obligates the Commission to execute and enforce the provisions of the Code. Section 701 of the Code, 66 Pa.C.S. § 701, authorizes the Commission, *inter alia*, to hear and determine complaints alleging a violation of any law or regulation that the Commission has jurisdiction to administer.

PPL is a “public utility” as that term is defined at 66 Pa.C.S. § 102 as it is engaged in providing public utility service as an electric distribution company (“EDC”) in the Commonwealth of Pennsylvania for compensation. PPL, as an EDC, is subject to the power and authority of the Commission pursuant to Section 501(c) of the Code, 66 Pa.C.S. § 501(c), which requires a public utility to comply with Commission regulations and orders.

Pursuant to Sections 331(a) and 506 of the Code, 66 Pa.C.S. §§ 331(a) and 506, and Section 3.113 of the Commission’s regulations, 52 Pa. Code § 3.113, Commission staff has the authority to conduct informal investigations or informal proceedings in order to gather data and/or to substantiate allegations of potential violations of the Commission’s regulations.

I&E-Enforcement instituted an informal investigation of PPL based on information referred to I&E-Enforcement by I&E-Electric Safety Division (“Electric Safety”) regarding a December 22, 2022, incident wherein a hot leg wire burned open on the secondary side of the transformer and fell onto a communications line beneath it on the pole, causing a fire at 22 Shannon Street in Carbondale and resulting in approximately 2,538 PPL customers in Carbondale, Lackawanna County, losing electric service for several hours.

I&E determined that this referral warranted further investigation to examine whether the actions of PPL violated the Code and Commission regulations. After a thorough review

of the case and discussion with PPL, the Parties have reached mutually agreeable settlement terms and believe that it is in the public interest to settle the matter.

II. SUMMARY OF SETTLEMENT

The Joint Petition for Approval of Settlement (“Settlement”) resolves all outstanding violations of the Code and Commission regulations stemming from PPL’s failure to adhere to the Commission’s regulations at 52 Pa. Code § 57.28(a)(1) and 57.28(b), as well as its failure to abide by National Electric Safety Code (“NESC”) Sections 421.A.2 and 214.A.5.

Under the terms of the Settlement, PPL shall:

- 1) Provide Electric Safety a list of 50 examples of previously completed work involving conductors between the transformer primary lead and secondary (crimped) connections over the past five years in Lackawanna and Luzerne Counties including, but not limited to, the Wilkes Barre/Scranton/Carbondale areas or, if extending beyond Lackawanna and Luzerne Counties, the service territory of the crew assigned to service the Carbondale area.
 - (a) Upon review of this list, Electric Safety shall choose up to 30 percent of the previously completed work, which PPL shall then conduct a thorough overhead line inspection and thermal imaging inspection.
 - (b) During the inspection process, PPL shall record and analyze any defects or otherwise unsatisfactory work and devise remedial measures or changes to its procedures to avoid work quality related failures and incidents going forward.
 - (c) At the conclusion of the inspections, PPL shall share the findings of these inspections with Electric Safety.
 - (d) Should there be more than two (2) crimped connections that are defective or otherwise show signs of unsatisfactory work, Electric Safety shall reserve the right to request further inspections of previously completed work involving conductors between the transformer primary lead and secondary (crimped) connections completed over the past five years in Lackawanna and Luzerne Counties or the service territory of the crew assigned to service the Carbondale area if it extends beyond those two counties.

- 2) PPL Electric Utilities shall review its overhead transformer installation procedures and create a provision for proper conductor cleaning and crimping procedures. A provision for performing a polarity check and verification prior to re-connecting the secondary lines shall be added to the procedure if this provision is not already in place.

In addition to these remedial measures, PPL shall pay a civil penalty of \$4,500.

III. THE SETTLEMENT IS IN THE PUBLIC INTEREST AND SATISFIES THE ROSI FACTORS TO DETERMINE THE APPROPRIATE CIVIL PENALTY

Section 3301(a) of the Code provides that a public utility, or any other person or entity subject to the Code, that violates any part of the Code is subject to a civil penalty of not more than one thousand dollars (\$1,000) per violation. 66 Pa.C.S. § 3301(a). The Code further provides that each and every day's continuance in the violation of the Code or any regulation, order, judgment, or decree shall be a separate and distinct offense. 66 Pa.C.S § 3301(b).

The Commission's Policy Statement regarding Factors and Standards for Evaluating Litigated and Settled Proceedings, 52 Pa. Code § 69.1201, lists the following factors which the Commission shall consider in determining the appropriate civil penalty as well as whether the Settlement is in the public interest:

- 1) Whether the conduct at issue was of a serious nature. When conduct of a serious nature is involved, such as willful fraud or misrepresentation, the conduct may warrant a higher penalty. When the conduct is less egregious, such as administrative filing or technical errors, it may warrant a lower penalty.
- 2) Whether the resulting consequences of the conduct at issue were of a serious nature. When consequences of a serious nature are involved, such as personal injury or property damage, the consequences may warrant a higher penalty.
- 3) Whether the conduct at issue was deemed intentional or negligent. This factor may only be considered in evaluating litigated cases. When conduct has been deemed intentional, the conduct may result in a higher penalty.

- 4) Whether the regulated entity made efforts to modify internal practices and procedures to address the conduct at issue and prevent similar conduct in the future. These modifications may include activities such as training and improving company techniques and supervision. The amount of time it took the utility to correct the conduct once it was discovered and the involvement of top-level management in correcting the conduct may be considered.
- 5) The number of customers affected and the duration of the violation.
- 6) The compliance history of the regulated entity which committed the violation. An isolated incident from an otherwise compliant utility may result in a lower penalty, whereas frequent, recurrent violations by a utility may result in a higher penalty.
- 7) Whether the regulated entity cooperated with the Commission's investigation. Facts establishing bad faith, active concealment of violations, or attempts to interfere with Commission investigations may result in a higher penalty.
- 8) The amount of the civil penalty or fine necessary to deter future violations. The size of the utility may be considered to determine an appropriate penalty amount.
- 9) Past Commission decisions in similar situations.
- 10) Other relevant factors.

52 Pa. Code § 69.1201(c).

Regarding the first factor, the conduct at issue was a technical or mechanical error stemming from a failure to correctly apply grease at the crimp, and was not intentional, willful, or reckless. The consequences of the conduct — the second *Rosi* factor to be considered — were serious, however. Although there was no personal injury or property damage, 2,538 customers lost power for several hours. Additionally, there was a small fire on the property nearest the line failure. The extent of the fire is unknown but the structure was safe and no injuries were reported as a result of either the line down or the resulting fire. However, the Commission takes seriously any downed line incident.

The third factor, whether the conduct at issue was intentional or negligent, is not relevant here, as this factor “may only be considered in evaluating litigated cases.” Here, the Parties have reached a settlement.

Regarding the fourth factor, PPL has committed to modifying its internal practices and procedures to avoid the conduct at issue and prevent future incidents. As stated in the Settlement, PPL will review its overhead transformer installation procedures and create a provision for proper conductor cleaning and crimping procedures. Further, a provision for performing a polarity check and verification prior to re-connecting the secondary lines will be added to the procedure.

Additionally, PPL has agreed to a thorough overhead line inspection and thermal imaging inspection of instances of similar work. This way, Electric Safety will be able to determine if the events of the instant case are the result of an isolated issue or are more widespread.

The fifth factor is the number of customers affected and the duration of the violation. The number of customers affected is large — 2,538 customers had lost power for several hours due to the crimp failure. However, the duration of the outage due to this incident was fairly short and PPL was able to quickly make appropriate repairs.

As to compliance history, the sixth *Rosi* factor, PPL has been the subject of two enforcement actions by I&E in the past three years. In *Pa. P.U.C., Bureau of Investigation and Enforcement v. PPL Electric Utilities Corp.*, Docket No. M-2023-3038060, the utility settled allegations that it violated multiple Commission regulations relating to its billing practices, paying \$1,000,000 into its hardship fund in lieu of a civil penalty.

In *Pa. P.U.C., Bureau of Investigation and Enforcement v. PPL Electric Utilities Corp.*, Docket No. C-2023-3044727, a Joint Petition for Approval of Settlement is pending before Administrative Law Judge Dennis Buckley. That case involved an alleged failure on the part of PPL to properly mark an underground line, resulting in an injury to the worker of a contractor. If approved by ALJ Buckley and the Commission, PPL will pay a \$12,500 administrative penalty to settle allegations of violations of the Underground Utility Line Protection Act, also known as the Pennsylvania One Call Law.

Additionally, PPL has received civil penalties pursuant to two complaints filed by customers. In *Judith Taptich v. PPL Electric Utilities Corp.*, Docket No. C-2023-3042726 (Final Order issued September 20, 2024), a \$500 civil penalty was imposed on PPL for failing to render a customer their bill for two billing periods. In *Judith Wallace v. PPL Electric Utilities Corp.*, Docket No. F-2023-3042297 (Final Order issued March 29, 2024), a \$200 civil penalty was imposed for an incorrectly calculated customer bill.

Other compliance matters involving PPL are more distant in time. None of those cases reviewed by the undersigned involved an overhead line failing at the crimp and falling upon other utility lines causing an outage.

PPL cooperated with I&E during the course of this investigation. In the view of I&E, a civil penalty of \$4,500 is sufficient to deter future violations of the applicable Commission regulations by PPL.

IV. CONCLUSION

The Settlement is a fair and reasonable compromise between the Parties. Had this matter proceeded to litigation, PPL would have disputed the allegations in the Complaint and I&E would have been required to expend staff time and resources to prepare for and

participate in the hearing. Aside from avoiding litigation, the Settlement is in the public interest because the agreed-upon civil penalty is sufficient to ensure that PPL's future compliance with the Commission's regulations regarding compliance with NESC rules.

For the reasons set forth above, the Commission should approve the Joint Petition for Approval of Settlement, without modification.

Respectfully submitted,



Grant Rosul
Prosecutor
PA Attorney ID No. 318204

Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
(717) 783-5243
grosul@pa.gov

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, :
Bureau of Investigation & Enforcement :
v. : Docket No. M-2025-3041757
PPL Electric Utilities Corporation :

**PPL ELECTRIC UTILITIES CORPORATION'S
STATEMENT IN SUPPORT OF SETTLEMENT**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

I. INTRODUCTION

PPL Electric Utilities Corporation (“PPL Electric” or the “Company”) hereby submits this Statement in Support of Settlement (“Settlement”) entered into by PPL Electric and the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E”) in the above-captioned proceeding. PPL Electric provides electric distribution, transmission, and provider of last resort services to approximately 1.4 million customers in a certificated service territory that spans approximately 10,000 square miles in all or portions of 29 counties in eastern and central Pennsylvania. PPL Electric is a “public utility” and an “electric distribution company” as those terms are defined under the Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 102 and 2803.

The Settlement, if approved, resolves all issues with I&E regarding an incident that occurred on December 9, 2022, wherein a hot leg wire burned open on the secondary side of the transformer and fell onto a communications line beneath it on the pole, causing a fire at 22 Shannon Street, Carbondale, Pennsylvania, and resulting in approximately 2,538 customers losing electric service for several hours (“Carbondale Incident”).

Following the Carbondale Incident, I&E initiated an informal investigation. The parties exchanged information throughout this informal investigation and engaged in settlement negotiations. As a result of those efforts, the parties were able to achieve a Settlement of all issues prior to any Formal Complaint being filed by I&E. Under this Settlement, PPL Electric has made commitments to investigate previously completed conductor work in Lackawanna and Luzerne counties and to review its overhead transformer installation procedures in order to help prevent similar incidents from occurring in the future. Moreover, the Settlement obviates the need for I&E, PPL Electric, and the Commission to devote substantial time and resources to a litigated Formal Complaint proceeding. For these reasons and as set forth below, the Settlement is just and reasonable and should be approved without modification.

II. COMMISSION POLICY FAVORS SETTLEMENT

Commission policy promotes settlements. *See* 52 Pa. Code § 5.231(a). Settlements reduce the time and expense the parties must expend litigating a case and, at the same time, conserve administrative resources. The Commission has indicated that settlement results are often preferable to those achieved at the conclusion of a fully litigated proceeding. *See* 52 Pa. Code § 69.401. To approve a settlement, the Commission must determine that the proposed terms and conditions are in the public interest. *Pa. P.U.C. v. Peoples TWP LLC*, Docket Nos. R-2013-23355886, *et al.* (Order entered Dec. 19, 2013); *Warner v. GTE North, Inc.*, Docket No. C-00902815 (Order entered Apr. 1, 1996); *Pa. P.U.C. v. C.S. Water and Sewer Assocs.*, 74 Pa. P.U.C. 767, 771 (1991). For the reasons set forth in this Statement in Support, PPL Electric believes that the Settlement is just and reasonable and is in the public interest. Therefore, the Settlement should be approved without modification.

III. THE SETTLEMENT IS IN THE PUBLIC INTEREST

The Commission should approve the Settlement without modification because the Settlement's terms and conditions are just and reasonable and in the public interest. This Settlement was achieved by the parties after a thorough investigation by I&E into the Carbondale Incident. The Settlement represents a fair and reasonable compromise and adequately reflects: (1) the Company's cooperation in I&E's informal investigation; and (2) PPL Electric's commitment to take steps to prevent a similar incident from occurring in the future.

As stated in Paragraph 36 of the Settlement, I&E has agreed that the Settlement is in the public interest, "effectively addresses I&E's allegations that are the subject of the I&E's informal investigation," and "avoids the time and expense of litigation, which entails hearings and the preparation and filing of briefs, exceptions, reply exceptions, as well as possible appeals." (Settlement ¶ 36.) In exchange for stipulating to these terms and conditions, I&E has agreed to conclude its informal investigation and not institute any Formal Complaint related to these issues. (See Settlement ¶ 35.)

A. SETTLEMENT PROVISIONS

Under Paragraph 34 of the Settlement, PPL Electric will pay a civil penalty of \$4,500. PPL Electric's payment of this civil penalty will "be made within thirty (30) days of the date of the Commission's Final Order approving the Settlement Agreement. (Settlement ¶ 34.)

PPL Electric fully acknowledges the nature of I&E's allegations and the need to take remedial measures in order to prevent similar incidents. As set forth in Paragraph 33 of the Settlement, PPL Electric has voluntarily agreed to conduct investigative and corrective actions in response to the Carbondale incident:

- A. PPL Electric Utilities shall provide I&E-Electric Safety Division a list of 50 examples of previously completed work involving conductors

between the transformer primary lead and secondary (crimped) connections over the past five years in Lackawanna and Luzerne Counties including, but not limited to, the Wilkes Barre/Scranton/Carbondale areas or, if extending beyond Lackawanna and Luzerne Counties, the service territory of the crew assigned to service the Carbondale area.

- (i) Upon review of this list, the Electric Safety Division shall choose up to 30 percent of the previously completed work, which PPL shall then conduct a thorough overhead line inspection and thermal imaging inspection.
- (ii) During the inspection process, PPL shall record and analyze any defects or otherwise unsatisfactory work and devise remedial measures or changes to its procedures to avoid work quality related failures and incidents going forward.
- (iii) At the conclusion of the inspections, PPL shall share the findings of these inspections with Electric Safety.
- (iv) Should there be more than two (2) crimped connections that are defective or otherwise show signs of unsatisfactory work, Electric Safety shall reserve the right to request further inspections of previously completed work involving conductors between the transformer primary lead and secondary (crimped) connections completed over the past five years in Lackawanna and Luzerne Counties or the service territory of the crew assigned to service the Carbondale area if it extends beyond those two counties.

- B. PPL Electric Utilities shall review its overhead transformer installation procedures and create a provision for proper conductor cleaning and crimping procedures. A provision for performing a polarity check and verification prior to re-connecting the secondary lines shall be added to the procedure if this provision is not already in place.

B. FACTORS AND STANDARDS FOR EVALUATING LITIGATED AND SETTLED PROCEEDINGS.

When evaluating litigated and settled proceedings involving alleged violations of the Public Utility Code and the Commission’s regulations, the Commission considers a series of

factors and standards to determine whether the Settlement conditions are reasonable and in the public interest. Those factors and standards are the following:

- (1) Whether the conduct at issue was of a serious nature. When conduct of a serious nature is involved, such as willful fraud or misrepresentation, the conduct may warrant a higher penalty. When the conduct is less egregious, such as administrative filing or technical errors, it may warrant a lower penalty.
- (2) Whether the resulting consequences of the conduct at issue were of a serious nature. When consequences of a serious nature are involved, such as personal injury or property damage, the consequences may warrant a higher penalty.
- (3) Whether the conduct at issue was deemed intentional or negligent. This factor may only be considered in evaluating litigated cases. When conduct has been deemed intentional, the conduct may result in a higher penalty.
- (4) Whether the regulated entity made efforts to modify internal practices and procedures to address the conduct at issue and prevent similar conduct in the future. These modifications may include activities such as training and improving company techniques and supervision. The amount of time it took the utility to correct the conduct once it was discovered and the involvement of top-level management in correcting the conduct may be considered.
- (5) The number of customers affected and the duration of the violation.
- (6) The compliance history of the regulated entity which committed the violation. An isolated incident from an otherwise compliant utility may result in a lower penalty, whereas frequent, recurrent violations by a utility may result in a higher penalty.
- (7) Whether the regulated entity cooperated with the Commission's investigation. Facts establishing bad faith, active concealment of violations, or attempts to interfere with Commission investigations may result in a higher penalty.
- (8) The amount of the civil penalty or fine necessary to deter future violations. The size of the utility may be considered to determine an appropriate penalty amount.
- (9) Past Commission decisions in similar situations.
- (10) Other relevant factors.

52 Pa. Code § 69.1201(c)(1)-(10).

Here, the Commission's factors and standards weigh in favor of the agreed-upon Settlement conditions. First, the Company did not engage in willful fraud or misrepresentation that could warrant a higher civil penalty. *See id.* § 69.1201(c)(1).

Second, although PPL Electric fully acknowledges the Carbondale Incident's impact on the affected customers, PPL Electric's conduct did not result in personal injury or any similar consequence of a similar nature that may warrant a higher civil penalty. *See* 52 Pa. Code § 69.1201(c)(2).

Third, PPL Electric is undertaking an investigation of similar work in the surrounding area and reviewing and revising its overhead transformer installation procedures to address the conduct at issue and prevent similar conduct in the future. *See* 52 Pa. Code § 69.1201(c)(4); Settlement ¶ 33.

Fourth, while 2,538 customers lost electric service, PPL Electric quickly responded to the Carbondale Incident and restored power to all customers within several hours. PPL Electric's prompt response warrants a lower civil penalty. *See* 52 Pa. Code § 69.1201(c)(5).

Fifth, PPL Electric believes that its compliance history weighs in favor of the agreed-upon civil penalty and that the incident at issue is an isolated incident from an otherwise compliant utility. *See* 52 Pa. Code § 69.1201(c)(6). Also, PPL Electric's steps to prevent a similar incident from occurring the future should help maintain or improve the Company's compliance history.

Sixth, PPL Electric fully cooperated with I&E's investigation. *See id.* § 69.1201(c)(7). The Company never engaged in bad faith, active concealment of violations, or attempts to interfere with I&E's investigation.

Appendix B

Seventh, the amount of the agreed-upon civil penalty will deter future violations. *See* 52 Pa. Code § 69.1201(c)(8). PPL Electric takes any civil penalty very seriously and strives to implement procedures to avoid civil penalties.

For these reasons, the Commission's factors and standards for evaluating litigated and settled proceedings, on balance, weigh in favor of the Settlement provisions. The Settlement's terms and conditions are just and reasonable and in the public interest, and the Commission should approve them without modification.

IV. CONCLUSION

WHEREFORE, for the reasons explained above, and those set forth in the Settlement, the terms and conditions of the Settlement are just and reasonable and in the public interest, and the Pennsylvania Public Utility Commission should approve the Settlement without modification.

Respectfully submitted,



Kimberly A. Klock (ID # 89716)
Michael J. Shafer (ID # 205681)
PPL Services Corporation
645 Hamilton Street, Suite 700
Allentown, PA 18101
Phone: 610-774-2599
Fax: 610-774-4102
E-mail: kklock@pplweb.com
E-mail: mjshafer@pplweb.com

David B. MacGregor (ID # 28804)
Devin T. Ryan (ID # 316602)
Post & Schell, P.C.
17 North Second Street, 12th Floor
Harrisburg, PA 17101-1601
Phone: 717-731-1970
Fax: 717-731-1985
E-mail: dmacgregor@postschell.com
E-mail: dryan@postschell.com

Date: April 22, 2025

Attorneys for PPL Electric Utilities Corporation

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement	:	
	:	
v.	:	Docket No. M-2025-3041757
	:	
PPL Electric Utilities Corp.	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Joint Petition for Approval of Settlement** dated April 23, 2025, upon the parties listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

Service via Electronic Mail

Kimberly A. Klock, Esq.
Michael J. Shafer, Esq.
PPL Services Corporation
645 Hamilton Street, Suite 700
Allentown, PA 18101
kklock@pplweb.com
mjshafer@pplweb.com

David B. Macgregor, Esq.
Devin T. Ryan, Esq.
Post & Schell, P.C.
17 North Second Street, 12th Floor
Harrisburg, PA 17101-1601
dmacgregor@postschell.com
dryan@postschell.com



Grant Rosul
Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 318204
(717) 783-5243
grosul@pa.gov