

COMMONWEALTH OF PENNSYLVANIA



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January 16, 2026

**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:

On December 30, 2025, PPL Electric Utilities Corporation (PPL Electric or Company) submitted a letter in reply (Reply Letter) to the Comments submitted by the Office of Consumer Advocate (OCA) on November 24, 2025, regarding the Company's Petition for Approval of a Major Modification to its Existing Long-Term Infrastructure Improvement Plan (Petition). In its Comments, the OCA requested that PPL Electric provide additional information to the Public Utility Commission's (Commission's) Bureau of Technical Utility Services (TUS). Based on the Company's Reply Letter, the OCA continues to request additional information be provided before the Petition is granted, as set forth below.

First, PPL Electric did not provide a breakdown, sub-categorization, or asset-class mapping provided for the \$628 million increase in System Reliability Improvement Projects. While PPL Electric avers that this portion of its LTIIIP includes only one type of project, the examples of investments provided by PPL Electric provide further evidence of the OCA's concern that there is overlap between System Reliability Improvement Projects and other categories of LTIIIP investment. Reply Letter at 2. As PPL Electric is proposing to increase funding for System Reliability Improvement Projects by over ten times, the OCA reiterates its recommendation that PPL Electric's LTIIIP include estimated or forecasted budgets for sub-categories of projects for purposes of data tracking, reporting, and review.

Second, PPL Electric's Reply Letter includes a table, Table 2, which provides the "average service life" of major units of distribution property, whereas Appendix A to PPL Electric's Second LTIP includes the average age of the distribution assets. Reply Letter at 6. The OCA requested PPL Electric to identify the proportion of assets at or beyond the manufacturer-rated design life, including the average asset age, not the average service life of the assets. The Reply Letter is not responsive to the OCA's request and PPL Electric does not provide an explanation for the discrepancy. PPL Electric also does not explain the significant difference between average "asset age" and "service life" or the cost-effectiveness of increasing its budget to replace assets where the average age is well within the average service life, including the vast majority of plant categories identified in Table 2.

Third, PPL Electric repeatedly states that "System Reliability Improvement Projects are initiated to address reliability concerns and harden the system to withstand severe weather events. This category of projects is not driven by age of assets or end-of-life failures." Reply Letter at 5, 8, 10, 11, 16. However, the Petition references age as a prominent basis for increasing the amount of investment in System Reliability Improvement Projects. *See* Petition at ¶ 40 ("In the category of System Reliability Improvement Projects, the Company's plan to strengthen and harden its system focuses on circuit hardening and resiliency initiatives aimed at...upgrading aged assets..."). Furthermore, PPL Electric does not track age-related failures or conduct condition-based assessments. Reply Letter at 8, 11, 15. PPL Electric's equipment failure trends are associated with higher volatility as opposed to systematic deterioration, as indicated by the statistical trends PPL Electric supplied in the Reply Letter. Reply Letter at 13, 14, 16. The age distribution of PPL Electric's assets indicates that over half of its assets are less than 20 years old, with average service lives between 53 and 55 years, indicating that mass replacement of these young assets may be premature. Reply Letter at 7. As a result, the increased investment in System Reliability Improvement Projects is not, or will not, be informed by any demonstration that older assets fail more frequently than newer assets. Absent tracking of age- or condition-related data, PPL Electric cannot identify which specific assets need replacement compared to those assets which can be maintained longer.

Fourth, the increase in substation investment is not supported by PPL Electric's failure rate. PPL Electric indicated that there is a failure rate of only one to two units per year for its power transformers and power circuit breakers, with less than 10% of substation assets exceeding the average service life. Reply Letter at 8. The \$16 million increase in substation investment appears to be excessive based on these figures.

Fifth, PPL Electric provided inconsistent information regarding its pole replacement program. PPL Electric is lowering the threshold for poles to be deemed non-restorable to increase pole replacements. Reply Letter at 5. However, lowering the replacement threshold is not a demonstration of increased need, but may serve to artificially inflate the number of poles which are deemed "failed" for the purposes of replacement. Further, PPL Electric's annual replacement estimates indicate a significant number of carry-over projects. Reply Letter at 5. This carry-over suggests that PPL Electric's historical replacement projections may have been overstated and raises the concern that PPL Electric may not be able to replace all of the poles for which it is

requesting a budget increase. The OCA requests additional scrutiny on PPL Electric's pole replacement figures to ensure that it is only replacing poles in need of replacement and that its projections, as well as the associated budget, remain consistent with what is operationally feasible.

Sixth, PPL Electric did not supply industry benchmarking for asset class ages or provide data regarding the asset ages for other Pennsylvania utilities. Reply Letter at 10, 17. It is the OCA's understanding that electric utility industry associations, such as the Edison Electric Institute, regularly provide members with asset management benchmarks and that other utilities often cite to such benchmarks in regulatory proceedings. The OCA renews its request that, to the extent such materials are available to PPL Electric, that the Company provide them as a point of comparison.

Seventh, and finally, PPL Electric provides no cost-benefit analysis regarding proactive replacement of distribution assets compared to emergency replacement, cost per outage prevented, a comparison of capital investment compared to enhanced maintenance, or an analysis of alternative investment routes which could address reliability concerns. Absent such an analysis, the Commission cannot determine if PPL Electric's LTIP modification is the most cost-effective solution for PPL Electric's ratepayers. The OCA encourages PPL Electric to submit such an analysis to support the Petition, consistent with the statutory and regulatory requirements for LTIP expenditures. 66 Pa. C.S. § 1352(a); 52 Pa. Code §§ 121.3(a), 121.5(a); *In re: Implementation of Act 11 of 2012*, Docket No. M-2012-2293611, Final Implementation Order at 21 (Aug. 2, 2012).

The OCA appreciates the Commission's and TUS's consideration of these additional points of concern raised by the Reply Letter. The OCA respectfully requests that additional information be provided by PPL Electric to alleviate its concerns and to ensure that the proposed LTIP modification is consistent with the requirements of the Public Utility Code and Commission's regulations. Absent this clarification, the OCA submits that PPL Electric's Petition may not be reasonable and/or in the public interest, and this matter may appropriately be set for hearings to address these issues of material fact.

Respectfully submitted,

/s/Jacob Guthrie

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Certificate of Service

CERTIFICATE OF SERVICE

Second Petition of PPL Electric Utilities  
Corporation for Approval of Major  
Modifications to its Existing Long-Term  
Infrastructure Improvement Plan

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Docket No. P-2022-3034972

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 Letter Requesting Additional Clarification, 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 16th day of January 2026.

SERVICE BY E-MAIL ONLY

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