

COMMONWEALTH OF PENNSYLVANIA



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October 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
v.
PPL Electric Utilities Corporation
Docket Nos. R-2025-3057164

Dear Secretary Homsher:

Attached for electronic filing, please find the Office of Consumer Advocate's Formal Complaint and Public Statement in this proceeding.

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

Respectfully submitted,

/s/ Christy M. Appleby
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Enclosures

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Certificate of Service

CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission :
v. : Docket No. R-2025-3057164
PPL Electric Utilities Corporation :

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 Formal Complaint and Public Statement, 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 23rd day of October 2025.

SERVICE BY E-MAIL ONLY

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Dated: October 23, 2025

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PENNSYLVANIA PUBLIC UTILITY COMMISSION

FORMAL COMPLAINT

1. COMPLAINANT INFORMATION

Darryl A. Lawrence, Consumer Advocate

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Harrisburg, PA 17101-1923
Dauphin County

Phone: 717-783-5048

2. FULL NAME OF UTILITY COMPANY:

PPL Electric Utilities Corporation
Docket No. R-2025-3057164

3. TYPE OF UTILITY:

Electric

4. COMPLAINT:

A. On September 30, 2025, PPL Electric Utilities Corporation (PPL or Company) filed Original Tariff Electric – Pa. P.U.C. No. 202 for retail electric service to become effective December 1, 2025. A full suspension by the Public Utility Commission (Commission) would delay the increase until July 1, 2026. Through these filings, PPL requests that the Commission approve a general distribution rate increase pursuant to Section 1308(d) of the Public Utility Code.¹

B. PPL's proposed tariff requests a \$356.3 million distribution rate increase, resulting in a proposed 33.42% system average increase in distribution revenues,² based on a fully projected future test year (FPFTY) ending June 30, 2027.³

¹ 66 Pa. C.S. §§ 1308(d), 1330.

² PPL St. 1 at 8.

³ PPL St. 6 at 3.

- C. PPL serves approximately 1.5 million electric distribution and transmission customers in eastern and central Pennsylvania.⁴
- D. The Company provides electric service in portions of Berks, Bucks, Carbon, Chester, Clinton, Columbia, Cumberland, Dauphin, Forest, Juniata, Lackawanna, Lancaster, Lebanon, Lehigh, Luzerne, Lycoming, Monroe, Montgomery, Montour, Northampton, Northumberland, Perry, Pike, Schuylkill, Snyder, Susquehanna, and Union Counties.⁵
- E. Of the proposed \$356.3 million distribution rate increase, PPL assigns over \$253.9 million—71% of the increase—to the residential customer class.⁶
- F. PPL proposes a distribution revenue increase of 35.33% from Residential customers, 37.42% from Small General Service customers, and 0.00% for Large General Service 69 KV or Higher customers, such as data centers.⁷
- G. Furthermore, the Company requests that the distribution bill for the average residential customer include a fixed charge increase from \$15.58 to \$17.00, or by 22.7%.⁸
- H. The OCA is investigating the basis for, and calculation of, estimated consumer bill increases and decreases to ensure that they are consistent with applicable standards and will produce just and reasonable rates.
- I. Some of the proposed rate changes noted above do not reflect the changes that all customers will experience; rather they only reflect changes for customers using what PPL has asserted is the “typical” usage for residential customers. In the OCA’s experience, the increases reflected above (and on the notices sent to customers) often underestimate the impact of the rate increase for many customers.

⁴ PPL St. 4, App. A Ex. 1.

⁵ PPL St. 1, Ex. GEO-1 at 5-6.

⁶ See PPL St. 5 at 5-6 (Table 2) (showing increase from current residential rate revenue of \$718.7 million to a proposed “mitigated” residential rate revenue of \$972.7, with a total system increase from \$1 billion to \$1.356 billion).

⁷ See *id.* (listing “Mitigated Increase” percentages by customer class).

⁸ PPL St. 8 at 9-10.

- J.** PPL requests to classify customers on the Generation Supply Charge (GSC) into Rate GSC-1 and GSC-2, based on their maximum registered peak load.⁹ This may allow PPL to charge more money for “no load” net metering installations.¹⁰ These installations use minimal energy from the grid, and instead generate energy that they sell into the grid.¹¹ Because these installations currently count as small, based on a 100kW peak demand threshold, the Small Commercial and Industrial (C&I) customer class bears the costs of generation through net metering.¹² PPL posits that certain small no load net metering installations should be reclassified as large, based on their maximum registered peak load.¹³
- K.** Data center and other large load customers are increasing in Pennsylvania, and especially to PPL’s service territory, to take advantage of Pennsylvania’s energy.¹⁴ The current pipeline of new projects in PPL’s service territory exceeds the Company’s current peak load of 7.8 GW.¹⁵ PPL claims that this “drives down costs” and “improves grid reliability.”¹⁶ Because the costs of transmission to interconnect these new large load customers can be put into the rate base and passed on to customers, PPL promises that it is “mindful not to create stranded asset risks for other customers.”¹⁷ The OCA will examine these claims and the impacts on existing ratepayers carefully.
- L.** PPL proposes tariff changes to address large loads associated with commercial data centers. PPL’s current Electric Service Agreements (ESAs) include “minimum load guarantees (80% of contracted load until service commitment is satisfied), load ramp schedules, and security instruments to ensure that the customer pays enough in revenue to cover the cost of rate-based investments.”¹⁸ PPL seeks to replace the existing ESA process, by memorializing its large load interconnection terms in Rate Schedule LP-5.¹⁹ This rate structure would require new large load customers to provide

⁹ PPL St. 15 at 2.

¹⁰ *See id.* at 3.

¹¹ *Id.*

¹² *Id.*

¹³ *Id.* at 3-4.

¹⁴ *See* PPL St. 16 at 15.

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.* at 16.

¹⁸ *Id.*

¹⁹ *See id.*

financial security in an amount equal to the costs that the new large load would add to rates.²⁰ If the new customer backed out before paying PPL an amount of revenue equal to the costs that the large load added to the rate base (that other customers would pay for), PPL would apply the security funds to reduce its plant in service amount.²¹ The OCA will examine this tariff proposal carefully.

- M.** The Company proposes to implement an electric vehicle (EV) time-of-use (TOU) charging rebate program.²² Under the Company's proposal, EV TOU charging through the program would give customers a flat \$10 rebate per billing period for charging at least 80% during off-peak hours (hours when customer electricity demand on the grid is not at its highest).²³ All registered residential EV owners in PPL's territory would be eligible, with participation capped at 2,000 customers.²⁴ PPL also plans to use charging data for infrastructure analysis and planning purposes.²⁵ By encouraging some EV-owning customers to charge during off-peak hours through the pilot program, the system's peak demand would decrease a bit, which could require fewer infrastructure upgrades in the future and somewhat decrease costs for consumers.²⁶ The OCA will investigate PPL's proposed EV TOU charging rebate program.
- N.** Because PPL's service territory is experiencing more frequent and more intense storms, as well as declining forest health due to invasive species causing fallen trees, PPL proposes to enhance its vegetation management program.²⁷ PPL requests \$50 million for vegetation management in its FPFTY, up from \$35.6 million in its historic test year (the year ending June 30, 2025). PPL claims that a larger budget for vegetation management would allow a more frequent cycle of vegetation inspection and maintenance.²⁸ The Company posits that this would reduce vegetation risks, which would

²⁰ *Id.* at 19.

²¹ *See id.*

²² PPL St. 20 at 3.

²³ *Id.* at 5.

²⁴ *Id.*

²⁵ *Id.* at 7.

²⁶ *See id.* at 6.

²⁷ PPL St. 17 at 5.

²⁸ *Id.*

improve safety and system reliability while reducing outage frequency.²⁹ The OCA will investigate PPL's claims regarding vegetation management.

- O.** Additionally, PPL requests additional right-of-way (ROW) rights, which would allow the Company to perform vegetation management beyond its existing ROW.³⁰ PPL includes \$25 million in its capital budget to acquire additional ROW rights.³¹ The Company seeks “to record these new easement rights in public land records to preserve them in perpetuity.”³² The stated purpose of these easements appears to only be vegetation management, although it is conceivable that PPL could try to use them for other purposes unrelated to vegetation management.³³ The OCA will investigate PPL's requested additional ROW rights.
- P.** In addition to the requested \$356.3 million distribution rate increase, PPL also asks for an 11.3% return on common equity with a 56% common equity and 44% long-term debt capital structure.³⁴ PPL seeks an overall rate of return of 8.56%.³⁵ The OCA will examine whether PPL's request for an 11.3% return on common equity is reasonable.
- Q.** The Company makes a claim for depreciation expense based on the Company's depreciation study that uses the straight line, remaining life method for most plant accounts, which reflects the method PPL used in its most recent rate case.³⁶ According to PPL, this method allocates the original cost less accumulated depreciation in equal amounts to each year of remaining service life, and it determines remaining plant lives consistent with the average service life procedure.³⁷ PPL has based its annual amortization on accounting which distributes the unrecovered cost of fixed capital assets over the remaining amortization period for each account.³⁸ The OCA will examine the Company's claim for depreciation expense and its depreciation study, including the depreciation method, procedure, technique, service

²⁹ *Id.* at 6.

³⁰ *Id.* at 9.

³¹ *Id.* at 14.

³² PPL St. 17 at 15.

³³ *See id.* at 1-16.

³⁴ PPL St. 10 at 3-4.

³⁵ PPL St. 1 at 8.

³⁶ PPL St. 11 at 4-5.

³⁷ *Id.* at 5.

³⁸ *Id.* at 4.

lives, net salvage rates, and depreciation rate calculations, to determine if they are reasonable and result in just and reasonable rates.

- R. Whether rates are just and reasonable is inextricably intertwined with the quality of service provided throughout the service territory.³⁹ Therefore, all issues pertaining to the adequacy and reasonableness of a utility's service and facilities are relevant to whether a utility's existing or proposed rates are just and reasonable.⁴⁰ The OCA will investigate issues related to quality of service as part of its investigation into the proposed rate increase.
- S. The General Assembly has empowered the Consumer Advocate to represent the interests of consumers before the Pennsylvania Public Utility Commission.⁴¹
- T. In reaching a decision on whether to grant PPL's rate increase as well as its various rule and tariff changes, the Public Utility Commission must give "due consideration to the interests of consumers."⁴²
- U. A preliminary examination of the Company's general rate increase request indicates that the rates requested, including specific elements of its request, for example, but not limited to, the inclusion of certain plant in rate base, expense claims, rate of return, revenue allocation, customer charges, capital structure, and proposed rate design, may not be just and reasonable and otherwise may violate the law.
- V. A preliminary examination of the Company's filed Original Tariff Electric – Pa. P.U.C. No. 202 and request for a general rate increase indicates that:
 - 1. The proposed changes and increase in rates, proposed rate schedule modifications and transfers, proposed capital structure, and proposed changes in rate policy, rules and regulations contained in the proposed Tariff may be unjust, unreasonable, in violation of the law and may produce an excessive return on investment in violation of the Public Utility Code.

³⁹ *Nat'l Utils. v. Pa. PUC*, 709 A.2d 972, 973 (Pa. Cmwlth. 1998).

⁴⁰ *See* 66 Pa. C.S. §§ 1301, 1501.

⁴¹ *See* 71 P.S. §§ 309-1, *et seq.*

⁴² 71 P.S. § 309-5(2).

2. The proposed tariff changes and proposed rate structure and rate design may be unlawfully discriminatory, in violation of the Public Utility Code Sections 1301 and 1304 and are otherwise contrary to sound ratemaking principles and public policy.⁴³
3. The Company's existing rates, rules, and regulations may not be just and reasonable or otherwise proper under the Public Utility Code and applicable ratemaking principles.
4. The character of service and facilities furnished and maintained by the Company may not be adequate, efficient, safe, reasonable, reasonably continuous, or without unreasonable interruptions or delay, in violation of Public Utility Code Section 1501.⁴⁴ The character of service and facilities may not be in conformity with Commission regulations or orders.⁴⁵ Additionally, the Company may have failed to make all such repairs, changes, alterations, substitutions, extensions, and improvements in or to such service and facilities as shall be necessary or proper for the accommodation, convenience, and safety of its patrons, employees, and the public.⁴⁶

W. The Consumer Advocate files this Complaint to ensure that the Commission will fully and fairly adjudicate issues pertaining to whether the Company's (1) existing and proposed rates are just, reasonable, and are not unduly discriminatory or otherwise unlawful, and (2) service and facilities are adequate, efficient, safe, reasonable, reasonably continuous, without unreasonable interruptions or delay, and in conformity with Commission regulations and orders.

5. RELIEF

The Consumer Advocate respectfully requests that the Commission take the following actions:

- A.** Investigate the operation of the proposed tariff, PPL Electric Utilities Corporation Original Tariff Electric – Pa. P.U.C. No. 202, pursuant to Section 1308(d) of the Public Utility Code;⁴⁷

⁴³ See 66 Pa. C.S. §§ 1301, 1304.

⁴⁴ See 66 Pa. C.S. § 1501.

⁴⁵ See *id.*

⁴⁶ See *id.*

⁴⁷ See 66 Pa. C.S. §1308(d).

- B.** Direct the Office of Administrative Law Judge to use the June 18, 2026, Public Meeting as the deadline for a final Commission determination in this matter and for purposes of setting a deadline for a Recommended Decision and developing a litigation schedule in this matter;
- C.** Consolidate all complaints filed against the proposed general rate increase request;
- D.** Ensure that PPL has provided appropriate and adequate notice in accordance with the Public Utility Code and the Commission's Regulations;
- E.** Hold full evidentiary hearings examining the reasonableness of utility's current and proposed rates and its proposed increases;
- F.** After providing the public with adequate notice, and as early in the proceeding as possible, hold in-person public input hearings in the utility company's service territory, as well as by telephone or virtually, in order to provide customers with an opportunity to be heard on the record;
- G.** Deny the inclusion into rate base of any plant that is not reasonably projected to be used and useful within the FPFTY, deny any charges or changes contained in the proposal which would result in unjust or unreasonable rates, or cannot be fully justified by the Company, or otherwise are contrary to the Public Utility Code, sound ratemaking principles, and public policy; and
- H.** Deny the proposed changes and increase in rates, proposed rate schedule modifications and transfers, proposed changes in rate policy or pilot programs, and proposed changes in rules and regulations contained in the proposed Tariff where the Commission finds they are unjust or unreasonable, unreasonably discriminatory, contrary to sound ratemaking principles, or inconsistent with or in violation of Commission regulations or orders.⁴⁸
- I.** After reasonable notice, as raised by consumer testimony in public input hearings or a party's written direct or supplemental direct testimony, and after hearing of the same, make findings as to whether the service or facilities of any public utility are unreasonable, unsafe, inadequate, insufficient, or

⁴⁸ 66 Pa. C.S. §§ 1301, 1304.

unreasonably discriminatory, or otherwise in violation of the Public Utility Code.⁴⁹

- J.** Consider, in addition to all other relevant evidence of record, the efficiency, effectiveness and adequacy of service of each utility when determining just and reasonable rates.⁵⁰ Effectuate this consideration by adjusting specific components of the utility's claimed cost of service as the Commission determines to be proper and appropriate, using specific findings on record evidence.⁵¹ And explicate these findings, together with their underlying rationale, in the Commission's final order.⁵²
- K.** Reject, in whole or in part, PPL's request to increase its rates where the Commission concludes, after hearing, that PPL's service fails to meet quantity or quality standards for the type of service provided.⁵³
- L.** Where the Commission finds that the public utility's services or facilities are unreasonable, unsafe, inadequate, insufficient, or unreasonably discriminatory, or otherwise in violation of the Public Utility Code, determine and prescribe, by regulation or order, the reasonable, safe, adequate, sufficient, service or facilities to be observed, furnished, enforced, or employed, including all such repairs, changes, alterations, extensions, substitutions, or improvements in facilities as shall be reasonably necessary and proper for the safety, accommodation, and convenience of the public.⁵⁴
- M.** Grant such other relief that the Commission may deem appropriate.

⁴⁹ 66 Pa. C.S. § 1505(a).

⁵⁰ 66 Pa.C.S. § 523.

⁵¹ *Id.*

⁵² *Id.*

⁵³ 66 Pa. C.S. § 526.

⁵⁴ 66 Pa. C.S. § 1505(a).

**PUBLIC STATEMENT OF THE OFFICE OF CONSUMER ADVOCATE
PURSUANT TO 71 P.S. SECTION 309-4(e)**

The Pennsylvania General Assembly authorizes the Consumer Advocate to represent the interests of consumers before the Pennsylvania Public Utility Commission (Commission).⁵⁵ According to this legal authority,⁵⁶ and for the following reasons, the Consumer Advocate decided to file a Formal Complaint and participate in the proceedings before the Commission involving the proposed general rate increase by PPL Electric Utilities Corporation (PPL or Company).

PPL serves approximately 1.5 million electric distribution and transmission customers in eastern and central Pennsylvania. On September 30, 2025, PPL filed Original Tariff Electric – Pa. P.U.C. No. 202 for retail electric service. PPL’s proposed tariff requests a \$356.3 million distribution rate increase, resulting in a proposed 33.42% system average increase in distribution revenues for PPL, based on a fully projected future test year (FPFTY) ending June 30, 2027. Of the proposed \$356.3 million distribution rate increase costs, PPL assigns over \$253.9 million—71% of the increase costs—to the residential customer class.

Moreover, PPL requests that the distribution bill for the average residential customer include a fixed monthly charge increase from \$15.58 to \$17.00, by 22.7%.

⁵⁵ 71 Pa. C.S. §309-2.

⁵⁶ *See* 71 Pa. C.S. §309-4.

Beyond the fixed monthly charge, the Company proposes a distribution revenue increase of 35.33% from Residential customers.

Additionally, the Company has proposed several other changes. These changes include: updating and memorializing the terms for interconnecting new large load customers such as data centers, requesting an increased budget for vegetation management, more aggressively obtaining and preserving rights of way, implementing an electric vehicle time-of-use charging program, and implementing new customer classifications requiring certain “no load” net metering installations that send energy into the grid to pay more.

The Consumer Advocate’s objective in filing this complaint is to protect the interests of residential customers in paying just and reasonable rates and receiving adequate, efficient, safe, and reasonable utility service.

First, the Consumer Advocate will seek to ensure that PPL can implement only rates that are fully substantiated, just and reasonable, not unduly discriminatory, and otherwise consistent with the Public Utility Code, Commission regulations and orders, case law, and sound ratemaking principles. The Consumer Advocate identifies that the Company’s proposed rates may be unjust and unreasonable and other otherwise unlawful, based on information that PPL filed to support its ratemaking claims and general rate increase request.⁵⁷

Additionally, the Consumer Advocate will seek to ensure that the Company furnishes and maintains service that is adequate, efficient, safe, reasonable, reasonably

⁵⁷ 66 Pa. C.S. §§ 1301, 1304.

continuous, without unreasonable interruptions or delay, and in conformity with Commission regulations or orders.⁵⁸ Where the Consumer Advocate finds that service or facilities are inadequate, the Consumer Advocate will seek to ensure that the Commission considers these findings in granting or denying the requested rate relief, in whole or in part, and in determining and prescribing the character of service or facilities to be furnished or maintained by PPL.⁵⁹

⁵⁸ 66 Pa. C.S. § 1501.

⁵⁹ 66 Pa. C.S. §§ 523, 526, 1505(a).