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February 26, 2026

VIA ELECTRONIC FILING

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

RE: **Pike County Light & Power Company's (Electric) Annual Asset Optimization Plan for year ending December 31, 2025**

Dear Secretary Homsher:

Enclosed for filing please find Pike County Light & Power Company's (Electric) Annual Asset Optimization Plan for the year ending December 31, 2025.

If you have any questions, please contact me.

Very truly yours,

/s/ Whitney E. Snyder

Whitney E. Snyder

Counsel to Pike County Light & Power Company

WES/das
Enclosure

cc: Nancy Karlovich, PCLP
John VanZant, BTUS (via email, jvanzant@pa.gov)



2025 Electric Annual Asset Optimization Plan

Pike County Light & Power Company

For the Period of January 1, 2025 – December 31, 2025

Submitted by:

Nancy Karlovich General Manager

105 Schneider Lane
Milford, Pa 18337

Dated: February 25, 2026

I. Executive Summary

Pike County Light and Power Company (“Pike”) is submitting its Fifth year, ending December 31, 2025, Annual Asset Optimization Plan (“AAOP”) regarding its previously approved Long Term Infrastructure Improvement Plan described below.

II. Introduction

Act 11 of 2012 (“Act 11”) authorized the Commission to approve a distribution system improvement charge (“DSIC”) upon petition by a public utility to recover the utility's reasonable and prudent costs incurred to repair, improve or replace certain eligible distribution property that is part of the utility's distribution system. As a precondition to implementing a DSIC, a utility is required to receive Commission approval for an LTIIIP that is consistent with the provisions of Section 1352 of the Pennsylvania Public Utility Code and the Commission's regulations and implementing orders. Any utility with a DSIC is required to file an AAOP. Pike is providing this AAOP consistent with Ordering Paragraph 2 of the Commission's February 25, 2021, Order approving Pike's LTIIIP and Pike's Commission-approved DSIC.

A utility's AAOP is intended to provide the Commission and the public with an overall status report regarding a utility's progress in making infrastructure improvements pursuant to its Commission-approved LTIIIP. The utility's AAOP must identify its near-term construction projects that will be funded by the DSIC, consistent with the LTIIIP.

Specifically, 52 Pa. Code § 121.6 requires the AAOP to include: 1) a description of all eligible property repaired, improved, and replaced in the immediately preceding 12-month period; and 2) a detailed description of all the facilities to be improved in the upcoming 12 months pursuant to the utility's LTIIIP.

III. Background

On October 5, 2020, Pike filed a petition for approval of its electric LTIIIP. On February 25, 2021, the Commission approved Pike's LTIIIP at Docket No. P-2020-3022285 (LTIIIP Approval Order). The plan is designed to accelerate infrastructure improvements in order to enhance system resiliency and reliability and consisted of three main project areas all of which fall under the category of storm hardening and resiliency measures; 1) Defective pole replacements; a) Minor system improvements; and 3) Infrastructure and capacity improvements.

- a. Description of Eligible Property Repaired, Improved and Replaced in the 12-Month Period: January 1, 2025 through December 31, 2025

Pursuant to 52 Pa. Code § 121.6(b)(I), this section requires the electric utility to identify all eligible property repaired, improved and replaced in the prior 12-month period under its LTIIIP and prior year's AAOP plan.

Pike's LTIP includes the following projects:

i. Annual Defective Pole Replacement Program

In 2025, Pike completed its annual pole inspection program, having inspected 945 electric utility poles. In addition to standard ground inspections, overhead drone pole inspections were conducted in the fall of 2025. In total 42 poles were identified as defective and replaced. PCLP replaced 26 poles and Verizon replaced 16 poles. In addition to replacing poles, Pike identified and repaired 80 other defective poles. Repairs included replacing crossarms and transformers, as well as repairing service connections and hot shots.

ii. Minor System Improvement

The scope of projects under this category includes:

- voltage conversion work and replacement of sub-standard or aging aerial infrastructure in targeted areas served primarily at 2.4, or 5 kV
- conversions from 34.5 KV to 13.2 kV to reduce the 34.5 kV system's exposure to outages caused by distribution system events.
- replacing and/or upgrading poles, overhead conductors, transformers, cross-arms, insulators, connectors, and cutouts.

Specific projects conducted in 2025 include:

In Milford Borough, work on the Catherine Street/Delaware River Bridge project will continue. This project involves converting the existing 2.4kv to 13.2kv to Route 206/209 Delaware River Bridge.

Another project in Milford includes 2.4kv and 4.8 kV to 13.2 kV conversions on Evergreen Ln and Old Bridge Rd in Milford Township. Additional projects include the extension of the 13.2kv underground lines on Vandermark Dr and Valley View Ct.

In Mill Rift area the company worked with the railroad to redesign the existing overhead so the conductor can remain overhead along the tracks. This is slated to be complete in 2026.

iii. Infrastructure and Capacity Improvement

Projects under this category are designed to provide improved reliability through hardening of mainline infrastructure.

Pike completed a 1.2-mile infrastructure upgrade along Route 6 in Milford, from Old Owego Turnpike to Mountain Springs Road, with the installation of a new 34.5kv line and a 13.2kv underbuild. The project included the replacement of 29 wooden poles, installation of a new 34.5kv circuit, addition of a 13.2kv distribution circuit and the removal of the legacy 2.4kv system.

These improvements significantly strengthened and modernized the Route 6 corridor by transitioning all customers onto the new 13.2kv system and extending the 34.5kv backbone. The extended 34.5kv line strategically positions PCLP for future transmission-substation interconnection tie to PJM, supporting long term reliability and system growth.

Pike did not complete the replacement of the second 34.5kv, Route 84 highway crossing in Westfall Township, due to landowner and easement conflict. This crossing includes replacing the wooden poles with fiberglass poles, replacing the 34.5 apertures and conductors and adding a 13.2kv underbuild circuit. This will mitigate existing crossing exposures and provide 13.2kv circuit capacity and reliability to the commercial area of Westfall Township. This project will be completed in the spring of 2026.

The purchase order for a 34.5kv x 13.2kv, 9.7mva, unit pad-mounted transformers was completed, with a delivery expected in 2028. This transformer will be installed in Pike's headquarters yard. Preparation work will begin with construction of the transformer pad, along with the associated poles, switchgear, and risers. This work will be completed by fall 2026.

Additional upgrades to the system include replacing two legacy 34.5 kV VSO reclosers with modern Cooper Power series NOVA three-phase recloser units. This upgrade will improve system reliability, enhance fault detection and isolation capabilities, reduce maintenance requirements, and provide advanced communication features compatible with SCADA integration.

IV. Description of Eligible Property to Be Improved and Replaced in the Upcoming 12-Month Period: January 1, 2026 - December 31, 2026

Pike will continue its Defective Pole Replacement Program, targeting the replacement of 30 already identified defective poles.

Infrastructure and Capacity Improvement:

In Westfall township the second Route I84 - Rt209 highway crossing rebuild will be completed once the easement conflict is resolved. This project is to replace four wood structures with two fiberglass poles, reconductor the 34.5kv conductors with full capacity conductors and add a 13.2kv, underbuild circuit. The 34.5kv circuit reconductoring will increase the capacity of the 116-2-34 to fully back up the 116-4-34 circuit to Milford Borough. The 13.2kv underbuild will become a circuit tie to the existing 13.2kv circuit from Matamoros Substation.

Minor System Improvement:

Westfall Cummins Hill Rd voltage conversion 2.4kv to 13.2kv from Rt 6/209 to Stone Field Rd.

Milford Borough 9th St voltage conversion 2.4kv to 13.2kv from Rt 6 to Elderberry.

IV. Financials

The 2025 Annual Defective Pole Replacement Program was budgeted at \$600,000. Pike spent \$692,000. The increase is due to additional types of repairs identified through the use of drone aerial inspections. These aerial inspections have enhanced our inspection program by identifying defects that would not typically be detected during standard ground inspections.

The Infrastructure and Capacity Improvement program was budgeted for \$700,000 (net of an expected PA State grant of \$700,000) with actual spending coming in at \$2,030,994. One reason for the expenditures greater than the LTIP budget is that Pike completed the project to extend the 34.5kv to Route 84 along Route 6, which was previously scheduled for completion in 2024, but was delayed until 2025 due to design and permitting issues. Additionally, an increase in material and manpower cost contributed to the overruns.

Projects	2025	2026
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	LTIIIP (000)	Actual (000)	LTIIIP (000)	Forecast (000)
Defective Pole Replacement and Storm Hardening (2021 - 2028)	\$600	\$692	\$600	\$661
Minor System Improvement	\$400	\$110	\$400	\$551
34.5 Extend to toll on Route 209(Catherine Street Conversion)	\$400	\$657	\$400	\$150
CIVIL PORTION 34.5 UG RT 209		-	-	-
Sub-Total	\$1,400	\$ 1,459	\$1,400	\$ 1,362
Infrastructure and Capacity Improvement				
	-	-		
Extend 34.5 to I84 on Rt 6	\$700	\$2,030	-	-
Purchase (1) 34.5 kV x 13.2 kV Unit Pad-Mount Transformers (for 2028 LTIIIP program)		-	-	-
Purchase 69x34.5kv 35 MVA Substation Transformer (for 2028 LTIIIP program)		-	-	\$100
Sub-Total	\$700	\$2,030	-	\$100
Total	\$2,100	\$3,3489	\$1,400	\$1,462

LTIP Tables

Anticipated Annual Average Expenditures (From LTIP)			
Year	LTIP Total by Year	Other Capital Per Year	Total
2021	\$1,550	\$650	\$2,200
2022	\$1,050	\$690	\$1,740
2023	\$1,150	\$770	\$1,920
2024	\$2,450	\$1,534	\$3,984
2025	\$1,600	\$1,062	\$2,662
2026	\$3,937	\$1,092	\$5,029
2027	\$4,673	\$1,150	\$5,823
2028	\$2,340	\$1,073	\$3,413
Total	\$18,750	\$8,021	\$26,821
Per Year Average	\$2,343	\$1,003	

Project Title	Year		Total
	Start	Complete	Project Cost (000)
Cost Annual Defective Pole Replacement and Storm Hardening	2021	2028	\$4,800
4,800 Phase Three, Capital-Reliability Project, Old Milford Road to Rt 209	2021	2021	\$500
Installation of civil portion 34.5 Underground Rt 209 1500 feet	2028	2028	\$450
Phase 4, Capital-Reliability Project, Old Milford Road to Cummins Hill Road	2022	2022	\$450
Phase 5 ROW Improvement of 116-2-34	2023	2023	\$550
Extend 34.5 kV along Route 6 to Route 84	2024	2025	\$2,030
13.2 kV Infrastructure and Capacity Improvement Route 6 and Route 209	2026	2028	\$800
Install 69x 34.5 25 MVA Substation	2026	2028	\$10,500
Total			\$18,750

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

BY ELECTRONIC MAIL ONLY

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/s/ Whitney E. Snyder
Whitney E. Snyder

DATED: February 26, 2026