

COMMONWEALTH OF PENNSYLVANIA



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December 15, 2025

Via Electronic Filing

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

Re: Petition of FirstEnergy Pennsylvania Electric Company for Authority to Defer for Regulatory Accounting and Reporting Purposes Certain Losses from Extraordinary Storm Damage Related to the storm occurring between April 29, 2025 and May 6, 2025 in the West Penn Rate District; Docket No. P-2025-3059167

Dear Secretary Homsher:

Attached for electronic filing, please find the Answer of the Office of Consumer Advocate to the Petition of FirstEnergy Pennsylvania Electric Company, in this proceeding.

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

Respectfully submitted,

/s/ Katherine "Katie" Kennedy

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Certificate of Service

CERTIFICATE OF SERVICE

Petition of FirstEnergy Pennsylvania Electric :
Company for Authority to Defer for :
Regulatory Accounting and Reporting :
Purposes Certain Losses from Extraordinary : Docket No. P-2025-3059167
Storm Damage Related to the storm occurring :
between April 29, 2025 and May 6, 2025 in :
the West Penn Rate District :

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 Answer of the Office of Consumer Advocate to the Petition of FirstEnergy Pennsylvania Electric Company, 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 15th day of December 2025.

SERVICE BY E-MAIL ONLY

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Darryl A. Lawrence
Consumer Advocate

Dated: December 15, 2025

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of FirstEnergy Pennsylvania	:	
Electric Company for Authority to Defer for	:	Docket No. P-2025-3059167
Regulatory Accounting and Reporting	:	
Purposes Certain Losses from Extraordinary	:	
Storm Damage Related to the storm	:	
occurring between April 29, 2025 and May	:	
6, 2025 in the West Penn Rate District	:	
	:	

ANSWER OF THE OFFICE OF CONSUMER ADVOCATE
TO THE PETITION OF FIRSTENERGY PENNSYLVANIA ELECTRIC COMPANY

On December 10, 2025, FirstEnergy Pennsylvania Electric Company (FE PA, FirstEnergy, or Company) filed the Petition of FirstEnergy Pennsylvania Electric Company for Authority to Defer for Regulatory Accounting and Reporting Purposes Certain Losses from Extraordinary Storm Damage Related to the storm occurring between April 29, 2025, and May 6, 2025, in the West Penn Rate District (Petition). Petition at ¶ 1. According to the Company’s Petition, the storm in question struck Penn Power’s service territory¹ on or about April 29, 2025 through May 6, 2025 (April Storm). Petition at ¶ 1. The Petition provides that, as of September 30, 2025, the total incremental storm expense was \$22 million, excluding straight-time internal labor and capital expenses. Petition at ¶ 12. The Company claims that this amount exceeds the extraordinary expense threshold of 5% established in General Instruction 7 of the Uniform System

¹ “West Penn is one of FE PA’s Rate Districts authorized to provide electric service to approximately 728,000 customers in 24 counties within central and southwest Pennsylvania. FE PA is a subsidiary of FirstEnergy Corp., which owns utility operating companies serving areas of Ohio, Maryland, New Jersey, New York, and West Virginia. FE PA has its headquarters at 800 Cabin Hill Drive, Greensburg, PA 15601.” Petition at ¶ 2.

of Accounts², as it represents approximately 16.6% of the West Penn Rate District's income for the twelve-month period ending on or about June 30, 2025. Petition at ¶ 12; *see also Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act*, 18 CFR pt. 101.

The Company is requesting authority from the Commission to defer, for accounting purposes only, the expenses associated with its repair of the storm-related damages. The Company is not requesting that the Commission make a final determination at this time as to the recovery of its costs. Rather, FE PA is requesting that the Commission address, in the Company's next general rate increase proceeding pursuant to Section 1308(d) of the Public Utility Code, the issue of recovery for this storm damage expense, including the prudence and reasonableness of these costs. Petition at ¶¶ 13-14.

When a utility seeks authorization from the Commission for deferral accounting of an extraordinary expense item, no factual record is created, and its determination shall have no weight in any future proceeding seeking recovery of these costs. *See, e.g., Petition of West Penn Power Company for Authorization to Defer, for Regulatory Accounting and Reporting Purposes, Certain Losses from Extraordinary Storm Damage*, P-2019-3014314, Order at 5 (Order entered Jan. 16, 2020)³.

The Office of Consumer Advocate (OCA) submits that, if the Commission grants FE PA's instant Petition, the following conditions, at a minimum, should apply:

1. That the authorization granted to FE PA for deferred accounting treatment carries no assurance of future rate recovery;
2. That FE PA be directed to claim its deferred costs at the first available opportunity;

² The Commission's regulations adopt the Federal Energy Regulatory Commission's ("FERC") Uniform System of Accounts as the accounting standard for electric public utilities in Pennsylvania. 52 Pa. Code § 57.42(a). General Instruction 7 notes that generally an item should result in expenses totaling more than 5% of income to be treated as an extraordinary item. *Id.*

³ Available at: <https://www.puc.pa.gov/pcdocs/1651395.docx>.

3. That any authorization for deferred accounting treatment be limited to actual operations and maintenance costs, net of any insurance recovery;
4. That any opinion and order in this matter will in no way limit the ability of any party to a future rate case to oppose rate recovery of any of the costs deferred pursuant to the limited authorization granted herein.

The OCA submits that if FE PA's Petition is to be granted, inclusion of these conditions is critical.

WHEREFORE, the Office of Consumer Advocate respectfully requests that the Commission include the conditions proposed herein, should it decide to grant FE PA's Petition.

Respectfully Submitted,

/s/ Katherine "Katie" Kennedy
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