

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

**PA Public Utility Commission, et al.**  
**vs.**  
**Citizens Electric Company of Lewisburg**  
**PA**

**Public Meeting of January 15, 2026**  
**3054394-OSA**  
**Docket No. R-2025-3054394, et al.**

**STATEMENT OF VICE CHAIR KIMBERLY BARROW**

Before us for consideration are the Exceptions of Kelly Road Solar, LLC, Lancaster Avenue Solar, LLC, and Twilight Renewables, LLC (collectively, Solar Projects), filed on November 20, 2025, to the Recommended Decision (R.D.) of Administrative Law Judge (ALJ) Mary D. Long, issued on November 13, 2025, in the Citizens' Electric Company of Lewisburg PA's (Citizens' or the Company) rate proceeding. Also before us is the Joint Petition for Non-Unanimous Settlement (Settlement), filed on October 17, 2025, by Citizens', the Bureau of Investigation and Enforcement (I&E), the Office of Consumer Advocate (OCA), and the Office of Small Business Advocate (OSBA) (collectively, the Joint Petitioners). Solar Projects opposed the Settlement.

Citizens' proposed a distribution revenue increase of \$1,641,472 or 27.1% over updated electric distribution operating revenues at present rates. In litigating this matter, I&E proposed an overall annual increase in operating revenue of \$1,504,829. The OCA, on the other hand, proposed an overall annual increase in operating revenue of approximately \$927,033.

Citizens' avers that since its last base rate increase, it has replaced much of its aging distribution infrastructure, including replacing poles, increasing conductor size, replacing underground cable, reconductoring to increase capacity and reliability, and relocating lines for reliability improvement. Citizens' has also completed numerous small line extensions and upgrades. According to the Company, these improvements would increase its utility rate base by \$4 million by the end of the FPFTY. Statement of Reasons at 3; Citizens' St. 4 at 12-14; Citizens' Exhibit HSG-1, Schedule WP1\_D. Citizens' also indicated that its operations and maintenance costs are over \$1.4 million higher for the FPFTY when compared to the last rate case due to inflation and cost increases for most major components required to operate and maintain their distribution system. Citizens' St. 4. at 4.

In the Settlement filed on October 17, 2025, the Joint Petitioners agrees to an increase of approximately \$1,391,327 or 23.0% in additional annual electric distribution base rate operating revenues for Citizens' based upon the *pro forma* level of operations for the FPFTY ending December 31, 2026. Citizens' explained that for a Residential customer using 1,250 kWh per month, the settlement rates represents an increase in distribution bills of \$13.54 or 6.8% compared to the proposed increase of \$16.16 or 9.9%. Under the Settlement, Citizens' will also increase its monthly residential customer charge from \$13.10 to \$15.00 and the GLP-1 charge from \$16.00 to \$18.00 per month. The Company had proposed raising the residential customer charge to \$16.50, based on its cost-of-service study.

In the Recommended Decision, the ALJ recommends partial approval of the Settlement, *i.e.* approval of the Joint Petitioners' agreement regarding Citizens' revenue requirement and certain customer policy issues.<sup>1</sup> Specifically, the ALJ recommends approval of the Joint Petitioners' agreement to increase the Company's annual revenue by \$1.39 million rather than the \$ 1.8 million requested in the Company's initial filing, which was revised to \$1.6 million in rebuttal.

With regard to the instant Settlement, consistent with the rationale for my vote in *Penn Renewables LLC v. UGI Utilities Inc. – Electric Division*, Docket No. P-2024-3049343, February 20, 2025 (*UGI*), I support the Joint Petitioners' resolution of the definition of Billing Demand as it threads the needle between allowing renewable megawatts to be added to the grid while protecting bill affordability. All cases are fact-specific, but like in *UGI*, Citizens met its burden of proof that the rate structure was reasonable.

That being said, it is important to note that Citizens' last fully litigated base rate case proceeding was in 2019 - about 6 years ago. However, unlike Wellsboro, Citizens' filed again in 2022 for rate relief and that case settled with rates effective in 2023. I am cognizant of the fact that this is a smaller distribution company that has and continues to experience loss of load, therefore, there are less accounts and kilowatts over which to spread fixed costs which are increasing due to inflationary economics.<sup>2</sup> I acknowledge the approximately \$4 million of infrastructure repair work that the company has undertaken or proposes to undertake since its last rate case and commend them for investing ratepayers' money to improve reliability. Even given Citizens' small utility size and declining load, I am not supportive of back-to-back settled rate proceedings. I strongly urge Citizens to fully litigate its next rate proceeding as it is time for this Commission to evaluate an up-to-date cost of service study and all pertinent ratemaking inputs.

**January 15, 2026**

  
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Kimberly Barrow, Vice Chair

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<sup>1</sup> The ALJ recommends that the Commission reject the Settlement provision regarding the proposed tariff definition by Citizens' of Billing Demand, which would change the definition to reflect a customer's demand based on energy distributed from the Company's system as well as energy exported to the Company's system.

<sup>2</sup> 2019 – 168 GWh; 2020 – 161 GWh; 2021 – 167 GWh; 2022 – 164 GWh; 2023 – 161 GWh. The Report indicated that the Year-over-Year (YOY) energy usage decreased by -7.66% and that over the next five years, the total energy usage is projected to increase at an average annual rate of 1.31%. Citizens' highest winter peak load in 2023 was 41.7 MW, representing a YOY decrease of -7.54% from the previous year's peak of 45.1 MW. The Report further noted that Citizens' five-year peak load forecast is projected to decrease by an average of -0.83% per year. *See, Electric Power Outlook* at 46-47.