

COMMONWEALTH OF PENNSYLVANIA



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August 11, 2025

**Via Electronic Filing**

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

Re: Joint Application of Pike County Light and Power Company, Leatherstocking Gas Company, LLC, Corning Energy Corporation, ACP Series 3 Partnership L.P., Argo Capital Platform (P) 2017, L.P., Argo Capital Platform (K) Series 3, L.P., ACP Crotona Holdings L.P., ACP Crotona Corp., Argo Infrastructure Partners LLC and Apollo Global Management, Inc. For A Certificate of Public Convenience Under Sections 1102(A)(3) And 1103 Of the Public Utility Code and All Other Necessary Approvals to Effect an Indirect Change of Control of Pike County Light and Power Company's and Leatherstocking Gas Company's Parent Company, Corning Energy Corporation.

Docket Nos. A-2025-3055264;  
A-2025-3055265;  
A-2025-3055335

Dear Secretary Homsher:

Attached for electronic filing please find the Office of Consumer Advocate's Prehearing Memorandum in the captioned proceeding.

Copies have been served as indicated on the enclosed Certificate of Service.

Respectfully submitted,

*/s/ David T. Evrard*  
David T. Evrard, Esq.  
Assistant Consumer Advocate  
PA Attorney I.D. #33870

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Enclosures:

cc: Charles Rainey, Chief Administrative Law Judge, (Via Email: [crainey@pa.gov](mailto:crainey@pa.gov))  
Certificate of Service

CERTIFICATE OF SERVICE

Joint Application of Pike County Light and Power Company, Leatherstocking Gas Company, LLC, Corning Energy Corporation, ACP Series 3 Partnership L.P., Argo Capital Platform (P) 2017, L.P., Argo Capital Platform (K) Series 3, L.P., ACP Crotona Holdings L.P., ACP Crotona Corp., Argo Infrastructure Partners LLC and Apollo Global Management, Inc. For A Certificate of Public Convenience Under Sections 1102(A)(3) And 1103 Of the Public Utility Code and All Other Necessary Approvals to Effect an Indirect Change of Control of Pike County Light and Power Company's and Leatherstocking Gas Company's Parent Company, Corning Energy Corporation.	:	Docket Nos.	A-2025-3055264; A-2025-3055265; A-2025-3055335
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I hereby certify that I have this day filed electronically on the Commission's electronic filing system and served a true copy of the following document, the Office of Consumer Advocate's, Prehearing Memorandum, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below.

Dated this 11<sup>th</sup> day of August 2025.

SERVICE BY E-MAIL ONLY

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Dated: August 11, 2025

/s/ Harrison Breitman  
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David T. Evrard  
Assistant Consumer Advocate

Counsel for:  
Darryl Lawrence  
Consumer Advocate

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Application of Pike County Light and	:	Docket Nos.	A-2025-3055264;
Power Company, Leatherstocking Gas	:		A-2025-3055265;
Company, LLC, Corning Energy Corporation,	:		A-2025-3055335
ACP Series 3 Partnership L.P., Argo Capital	:		
Platform (P) 2017, L.P., Argo Capital Platform	:		
(K) Series 3, L.P., ACP Crotona Holdings L.P.,	:		
ACP Crotona Corp., Argo Infrastructure Partners	:		
LLC and Apollo Global Management, Inc. For A	:		
Certificate of Public Convenience Under	:		
Sections 1102(A)(3) And 1103 Of the Public	:		
Utility Code and All Other Necessary Approvals	:		
to Effect an Indirect Change of Control of Pike	:		
County Light and Power Company's and	:		
Leatherstocking Gas Company's Parent	:		
Company, Corning Energy Corporation.	:		
	:		

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PREHEARING MEMORANDUM  
OF THE  
OFFICE OF CONSUMER ADVOCATE

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Pursuant to Section 333 of the Public Utility Code, 66 Pa. C.S. Section 333, and in response to the August 7, 2025, Prehearing Conference Order issued in the above-captioned matter, the Office of Consumer Advocate (OCA) provides the following information:

**I. INTRODUCTION**

On May 19, 2025, Pike County Light & Power Company (Pike), Leatherstocking Gas Company, LLC (Leatherstocking), Corning Energy Corporation f/k/a Corning Natural Gas Holding Corporation (Corning), 1 ACP Series 3 Partnership L.P., Argo Capital Platform (P) 2017, L.P., Argo Capital Platform (K) Series 3, L.P., ACP Crotona Holdings L.P., ACP Crotona Corp., and Argo Infrastructure Partners LLC (collectively, Argo), and Apollo Global Management, Inc.

(Apollo) (collectively, the Joint Applicants) filed with the Pennsylvania Public Utility Commission (Commission) the instant Application seeking the grant of Certificates of Public Convenience under Sections 1102(a)(3) and 1103 of the Public Utility Code together with all other necessary approvals needed to effectuate an indirect change of control of Pike's and Leatherstocking's parent company, Corning (Application).

As described in the Application, the Joint Applicants requested the Commission's approval under Chapters 11 and 28 of the Public Utility Code for Apollo's proposed acquisition of Argo, which would result in a new controlling interest in Corning, the direct parent of Pike and Leatherstocking. Application at 1-2. Specifically, the Joint Applicants requested that the Commission grant a certificate of public convenience under Sections 1102(a)(3) and 1103 of the Public Utility Code and all other necessary approvals to effectuate an indirect change of control of Pike's and Leatherstocking's parent company, Corning.

## **II. ISSUES AND SUB-ISSUES**

Preliminarily, the OCA has identified the following areas that require further consideration:

a. Substantial Affirmative Ratepayer Benefits: The Application does not necessarily demonstrate that this merger will provide substantial, affirmative ratepayer benefits in accordance with Pennsylvania law. The Application lists eight Joint Applicant commitments. Application Exh. C.<sup>1</sup> However, it is not clear that the listed benefits meet the legal standard, which requires substantial affirmative public benefits. *City of York v. Pa. P.U.C.*, 295 A.2d 825, 828 (Pa. Cmwlth. Ct. 1972) (*City of York*) ("The Applicant has the burden of proving that the acquisition will "affirmatively promote the 'service, accommodation, convenience, or safety of the public' in

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<sup>1</sup> The OCA notes that Exhibit C indicates seven commitments, but that the heading "Commitment 4" appears twice in the Exhibit.

some substantial way.”). The Application makes commitments in the following areas: (1) transaction impact on rates; (2) corporate organization, financial integrity, and ring fencing; (3) labor, employment, and compensation; (4) reliability and quality of service; (5) local presence; (6) charitable contributions and community initiatives; (7) affiliate standards, and (8) Commission jurisdiction. The OCA submits that these commitments are largely in terms of maintaining status quo at Pike and Leatherstocking and do not propose merger-related improvements or benefits that will inure to the customers of the two utility companies.

Moreover, according to the Application, Confidential Exhibit A contains the Transaction Agreement dated January 10, 2025. Application at ¶ 17. Confidential Appendix A, however, was not available to the OCA for review. Therefore, the OCA submits that there should be no approval of the proposed merger without the ability of the Commission and interested parties to carefully scrutinize Confidential Exhibit A.

b. Managerial Fitness: The Application stresses the fact that Apollo is headquartered in New York City and currently manages \$785 billion of assets, including \$28 billion in infrastructure and infrastructure-related investments. Application at ¶ 1. Given the unspecified degree of operational involvement and experience in Pennsylvania, it could be the case that Apollo has no experience in the operation of regulated public utilities in Pennsylvania, or elsewhere. Thus, Apollo’s familiarity with Pennsylvania public utility regulation and with the Commission is also open to question. Reviewing the information provided in the Application regarding Apollo’s Partner, Mr. Trevor Mills, his expertise appears to be in the areas of investment and finance, not utility operation. *See* Joint Applicant St. 1 at 1-2. The Commission should conduct an examination to determine Apollo’s actual degree of experience in operating regulated public utility companies.

c. Costs of the Transaction: Additional information regarding the costs to achieve the merger is necessary before the Commission can determine that these costs are reasonable.

d. Impact on Rates: The Application states that the proposed merger will have no adverse impact on the rates and service of Pike and Leatherstocking. Application at ¶ 21. Nonetheless, the OCA submits that the Commission must examine the impact the proposed merger will have on the distribution rates, purchased gas cost rates and default service rates for the companies.

e. Impacts on Competition: The Joint Applicants suggest that there will be no impacts on competition. Application at ¶ 48. The Commission should examine the Joint Applicants' claims.

f. Continuity of Service: The Commission should ensure that the transaction includes all necessary commitments to ensure continuity of safe and reliable public utility service.

g. Intercompany Financial Transfers: The Joint Applicants assert that Pike and Leatherstocking will be allocated capital to address their ongoing operating and maintenance expense needs. Application at ¶ 38. The Commission should ensure that proper safeguards are in place to see that this assertion proves true.

h. Affiliated Interests: The Application states that no new affiliated interest agreements are anticipated to be created as a result of the merger. Application at ¶ 28. However, the Application goes on to state that, should any services be provided by Apollo or other affiliated interest to Pike and Leatherstocking, the services will be provided after Commission approval of affiliated interest agreements. Application at ¶ 44. The Commission should exercise its authority

under Section 2102 of the Public Utility Code to investigate affiliated interest agreements related to the Application.

i. Employee Environmental, Social, and Governance Benefits: The Commission should examine the claim that the Utilities will benefit from working with Apollo to achieve the Utilities' Environmental, Social, and Governance (ESG) goals.

j. Penn Estates Criteria: The Commission should examine the Joint Applicants' claim that the Penn Estates criteria has been satisfied. The Penn Estates Criteria requires the examination of (1) Capital Allocation to Operating and Maintenance Expenses; (2) Corporate Governance/Sarbanes-Oxley Compliance; (3) Expected Term of Ownership; (4) Experience as an Owner and Operator of Utilities; (5) Community Presence; (6) Nature and Objectives for the Various Affiliated Relationships; (7) Fees Paid to and Services Performed By Affiliates; (8) Limits on Usage of Leverage and Other Capital Structure Protections; (9) Transparency on Corporate Structure Issues; and (10) Creditworthiness.

The OCA specifically reserves the right to expand or narrow the issues it will address, as necessary.

### **III. WITNESSES**

The OCA intends to present direct, rebuttal, and surrebuttal testimony of expert witnesses, as may be necessary. The OCA witnesses will present testimony in written form and may also attach various exhibits, documents, and explanatory information which will assist in the presentation of the OCA's case. In order to expedite the resolution of this proceeding, the OCA requests that copies of all interrogatories, testimony, and answers to interrogatories be e-mailed directly to its expert witnesses, as well as to counsel for the OCA, and mailed a hard copy where

e-mail would not be possible due to file size constraints. The following is a list of individuals that will assist with discovery and may present testimony:

Jennifer L. Rogers  
Exeter Associates Inc.  
10480 Little Patuxent Parkway  
Columbia, Maryland 21044  
[OCAApolloArgo@paoca.org](mailto:OCAApolloArgo@paoca.org)

Lafayette F. Morgan  
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10480 Little Patuxent Parkway  
Columbia, Maryland 21044  
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The OCA specifically reserves the right to call additional witnesses, as necessary. If the OCA determines that any additional witness may be necessary for any portion of its presentation, the ALJ and all parties of record will be promptly notified.

#### **IV. DISCOVERY**

The OCA proposes the following modifications to the Commission's procedural rules regarding discovery. The OCA requests that the ALJ direct that the modifications will take effect when addressed during the on-the-record prehearing conference and apply to all future discovery requests served on and after the date of the prehearing conference, August 12, 2025. The OCA also requests that any outstanding interrogatories or requests for admissions are due no later than 10 calendar days after the Prehearing Conference to the extent such responses are due later than such date, in accordance with Paragraph A below.

- A. Answers to written interrogatories and requests for document production, entry for inspection, or other purposes shall be served in-hand within ten (10) calendar days of service.
- B. Objections to interrogatories and/or requests for production shall be communicated orally to the propounding party within three (3) calendar days of service of the interrogatories; unresolved objections shall be served in writing to the propounding party within five (5) calendar days of service of the interrogatories and/or requests for production.

- C. Motions to dismiss objections and/or direct the answering of interrogatories and/or requests for production shall be filed within five (5) business days of service of written objections.
- D. Answers to motions to dismiss objections and/or answering of interrogatories and/or requests for production shall be filed within three (3) business days of service of such motions.
- E. Requests for admissions will be deemed admitted unless answered within ten (10) calendar days or objected to within five (5) calendar days of service.
- F. Answers to on-the-record data requests shall be served in-hand within five (5) calendar days of the requests.
- G. Any discovery or discovery-related pleadings (such as objections, motions, and answers to same) served after served after 4:30 p.m. Monday through Thursday or after 1:30 p.m. on a Friday or the day before a holiday will be deemed to have been served on the next business day for purposes of calculating the due date for any responsive filing.

After rebuttal is served, the OCA proposes that the deadlines should be reduced as follows:

- A. Answers to interrogatories and responses to requests for document production, entry for inspection, or other purposes shall be served within five (5) calendar days of service of the interrogatories or requests for production.
- B. Objections to interrogatories and/or requests for production shall be communicated orally to the propounding party within two (2) calendar days of service; unresolved objections shall be served on the propounding party in writing within three (3) calendar days of service of the interrogatories and/or requests for production.
- C. Motions to dismiss objections and/or direct the answering of interrogatories and/or requests for production shall be filed within three (3) business days of service of written objections.
- D. Answers to motions to dismiss objections and/or direct the answering of interrogatories and/or requests for production shall be filed within three (3) business days of service of such motions.
- E. Requests for admission shall be deemed admitted unless answered or objected to within three (3) calendar days of service.
- F. Discovery requests and discovery related pleadings (such as objections, motions, and answers to same) served after 4:30 p.m. Monday through Thursday or after 1:30 p.m. on a Friday or the day preceding a holiday shall be deemed to have been served on the next business day.

## **V. PROPOSED SCHEDULE**

The OCA is working with the parties to arrive at an agreeable procedural schedule.

## **VI. SERVICE ON OCA**

The OCA respectfully requests that the Presiding Officer permit electronic service without the requirement of a follow-up hard copy. The OCA will be represented in this case by the attorneys listed below:

Harrison W. Breitman  
David T. Evrard  
Assistant Consumer Advocates  
Office of Consumer Advocate  
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The OCA has created a group e-mail address provided above. This is the only email address that is required for service on the OCA. The OCA's group email address will provide the emailed materials to all members of the OCA team including the consultants listed above.

The OCA also requests that the ALJ instruct the parties on the record as to whether consumers who have filed formal rate complaints in this proceeding should be included on the official service lists if those complainants have not indicated either at the prehearing conference, or prior to the prehearing conference, that they wish to be active parties to this proceeding.

For the purposes of the Prehearing Conference, David T. Evrard will be the primary attorney speaking on behalf of the OCA.

## **VII. SETTLEMENT**

The OCA will participate in settlement discussions in this matter.

## VIII. PREHEARING PROCEDURES

The OCA requests that the ALJ, in her Prehearing Conference Order and Evidentiary Hearing Notice clarify that:

A. Evidentiary hearing exhibits need not include all pre-served testimony which is circulated to the ALJ and parties in this proceeding in accordance with the above-referenced procedural schedule. However, such pre-served testimony may be identified for movement into the record at the hearing through an inventory of pre-served testimony which is provided as a hearing exhibit.

B. Evidentiary hearing exhibits may be provided to the ALJ and parties by 10 am the day before the start of evidentiary hearings with the exception of hearing exhibits related to rejoinder which may be provided by the end of the day on same day.

## VIII. PUBLIC INPUT HEARINGS

At present, the OCA is not aware of any interest in a public input hearing. The OCA will promptly notify the other parties and request a public input hearing should circumstances warrant.

Respectfully Submitted,

/s/ Harrison W. Breitman  
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Dated: August 11, 2025