

COMMONWEALTH OF PENNSYLVANIA



DARRYL A. LAWRENCE
Consumer Advocate

OFFICE OF CONSUMER ADVOCATE
555 Walnut Street, 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923
(717) 783-5048
(800) 684-6560

 @pa_oca
 /pennoca
FAX (717) 783-7152
consumer@paoca.org
www.oca.pa.gov

November 24, 2025

Via Electronic Filing

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

Re: Second Petition of PPL Electric
Utilities Corporation for Approval of
Major Modifications to its Existing
Long-Term Infrastructure
Improvement Plan;
Docket No. P-2022-3034972

Dear Secretary Homsher:

Attached for electronic filing please find the Office of Consumer Advocate's Comments,
in the above-referenced proceeding.

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

Respectfully submitted,

/s/ Jacob D. Guthrie
Jacob D. Guthrie, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 334367
JGuthrie@paoca.org

Enclosures

cc: The Honorable Charles E. Rainey, Jr. (email only: crainey@pa.gov)
Paul Diskin, TUS (email only: pdiskin@pa.gov)
Darren Gill, TUS (email only: dgill@pa.gov)
Certificate of Service

CERTIFICATE OF SERVICE

Second Petition of PPL Electric Utilities :
Corporation for Approval of Major : Docket No. P-2022-3034972
Modifications to its Existing Long-Term :
Infrastructure Improvement Plan :
:

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 Comments, 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 24th day of November 2025.

SERVICE BY E-MAIL ONLY

NazAarah Sabree, Small Business Advocate
Office of Small Business Advocate
555 Walnut Street, 1st Floor.
Harrisburg, PA, 17101
ra-sba@pa.gov

Allison Kaster, Esquire
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120
akaster@pa.gov
Counsel for I&E

Devin T. Ryan, Esquire
Post & Schell, P.C.
17 North Second Street 12th Floor
Harrisburg, PA 17101-1601
dryan@postschell.com
Counsel for PPL Electric

Kimberly A. Klock, Esquire
PPL Services Corporation
Office of General Counsel
Two North Ninth Street
Allentown, PA 18101
kklock@pplweb.com
Counsel for PPL Electric

Eric Joseph Epstein
4100 Hillsdale Road
Harrisburg, PA 17112
epstein@efmr.org

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: (717) 783-5048
Dated: November 24, 2025

/s/ Jacob D. Guthrie
Jacob D. Guthrie, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 334367
JGuthrie@paoca.org

Harrison W. Breitman, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 320580
HBreitman@paoca.org

Counsel for:
Darryl A. Lawrence
Consumer Advocate

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities :
Corporation for Approval of a Major : Docket No. P-2022-3034972
Modification to its Existing Long-Term :
Infrastructure Improvement Plan :

COMMENTS OF
THE OFFICE OF CONSUMER ADVOCATE

Jacob Guthrie
Assistant Consumer Advocate
PA Attorney I.D. # 334367
JGuthrie@paoca.org

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: (717) 783-5048
Fax: (717) 783-7152

Harrison W. Breitman
Assistant Consumer Advocate
PA Attorney I.D. # 320580
HBreitman@paoca.org

Counsel for:
Darryl A. Lawrence
Consumer Advocate

Dated: November 24, 2025

I. INTRODUCTION

The OCA submits these Comments for the Public Utility Commission’s (Commission’s) consideration of PPL Electric Utilities Corporation’s (PPL Electric’s or Company’s) Second Petition (Petition) for Approval of a Major Modification to its Existing Long-Term Infrastructure Improvement Plan (LTIIP), which PPL Electric filed with the Commission on September 25, 2025. The Petition is the Company’s second petition seeking to modify its existing, approved LTIIP. In its Petition, PPL Electric seeks a “major modification” to its approved LTIIP, which has been assigned to the Commission’s Bureau of Technical Utility Services (TUS) for review and recommendation.

The Company’s existing, third LTIIP was approved by the Commission on December 22, 2022, at the above-captioned docket, P-2022-3034972. The Company’s third LTIIP is set to expire on December 31, 2027.

By way of further background, on January 17, 2024, PPL Electric filed its first Petition for Modification of its third approved LTIIP for the period January 1, 2023, through December 31, 2027. Additionally, on February 28, 2025, the Commission entered an Order increasing PPL Electric’s Distribution System Improvement Charge (DSIC) cap from 5% of certain customers’ billed distribution revenue to 7.5%, in part due to PPL Electric’s repeated failures to meet the system average interruption duration index (SAIDI) and customer average interruption duration index (CAIDI) reliability benchmarks since 2020. *Petition of PPL Electric Utilities Corporation for a Waiver of the Distribution System Improvement Charge Cap of 5% of Billed Revenues*, Docket No. P-2024-3048732, Order (Feb. 28, 2025).

II. LEGAL STANDARDS

Chapter 13 of the Public Utility Code permits electric distribution companies (EDCs) to petition for implementation of a DSIC. 66 Pa. C.S. §§ 1350-1360. To qualify for DSIC recovery,

a utility must submit an LTIP for Commission approval. 66 Pa. C.S. § 1352; *see also In re: Implementation of Act 11 of 2012*, Docket No. M-2012-2293611, Final Implementation Order at 21 (Aug. 2, 2012) (*Final Implementation Order*).

The following seven elements must be included in a utility's LTIP: (1) types and age of eligible property; (2) schedule for its planned repair and replacement; (3) location of the eligible property; (4) reasonable estimate of the quantity of property to be improved; (5) projected annual expenditures and measures to ensure the plan is cost effective; (6) manner in which replacement of aging infrastructure will be accelerated and how repair, improvement or replacement will maintain safe and reliable service; and (7) a workforce management training plan designed to ensure that the utility will have access to a qualified workforce to perform work in a cost-effective, safe and reliable manner. 66 Pa. C.S. § 1352(a); *see also Final Implementation Order* at 17-19. It is the utility's burden to demonstrate that its proposed LTIP and associated expenditures are reasonable, cost-effective and designed to maintain safe, adequate and reliable service to customers. *Id.* at 20. The OCA submits that when a utility seeks recovery of costs expended pursuant to its LTIP in a future proceeding, the utility must demonstrate, *inter alia*, that the costs were reasonably and prudently incurred. Further, the utility will have to demonstrate that there is no overlap of costs already reflected in base rates with costs expended pursuant to an LTIP. 66 Pa. C.S. § 1357(a)(1)(i).

Where a utility petitions for a major modification to its existing LTIP, TUS is required to make a recommendation to the Commission, and other parties may file comments to the proposed modifications within 30 days of the date it was filed. 52 Pa. Code § 121.5(a). On October 21, 2025, the OCA filed an unopposed Motion for Extension of Time to File Comments. On October 24, 2025, the Commission issued a Secretarial Letter granting the OCA's Motion, extending the time

to file comments on PPL Electric's Petition until November 26, 2025. If any party's comments raise issues of material fact, the proposed LTIIP will be referred to the Office of Administrative Law Judge (OALJ) for hearing and decision, which litigation must be completed within 120 days.

Id.

III. COMMENTS

A. Description of the Petition

The Company's second proposed modified LTIIP is attached as Appendices A and B to its Petition.

Of critical relevance, on September 30, 2025, near concurrently with PPL Electric's filing of the instant Petition, PPL Electric filed a general rate increase request, requesting an increase in annual distribution revenues of approximately \$356.3 million, or approximately 8.6%. *Pa. PUC v. PPL Electric Util's Corp.*, Docket No. R-2025-3057164.

In the Petition, PPL proposes to expand its current LTIIP from total projected spending of \$715.04 million to \$1,397.20 million, an increase of \$682.16 million or 95.4%. This amount includes an additional \$328.55 million to be invested during the 2026 calendar year and \$332.35 million to be invested during the 2027 calendar year. Petition at ¶¶ 32-34. The vast majority of the projected increased investment is forecasted to come from investment in System Reliability Improvement Projects, which has a current budget of \$51.21 million. Petition at ¶ 38. PPL Electric requests to expand this budget to \$678.77 million. *Id.*

Based on PPL Electric's proposal, System Reliability Improvement Projects would occupy approximately 48.6% of all investment for PPL Electric's current LTIIP, whereas the same currently represents approximately 7.2% of all investment for the current LTIIP. *Id.* Other major areas of expansion include Substations, from a current budgeted amount of \$124.35 million to a requested \$161.46 million; Poles, from a current budgeted amount of \$85.27 million to a requested

\$96.93 million; and Failed Equipment, from a current budgeted amount of \$189.78 million to a requested \$215.90 million. Petition at ¶¶ 42, 45, 50.

The Petition proposes to vastly alter not only the overall amount of PPL Electric's LTIP spending within the next two calendar years, but also drastically shift the allocation of its overall spending between different categories. While the OCA agrees with PPL Electric that more work is required to improve its reliability, due to its poor performance in recent years, the OCA continues to evaluate whether the proposal contained in the Petition will address PPL Electric's reliability performance. As stated in more depth below, the Petition does not contain adequate detail regarding the projects that are underlying the significant increase in projected LTIP funding and the reasonableness of the increase in funding should be considered in conjunction with PPL Electric's overall distribution revenue increase request, which is currently pending before the Commission.

The OCA submits these Comments on PPL Electric's proposed LTIP modifications for the Commission's consideration. In the OCA's view, additional information is necessary for the Commission to determine that the proposed modifications are prudent and cost-effective, represent an acceleration of improvements, and will maintain safe, reliable and reasonable service as required by 66 Pa. C.S. §§ 1352(a)(5), (a)(6) and 1353.

B. OCA Recommendations

1. Projected LTIP Expenditures

In the modified LTIP, PPL provides updates on the level of proposed expenditures in its current LTIP. The current LTIP projected expenditures are as follows:

	Millions of dollars invested					
	2023	2024	2025	2026	2027	Total
Poles	\$ 11.40	\$ 19.70	\$ 17.11	\$ 19.32	\$ 17.74	\$ 85.27
New Electronic Reclosers	\$ 1.03	\$ 10.10	\$ 7.55	\$ 7.28	\$ 7.00	\$ 32.96
Distribution Animal Guarding	\$ 0.20	\$ 0.34	\$ 0.32	\$ 0.31	\$ 0.32	\$ 1.49
Failed Equipment	\$ 42.85	\$ 42.44	\$ 34.12	\$ 34.68	\$ 35.69	\$ 189.78
Underground Cable Replacement	\$ 0.52	\$ 4.36	\$ 1.98	\$ 1.50	\$ 2.03	\$ 10.39
Low Tension Network Primary Cable, Equipment and Structures	\$ 0.54	\$ 3.76	\$ 4.56	\$ 4.25	\$ 4.45	\$ 17.56
Substation	\$ 11.25	\$ 26.94	\$ 28.12	\$ 30.24	\$ 27.80	\$ 124.35
LTN Upgrades	\$ 6.87	\$ 10.55	\$ 11.56	\$ 13.94	\$ -	\$ 42.92
Reliability	\$ 9.19	\$ 32.97	\$ 7.13	\$ 5.84	\$ 6.91	\$ 62.04
System Reliability Improvement Projects	\$ 19.23	\$ 11.52	\$ 12.66	\$ 4.13	\$ 3.67	\$ 51.21
Unreimbursed Highway Relocations	\$ 8.87	\$ 4.50	\$ 4.92	\$ 4.07	\$ 3.71	\$ 26.07
Protection and Control	\$ 3.34	\$ 21.73	\$ 13.47	\$ 14.82	\$ 17.63	\$ 70.99
Total	\$ 115.29	\$ 188.91	\$ 143.51	\$ 140.39	\$ 126.94	\$ 715.04

Petition at ¶ 32.

The Company's revised projections, as proposed in its Petition, are as follows:

	Millions of dollars invested					
	2023	2024	2025	2026	2027	Total
Poles	\$ 11.40	\$ 12.58	\$ 29.07	\$ 21.94	\$ 21.94	\$ 96.93
New Electronic Reclosers	\$ 2.10	\$ 3.62	\$ 8.28	\$ 6.50	\$ 8.98	\$ 29.48
Distribution Animal Guarding	\$ 0.20	\$ 0.63	\$ 0.20	\$ 0.30	\$ 0.27	\$ 1.60
Failed Equipment	\$ 42.85	\$ 55.59	\$ 44.14	\$ 38.17	\$ 35.15	\$ 215.90
Underground Cable Replacement	\$ 0.52	\$ 0.39	\$ 5.72	\$ 3.20	\$ 3.07	\$ 12.90
Low Tension Network Primary Cable, Equipment and Structures	\$ 0.54	\$ 1.58	\$ 1.86	\$ 5.33	\$ 3.50	\$ 12.81
Substation	\$ 11.25	\$ 16.38	\$ 32.46	\$ 42.56	\$ 58.80	\$ 161.46
LTN Upgrades	\$ 6.87	\$ 4.90	\$ 4.33	\$ 7.44	\$ 5.91	\$ 29.45
Reliability	\$ 9.19	\$ 15.62	\$ 11.31	\$ 11.55	\$ 10.37	\$ 58.04
System Reliability Improvement Projects	\$ 19.23	\$ 21.11	\$ 23.05	\$ 314.53	\$ 300.85	\$ 678.77
Unreimbursed Highway Relocations	\$ 8.87	\$ 10.12	\$ 4.74	\$ 4.26	\$ 4.71	\$ 32.69
Protection and Control	\$ 3.34	\$ 7.58	\$ 37.36	\$ 13.16	\$ 5.73	\$ 67.17
Total	\$ 116.36	\$ 150.10	\$ 202.51	\$ 468.93	\$ 459.29	\$ 1,397.20

Petition at ¶ 33.

The following OCA-developed chart details the differences between the existing and proposed expenditures, as follows:

	Millions of dollars invested					
	2023	2024	2025	2026	2027	Total
Poles	\$ -	\$ (7.12)	\$ 11.96	\$ 2.62	\$ 4.20	\$ 11.66
New Electronic Reclosers	\$ 1.07	\$ (6.48)	\$ 0.73	\$ (0.78)	\$ 1.98	\$ (3.48)
Distribution Animal Guarding	\$ -	\$ 0.29	\$ (0.12)	\$ (0.01)	\$ (0.05)	\$ 0.11
Failed Equipment	\$ -	\$ 13.15	\$ 10.02	\$ 3.49	\$ (0.54)	\$ 26.12
Underground Cable Replacement	\$ -	\$ (3.97)	\$ 3.74	\$ 1.70	\$ 1.04	\$ 2.51
Low Tension Network Primary Cable, Equipment and Structures	\$ -	\$ (2.18)	\$ (2.70)	\$ 1.08	\$ (0.95)	\$ (4.75)
Substation	\$ -	\$ (10.56)	\$ 4.34	\$ 12.32	\$ 31.00	\$ 37.11
LTN Upgrades	\$ -	\$ (5.65)	\$ (7.23)	\$ (6.50)	\$ -	\$ (13.47)
Reliability	\$ -	\$ (17.35)	\$ 4.18	\$ 5.71	\$ 3.46	\$ (4.00)
System Reliability Improvement Projects	\$ -	\$ 9.59	\$ 10.39	\$ 310.40	\$ 297.18	\$ 627.56
Unreimbursed Highway Relocations	\$ -	\$ 5.62	\$ (0.18)	\$ 0.19	\$ 1.00	\$ 6.62
Protection and Control	\$ -	\$ (14.15)	\$ 23.89	\$ (1.66)	\$ (11.90)	\$ (3.82)
Total	\$ 116.36	\$ 150.10	\$ 202.51	\$ 468.93	\$ 459.29	\$ 1,397.20

In the chart, cells highlighted in red reflect a significant increase in budgeted investment, cells highlighted in green reflect a decrease in budgeted investment, and cells highlighted in yellow reflect – in the context of the Petition – a less significant change in budgeted investment. As this chart demonstrates, the four primary drivers for the increased projections are System Reliability Improvement Projects, Substation, Failed Equipment, and Poles. The OCA submits that the Company has not adequately explained its proposed spending increases for many of these categories, as set forth more fully below.

2. System Reliability Improvement Projects

PPL Electric’s proposed modification would increase its budget for System Reliability Improvement Projects by \$627.63 million, or 1,225.4%. Petition at ¶ 38. In its explanation for this expansion, PPL Electric avers:

PPL Electric has experienced increasing storms in its territory which have resulted in negatively trending reliability. Poorly performing circuits are identified through the WPC process or the newly added Circuit Hardening Initiative that focuses on improving system resiliency and SAIFI. The Circuit Hardening Initiative enables engineers to collaborate across departments to evaluate and justify projects that aim to address both large and small scale deficiencies, such as circuit reconfigurations and relocations, device installations, new ties, new lines and terminals, or the installation of substations for increased reliability. More specifically, some of these projects may include removing inaccessible line sections or sections of line in areas of heavy vegetation along the road with increased rights-of-way or undergrounding the section of line. These projects will be constructed with the Company’s

hardening standards (i.e., increased poles and wire sizes). Projects are approved by supervisors and vetted against other projects for scheduling based on historical reliability, potential benefit, and cost. Worst Performing Circuits, are evaluated quarterly to determine additional reliability projects. Projects may span multiple years and are listed in the years they are planned to go in service. Scope is expected to increase in outer years as additional circuits and projects are identified. Additionally, PPL Electric monitors large customer impact outages on a daily basis. A circuit that begins to show reliability deterioration and notable impact on reliability metrics requires a root cause analysis. Such analysis can result in the identification of a long-term project.

Petition, App'x A at 36.

The OCA has several concerns with the provided justification. First, it appears that several aspects of the projects overlap with other categories of LTIIP spending, including Unreimbursed Highway Relocations and Underground Cable Replacement, without clear delineation as to how overlapping improvements are allocated between the budgeted categories. *Id.* Similarly, PPL Electric does not include a breakdown of the types of System Reliability Improvement Projects it anticipates making through the end of its LTIIP or how the budgeted increase is allocated among the types of projects. *Id.* For example, PPL Electric includes “the newly added Circuit Hardening Initiative” in its amended LTIIP without indicating the budget for the Initiative or its scope of work. *Id.* By contrast, the “Substations” category includes a bullet point list which identifies substation assets that are targeted for replacement through the LTIIP. *Id.* at 25.

Due to the size of the anticipated increase in System Reliability Improvement Projects spending, it will be difficult to review PPL Electric’s progress in its LTIIP when the increased spending could materialize in any number of unpredictable ways. While the OCA understands that PPL Electric needs flexibility to invest in improvements following storm damage, which may be included in this category of cost, the wide variety of investments that could be considered System Reliability Improvement Projects should include estimated or forecasted budgets for sub-categories of projects for purposes of data tracking, reporting, and review. Without tracking and

reporting such data, the OCA is prevented access to a meaningful review for reasonableness and an ability to anticipate future reliability and investment needs based on PPL Electric's Third LTIIP, alone. Hence, the OCA requests the Commission to direct PPL Electric to track and report all categories and subcategories of System Reliability Improvement Projects and their forecasted budgets.

Second, PPL Electric's LTIIP does not specifically state how it identifies the "Worst Performing Circuits" or "WPCs" despite indicating that the WPC process is how the Company prioritizes System Reliability Improvement Projects. Petition, App'x A at 36. Given the critical role that WPCs provide in System Reliability Improvement Project investment, which would occupy nearly half of all LTIIP spending if the Petition is granted, the OCA requests the Commission to direct PPL Electric to include a description of the WPC identification process in its LTIIP.

Third, PPL Electric does not provide further information in its LTIIP regarding its "hardening standards (i.e., increased poles and wire sizes)," and how System Reliability Improvement Project storm hardening will affect anticipated investment in Poles. Petition at 40, App'x A at 36. As discussed in greater detail below, PPL Electric proposed to increase its budget for Poles, including replacement and reinforcement. Petition at ¶ 45. It is unclear if the proposed expansion of System Reliability Improvement Project spending will directly or indirectly influence PPL Electric's investment in Pole replacement or reinforcement. For the purposes of subsequent LTIIPs, the OCA requests the Commission to direct PPL Electric to include more specific information on its hardening standards and the interplay between investment in hardening and investment in Failed Equipment and Poles.

3. Substation

PPL Electric's proposed modification would increase its budget for Substation investment by \$37.11 million. Petition at ¶ 42. According to PPL Electric, the budget increase addresses failures of older distribution plant currently in service and increasing costs for materials and procurement for substation assets. *Id.* at ¶ 44. As stated in the proposed LTIP:

Substation assets include, but are not limited to, the following:

- Structures
 - Enclosures
 - Fences
- Overhead Conductors and Hardware
- Underground Cables and Hardware
- Switching Devices
 - Air Break Switches
 - Disconnect Switches
- Protective Devices
 - Circuit Breakers
 - Fuses
 - Reclosers
 - Lightning Arresters
- Transformers
 - Power
 - Station Service
 - Instrument

Petition, App'x A at 25.

As noted above, the OCA appreciates the inclusion of the list of assets which comprise the Substation component of PPL Electric's LTIP. However, PPL Electric does not include, nor does it propose to include, a budgeted amount for each of these categories of substation assets. Petition, App'x A at 25. Without more detail regarding the budgeted investment by asset class, it is impracticable for the OCA to meaningfully review and determine what is driving PPL Electric's requested budget increase, specifically. The OCA requests the Commission require PPL Electric

to provide a more detailed summary of its forecasted budget increase for Substation investment which indicates how and why additional ratepayer funds are required for substation investment.

4. Failed Equipment

PPL Electric's proposed modification would increase its budget for Failed Equipment investment by \$26.12 million. Petition at ¶ 50. According to PPL Electric, the budget increase addresses a recent trend of increasing equipment failure. *Id.* at ¶ 52. PPL Electric's modified LTIP indicates that "[b]udget allocations are based on historical trends of hours charged to corrective work, in addition to projected trends of future equipment failures." Petition, App'x A at 20. Similar to its proposed increase in the Substation budget, PPL Electric does not justify or indicate what categories of equipment are failing at increased rates despite seemingly having data on what types of equipment fail at a particular rate. The OCA requests that the Commission direct PPL Electric to provide additional details regarding how it allocated its LTIP budget to Failed Equipment based on historic trends, how anticipated future trends shape the proposed budget modification, and how the Failed Equipment budget is informed by sub-classifications of equipment for which PPL Electric has experienced failure. Otherwise, the OCA cannot evaluate the merits of PPL Electric's requested budget increase to determine if it is reasonable.

5. Poles

PPL Electric's proposed modification would increase its budget for Poles investment by \$11.66 million. Petition at ¶ 45. PPL Electric provides that it expects to replace approximately 10,091 to 12,091 poles over the LTIP, with 2,785 to 3,085 reinforcements planned, with approximately 80% of all poles which were inspected and rejected being eligible for replacement and 20% being eligible for reinforcement. Petition at ¶¶ 47-49. The significant variance in the estimated number of pole replacements, approximately 20%, requires further explanation,

considering PPL Electric estimates that it may need to replace up to an additional 1,000 poles in 2025, alone, over its minimum estimate of 3,500. Petition at ¶ 47, App’x B at 19.

Further, PPL Electric has increased the number of pole rejections which are candidates for replacement from 70% to 80%. Petition App’x B at 19. PPL Electric states that “[t]he proportion of failed inspections that result in replacements rather than reinforcements has increased for grid resiliency improvement efforts” and that “significantly increasing pole replacements compared to reinforcements is expected to improve service reliability by installing poles that meet the current hardening standards and reducing potential pole failures for a longer period.” Petition at ¶ 48. As stated above, additional information regarding PPL Electric’s current hardening standards would improve the OCA’s ability to review and provide comment on the reasonableness of the proposal from PPL Electric to increase the number of pole replacements as compared to reinforcements. Accordingly, the OCA requests the Commission to direct PPL Electric to provide additional information regarding current hardening standards.

6. Vegetation Management

The Petition emphasizes that the increased spending is meant to address storm performance and aging infrastructure/failing equipment. Petition at ¶¶ 27, 36. The OCA questions whether PPL Electric’s proposed investments are being targeted to the correct areas. For example, from the *2024 Pennsylvania Electric Reliability Report*¹ as to PPL Electric:

Trees were the top cause of outages and customer minutes interrupted. Approximately 85% of CMI and 58% of incidents are caused by trees. Notably, PPL’s transmission and distribution expenses for vegetation management in 2024 were 69% higher than budgeted. In addition to increased vegetation trimming, as noted in this report’s Executive Summary, PPL should also examine other means to harden infrastructure from vegetation, including from OROW vegetation.

¹ Available at: www.puc.pa.gov/media/3565/24_electric-reliability-report_final.pdf.

Reliability Report at 70. Based on the Petition, the OCA is currently unable to accurately determine how much of this proposed new level of spending, if any, is specifically being earmarked for enhanced, more frequent, or targeted vegetation management, consistent with the Commission's recommendations in the most recent *Reliability Report*. The OCA requests the Commission to direct PPL Electric to provide specific information regarding spending levels for enhanced, more frequent, or targeted vegetation management.

7. Aging Plant in Service

A significant risk to PPL Electric's ability to meet reliability benchmarks is the large portion of distribution facilities that are now beyond or nearing the end of their design lifetime. *See* Petition, App'x A at 40. The resultant effect on non-storm-related equipment failures is illustrated by the chart included as PPL Electric's Figure 3: Equipment Failure Service Interruption Cases. Petition, App'x A at 4. However, PPL Electric's provided Average Age of Major Units of Distribution Property provides only the average age of major asset classes and does not identify the design life of each asset type, the percentage of assets exceeding design life, the age distribution within each class, or how age correlates with observed failure rates. Petition, App'x A at 40. Without information showing the proportion of assets in each class that are at end-of-life, how PPL Electric evaluates asset condition beyond age, or how asset age directly informs project selection, the OCA cannot assess whether asset age meaningfully contributes to the proposed \$627.63 million increase in System Reliability Improvement Projects or the \$26.12 million increase in Failed Equipment. The OCA requests that the Commission direct PPL Electric to provide this information, including age distributions, design life assumptions, and failure-rate trends by asset class, in order to support its age-related justification for the proposed budget modifications.

Regarding the OCA's identified deficiencies in PPL Electric's identification of the Average Age of Major Units of Property, the OCA poses the following questions:

- For each asset class listed on page 40 of Appendix A to the Petition, what proportion of assets is at or beyond their manufacturer-rated design life?
- For each asset class, what is the design life being used?
- Provide age distribution (not averages) for each asset class—e.g., % of assets aged 0–10, 10–20, 20–30, 30–40, 40+ years.
- Provide historical failure rates for each asset class by age cohort.
- Provide the failure-vs-age curve used to justify the System Reliability Improvement Projects increase.
- Explain how Figure 3 (Petition, App’x A at 4) correlates to specific asset classes on page 40 of Appendix A to the Petition.
- Identify which System Reliability Improvement Projects subcategories are driven by age-related deterioration, and the budget for each.
- Explain how the listed average ages informed the System Reliability Improvement Projects project identification or prioritization.
- Quantify how much of the System Reliability Improvement Projects program is tied to assets exceeding end-of-life thresholds.
- Why do some assets with similar average ages receive major investment increases (e.g., poles), while others do not (e.g., switches, underground transformers)?
- What risk assessment differentiates aging substation assets vs. aging overhead conductor assets?
- Provide industry benchmark average ages for each asset class (EEI, EPRI, or other).
- Explain whether PPL Electric’s average ages are above, below, or consistent with national medians.
- Does PPL Electric conduct condition-based assessments (CBA) or asset-health indexing for these asset classes?
 - If so, provide condition-based scoring for each asset class identified on page 40 of Appendix A to the Petition.
 - If not, explain why age alone is considered adequate for investment justification.
- Provide the percentage of outages, by asset class, attributable to: age-related equipment failure, vegetation, or other causes.
- Provide a breakdown of non-storm failures by asset type to support the claim that asset age is driving failure trends.

Further, PPL Electric asserts that “no-light cases due to equipment failures are trending slightly upward,” and that poles, conductors, underground cable, and switches are the primary contributors to deteriorating reliability. Petition, App’x A at 41. However, this page presents only raw customer interruption (CI) and customer minutes interrupted (CMI) values by asset type and does not include any trend analysis, normalization, cause-coded failure attribution, or linkage to

the average asset ages shown on page 40 of Appendix A. Without information identifying which asset classes are actually driving the purported increase in equipment-related outages, the magnitude of the increase, the extent to which failures are age-driven versus vegetation-, weather- or third-party-driven, or how the data provided on page 41 to Appendix A informs the proposed \$627.63 million increase in System Reliability Improvement Projects, the OCA cannot determine whether PPL Electric’s age-based justification for its LTIIP modification is reasonable. The OCA requests that the Commission direct PPL Electric to provide failure-rate trends, cause-coded attribution, and asset-specific correlations between age and CI/CMI contributions to support its claims regarding equipment-related deterioration.

Regarding the OCA’s identified deficiencies in PPL Electric’s determination regarding Asset Contribution to Reliability Metrics, the OCA poses the following questions:

- Provide the underlying trend analysis supporting the statement that “no-light equipment failures are trending upward,” including year-over-year CI and CMI for each asset class, normalized for weather.
- Explain why the data presented on page 41 of Appendix A shows decreases for some assets but PPL Electric cites only an aggregate upward trend.
- Identify which specific asset classes (e.g., pole attachments, overhead conductor, underground primary, switches) contributed the greatest marginal increase in CI/CMI from 2020–2024.
- Provide calculations showing the percentage contribution of each asset class to total CI/CMI in each year.
- Quantify the magnitude of the alleged increase in equipment-related outages (CI and CMI) over the last five years.
- Provide the statistical trend (slope, R^2) of equipment failure CI and CMI for 2020–2024.
- Provide cause-coded failure attribution for each asset type (e.g., age, vegetation, weather, animal contact, third-party damage) identified on page 41 of Appendix A.
- Explain how PPL Electric differentiates true “age-related” failures from externally caused failures.
- Provide the linkage between average age for each asset class (App’x A, p. 40) and the CI/CMI contributions for those same assets (App’x A, p. 41).
- Identify which asset classes with high failure contributions are also above design-life thresholds.

- Identify which failure categories identified on page 41 of Appendix A drive the proposed \$627.63 million increase in System Reliability Improvement Projects, including budget allocation by asset type.
- Explain the relationship between the failure data presented on Appendix A, page 41, and the scope of individual System Reliability Improvement Projects.
- Explain the year-over-year volatility in CI/CMI for major asset types and how this volatility influenced budget development.
- Identify which specific failure modes increased materially versus those that remained stable.
- Separate distribution substation failures from transmission substation failures and provide CI/CMI for each.
- Explain why the LTIP does not distinguish between substation types when claiming age-related deterioration.
- Provide a comparison of age-related equipment failures (CI and CMI per 1,000 customers) for PPL Electric as compared to other Pennsylvania EDCs.
- Demonstrate whether PPL Electric’s age-related failure rate is above, below, or consistent with industry norms.

8. DSIC Recovery

In prior Orders addressing petitions for approval of LTIPs, the Commission has held that cost recovery is a distinct and separate issue from whether plant investment is claimed to be “DSIC-eligible” in a utility’s LTIP. The Commission held:

The inclusion of arguably non-DSIC-eligible property does not void the LTIP application, nor is the inclusion of such property in the LTIP dispositive of whether the cost of that project will be afforded DSIC recovery. The issues of eligibility and cost recovery, for all property claimed as DSIC-eligible, are to be addressed and resolved in the subsequent DSIC petition and calculation.

Petition of Duquesne Light Co. for Approval of a DSIC, Docket No. P-2016-2540046, Order (Sept. 15, 2016) at 23. As such, the issue of cost recovery should not be included in any ruling on PPL Electric’s requested LTIP modifications.

C. Summary of OCA Recommendations

In summary, the OCA submits that supplemental information is needed for the Commission and its staff to review PPL Electric’s LTIP modifications for compliance with the requirements

of Chapter 13 of the Public Utility Code and the Commission's *Final Implementation Order*. PPL Electric should provide the additional information identified in these, and any other, Comments filed to inform the review by TUS and enable the Commission to determine if PPL Electric's proposed modifications would accelerate infrastructure repair and replacement in a prudent and cost-effective manner as required by statute.

In the alternative, the OCA requests that the Commission direct that this matter be set for hearings. Absent adequate informational and reporting requirements for PPL Electric, a genuine dispute of material fact exists regarding whether PPL Electric's Petition satisfies the requirements of Chapter 13 of the Public Utility Code and the Commission's regulations regarding LTIP modifications. Given the significant modifications requested in the Petition – which dramatically increases the projected investment in System Reliability Improvement Projects to occupy nearly half of all projected LTIP spending for the entire five-year LTIP in the next two calendar years, alone – setting this matter for hearings is appropriate, as reporting requirements may be inadequate. As a result, the OCA urges the Commission to consider whether a more fulsome record than can be provided through the Petition and Comments is necessary to address the proposed major modification to PPL Electric's LTIP.

The OCA further recommends that the Commission reaffirm that the inclusion of property in the LTIP is not dispositive of whether the cost of that project will be afforded DSIC recovery.

IV. CONCLUSION

The OCA submits that PPL Electric should provide additional information – addressing the matters raised in Comments – for the Commission’s Bureau of Technical Utility Services to conduct its investigation and for the Commission to make a finding that PPL Electric’s proposed modifications would accelerate infrastructure repair and replacement in a prudent and cost-effective manner as required by the Public Utility Code. In the alternative, the OCA requests that the Commission direct that this matter be set for hearings. Absent adequate informational and reporting requirements for PPL Electric, a genuine dispute of material fact exists regarding whether PPL Electric’s Petition satisfies the requirements of Chapter 13 of the Public Utility Code and the Commission’s regulations regarding LTIP modifications.

Respectfully submitted,

/s/ Jacob Guthrie
Jacob Guthrie
Assistant Consumer Advocate
PA Attorney I.D. # 334367
JGuthrie@paoca.org

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: (717) 783-5048
Fax: (717) 783-7152

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Harrison W. Breitman
Assistant Consumer Advocate
PA Attorney I.D. # 320580
HBreitman@paoca.org

Counsel for:
Darryl A. Lawrence
Consumer Advocate