

**PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA 17105-3265**

Public Meeting held May 21, 2026

Commissioners Present:

Stephen M. DeFrank, Chairman, Statement  
Kimberly Barrow, Vice Chair  
Kathryn L. Zerfuss  
John F. Coleman, Jr  
Ralph V. Yanora

Periodic Review of Pike County Power and Light  
Company's Long-Term Infrastructure Improvement  
Plan

Docket No. M-2024-3050192

**OPINION AND ORDER**

**BY THE COMMISSION:**

On August 22, 2024, via a Secretarial Letter, the Commission initiated the periodic review of Pike County Light and Power Company's (PCLP's) Long-Term Infrastructure Improvement Plan (LTIIP) for its electric operations as required by the Commission's regulations. 52 Pa. Code § 121.7(a). PCLP's LTIIP was approved by a Commission Order entered on February 25, 2021, at Docket No. P-2020-3022285, and includes calendar years 2021 through 2028. Thus, the midpoint of the term of the LTIIP was approximately July 1, 2024.

For the purposes of the periodic review, the Commission established a thirty (30) day comment period, and a twenty (20) day reply comment period. No comments were filed.

The Commission's Bureau of Technical Utility Services (TUS) sent data requests, via Secretarial Letter, to PCLP on June 5, 2025, and September 9, 2025, to which PCLP

responded on June 18, 2025, with supplemental responses on August 12, 2025, and October 20, 2025, respectively (DR Responses).

For the reasons expressed in this Opinion and Order, the Commission finds that PCLP's LTIIIP is not adequately designed to ensure and maintain safe, adequate, reasonable, and reliable service and that PCLP has not substantially adhered to its plan.

## **BACKGROUND**

Effective April 16, 2012, Act 11 of 2012, (Act 11) provides jurisdictional water and wastewater utilities, electric distribution companies (EDCs), and natural gas distribution companies (NGDCs) or a city natural gas distribution operation with the ability to implement a Distribution System Improvement Charge (DSIC) to recover reasonable and prudent costs incurred to repair, improve or replace certain eligible distribution property that is part of the utility's distribution system. The eligible property for the utilities is defined in 66 Pa.C.S. §1351. Act 11 states that as a precondition to the implementation of a DSIC, a utility must file a LTIIIP with the Commission consistent with 66 Pa.C.S. §1352.

The Commission promulgated regulations relating to LTIIIPs at 52 Pa. Code §§ 121.1 – 121.8 that became effective December 20, 2014. These regulations provide that the periodic review will determine:<sup>1</sup>

1. If the utility has adhered to its LTIIIP.
2. If changes to the LTIIIP are necessary to maintain and improve the efficiency, safety, adequacy and reliability of the utility's existing distribution infrastructure.

These regulations further provide that if the utility's LTIIIP is found to be no longer adequate to ensure and maintain the efficiency, safety, adequacy, and reliability of the utility's existing distribution infrastructure, the Commission would direct the utility to

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<sup>1</sup> 52 Pa. Code § 121.7(b).

revise, update or resubmit its LTIIIP as appropriate. If the utility chooses not to abide by the Commission's direction in this regard, the utility may elect to withdraw its LTIIIP and forfeit its right to recover expenses through a DSIC. 52 Pa. Code § 121.7(d).

## **PERIODIC REVIEW OF PCLP's LTIIIP**

### **LTIIIP Planned and Completed Expenditures and Projects**

In its LTIIIP, PCLP stated that it employed three primary goals in developing its LTIIIP: cost-effectiveness; flexibility; and execution. PCLP indicated that it proposed an eight-year period for its LTIIIP because it evenly distributes workload, capital expenditure, and overall impacts to the company. PCLP also stated that the investments within the LTIIIP support PCLP's mission of maintaining public and employee safety and providing safe, efficient, and reliable electric service. PCLP's LTIIIP identified nine specific projects, in five phases, to be completed over the term of the LTIIIP and addressed the eight required elements of an LTIIIP pursuant to 52 Pa. Code § 121.3.

This review considers calendar years 2021 through 2025 of PCLP's LTIIIP and PCLP's forecast spending for 2026. Several unreconcilable discrepancies have been identified between PCLP's LTIIIP, Annual Asset Optimization Plans (AAOPs),<sup>2</sup> and the DR Responses.

Table 1, below, depicts PCLP's estimated LTIIIP expenditures by year and LTIIIP project as identified in its LTIIIP. Table 2 depicts LTIIIP expenditures by year and LTIIIP project as reported by PCLP in its AAOPs. Table 3 is PCLP's reported expenditures by year and LTIIIP project in its DR Responses.

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<sup>2</sup> Pursuant to 52 Pa. Code § 121.6, a utility with an approved DSIC shall file with the Commission an AAOP. The AAOP shall be filed annually with the Commission 60 days after the 12 months of its LTIIIP has expired and under this time frame for each successive year of the term of the LTIIIP. An AAOP must include: 1) a description that specifies all the eligible property repaired, improved and replaced in the prior 12-month period under its LTIIIP and prior year's AAOP; and 2) a description of the eligible property to be repaired, improved and replaced in the upcoming 12-month period. As a matter of practice, utilities also report corresponding expenditures for the actual and projected eligible property repaired, improved and replaced.

**Table 1: LTIP Projected Expenditures by Year and Project**

Project title	Start	Complete	Capitol Expenditures (000)	Total Project Cost (000)
Cost Annual Defective Pole Replacement and Storm Hardening	2021	2028	\$600	\$4,800
4,800 Phase Three, Capital-Reliability Project, Old Milford Road to Rt 209	2021	2021	\$500	\$500
Installation of Civil portion 34.5 Underground Rt 209 1500 feet	2021	2021	\$450	\$450
Phase 4, Capital-Reliability Project, Old Milford Road to Cummins Hill Road	2022	2022	\$450	\$450
Phase 5 ROW Improvement of 116-2-34	2023	2023	\$550	\$550
13.2Kv Infrastructure and Capacity Improvement	2024	2024	\$475	\$475
Extend 34.5Kv along Route 6 to Route 84;	2025	2026	\$275	\$550
Extend 34.5 to Dingmans Bridge on Rt209	2026	2028	\$150	\$450
Install 34.5 x 13.2 25Mva Substation	2026	2028	\$3,500	\$10,500
<b>Total</b>				<b>\$18,725</b>

**Table 2: LTIP Expenditures Reported in PCLP’s AAOPs by Year and Project 2021 through 2025 Actual, 2026 through 2028 Projected**

LTIP Projects	2021		2022		2023		2024		2025		2026	2027	2028
	LTIP (000)	Actual (000)	LTIP (000)	Actual (000)	LTIP (000)	Actual (000)	LTIP (000)	Actual (000)	LTIP (000)	Actual (000)	LTIP (000)	LTIP (000)	LTIP (000)
Cost Annual Defective Pole Replacement and Storm Hardening	\$ 600	\$ 137	\$ 600	\$ 506	\$ 600	\$ 868	\$ 600	\$ 1,100	\$ 600	\$ 692	\$ 600	\$ 600	\$ 600
4,800 Phase Three, Capital-Reliability Project, Old Milford Road to Rt 209	\$ 500	\$ 417					\$ 200		\$ 110				
Installation of Civil portion 34.5 Underground Rt 209 1500 feet	\$ 450												
Phase 4, Capital-Reliability Project, Old Milford Road to Cummins Hill Road		\$ 438	\$ 450	\$ 650			\$ 300		\$ -	\$ 657			
Phase 5 ROW Improvement of 116-2-34					\$ 550								
13.2Kv Infrastructure and Capacity Improvement		\$ 215		\$ 528			\$ 475						
Extend 34.5Kv along Route 6 to Route 84;						\$ 1,180		\$ 250	\$ 275	\$ 2,030	\$ 275		
Extend 34.5 to Dingmans Bridge on Rt209											\$ 150	\$ 150	\$ 150
Install 34.5 x 13.2 25Mva Substation											\$ 3,500	\$ 3,500	\$ 3,500
<b>Total</b>	<b>\$ 1,550</b>	<b>\$ 1,207</b>	<b>\$ 1,050</b>	<b>\$ 1,684</b>	<b>\$ 1,150</b>	<b>\$ 2,048</b>	<b>\$ 1,075</b>	<b>\$ 1,850</b>	<b>\$ 875</b>	<b>\$ 3,489</b>	<b>\$ 4,525</b>	<b>\$ 4,250</b>	<b>\$ 4,250</b>

**Table 3: LTIIIP Expenditures Reported in Response to TUS Data Request**

LTIIIP Projects	2021		2022		2023		2024		2025	2026	2027	2028
	LTIIIP (000)	Actual (000)	LTIIIP (000)	Actual (000)	LTIIIP (000)	Actual (000)	LTIIIP (000)	Actual (000)	LTIIIP (000)	LTIIIP (000)	LTIIIP (000)	LTIIIP (000)
Cost Annual Defective Pole Replacement and Storm Hardening	\$ 600	\$ -	\$ 600	\$ 436	\$ 600	\$ 868	\$ 600	\$ 1,039	\$ 600	\$ 600	\$ 600	\$ 600
4,800 Phase Three, Capital-Reliability Project, Old Milford Road to Rt 209	\$ 500	\$ 417		\$ 74		\$ 23						
Installation of Civil portion 34.5 Underground Rt 209 1500 feet	\$ 450	\$ 221		\$ 140								
Phase 4, Capital-Reliability Project, Old Milford Road to Cummins Hill Road		\$ 138	\$ 450	\$ 584		\$ 17			\$ -			
Phase 5 ROW Improvement of 116-2-34				\$ 64	\$ 550	\$ 1,017		\$ (3)				
13.2Kv Infrastructure and Capacity Improvement						\$ 183	\$ 475	\$ 165				
Extend 34.5Kv along Route 6 to Route 84;									\$ 275	\$ 275		
Extend 34.5 to Dingmans Bridge on Rt209										\$ 150	\$ 150	\$ 150
Install 34.5 x 13.2 25Mva Substation										\$ 3,500	\$ 3,500	\$ 3,500
<b>Total</b>	<b>\$ 1,550</b>	<b>\$ 776</b>	<b>\$ 1,050</b>	<b>\$ 1,298</b>	<b>\$ 1,150</b>	<b>\$ 2,108</b>	<b>\$ 1,075</b>	<b>\$ 1,201</b>	<b>\$ 875</b>	<b>\$ 4,525</b>	<b>\$ 4,250</b>	<b>\$ 4,250</b>

As shown in Table 1, above, PCLP’s LTIIIP identified total projected expenditures for 2021 to be \$1.55 million for work on three LTIIIP projects: Annual Pole Inspection and Replacement; Phase Three Capital Reliability Project; and Installation of Civil portion 34.5 kV Underground Rt 209.

PCLP reported in its 2021 AAOP that its actual expenditures for 2021 totaled approximately \$1.2 million, a variance of approximately 22% from the LTIIIP estimate.<sup>3</sup> PCLP explained that the Installation of Civil Portion 34.5 kV Underground Rt. 209 1500 Feet project was delayed and that to offset underspending, it advanced the 13.2 kV Infrastructure and Capacity Improvement and the Third Street 13.2 kV Circuit By-Pass projects from 2024 to 2021, with \$215,000 spent on the 13.2 kV Infrastructure and Capacity Improvement, and \$438,144 spent on the Third Street 13.2 kV Circuit By-Pass.

In contrast, Exhibit B of PCLP’s DR Responses indicated that PCLP’s actual LTIIIP expenditures in 2021 totaled approximately \$775,676, for work on the Phase Three

<sup>3</sup> See, Docket No. M-2022-3030733.

Capital Reliability Project, Installation of Civil portion of 34.5 kV Underground Rt 209, and the Phase 4 Capital Reliability Project.

PCLP's LTIP projected expenditures of \$1.05 million for 2022. PCLP's 2022 AAOP identified a budget of approximately \$1.975 million and actual expenditures totaling approximately \$1.68 million.<sup>4</sup> Although the 2022 AAOP indicated underspending, PCLP's 2022 actual expenditures were approximately 60% over projected LTIP expenditures. The 2022 AAOP also indicated that overspending on the Phase 4 project and the 13.2 kV project was due to increased materials' costs across the board. PCLP further stated that the Phase 4 Capital-Reliability Project, Old Milford Road to Cummins Hill, was budgeted for \$575,000 with actual spending coming in at \$650,000. However, as shown in Table 1 above, PCLP's LTIP originally budgeted \$450,000 for the Phase 4 Capital-Reliability Project, resulting in a higher overspend than that represented by PCLP in its 2022 AAOP. Additionally, PCLP's 2022 AAOP indicated that the 13.2 kV Infrastructure and Capacity Improvement along Route 209 was budgeted for \$350,000 in 2022, with actual spending totaling \$388,000. However, PCLP's LTIP indicated that the 13.2 kV Infrastructure and Capacity Improvement along Route 209 was budgeted for \$475,000 in 2024.

Again, the annual spending identified in the DR Responses did not match the figures provided in PCLP's AAOP for 2022. In the DR Responses, PCLP indicated that 2022 expenditures totaled \$1.29 million for work on its Annual Defective Pole Replacement Project, Phase Three Capital-Reliability Project, Installation of Civil portion 34.5 Underground Rt 209, Phase 4 Capital-Reliability Project, and Phase 5 Right-of-Way Improvement for circuit 116-2-34.

In its 2023 AAOP, PCLP identified actual expenditures totaling approximately \$2.05 million, or approximately 78% over the \$1.15 million estimated in its LTIP.<sup>5</sup>

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<sup>4</sup> See, Docket No. M-2023-3038622.

<sup>5</sup> See, Docket No. M-2024-3047053.

PCLP's 2023 AAOP indicated that the Annual Defective Pole Replacement Program was budgeted for \$400,000 in 2023 with actual expenditures of approximately \$868,000. However, PCLP's LTIP indicated that this program was budgeted for \$600,000. In its 2023 AAOP, PCLP introduced three project categories: Annual Defective Pole Replacement Program; Minor System Improvement; and Infrastructure and Capacity Improvement Program. The Infrastructure and Capacity Improvement Program was identified to have been budgeted for \$700,000 with actual spending of \$1.18 million. Notably, PCLP's LTIP does not identify these three project categories.

In its 2024 AAOP, PCLP identified actual spending of approximately \$1.85 million.<sup>6</sup> PCLP's LTIP estimated expenditures of \$1.08 million for the year. This increase, approximately 72% over estimated, was attributed to additional costs associated with upgrading the Route 84 highway crossing in Dingmans Township and several voltage conversions associated with Route 6 and other areas in Matamoras Borough. Additionally, PCLP averred that increased material costs and extended lead times for deliveries contributed to the overrun. Again, PCLP referenced the Infrastructure and Capacity Improvement program and a budgeted amount of \$700,000 for this program. However, as noted above, this program and the referenced budgeted amount are not identified in PCLP's LTIP. Of note, Table 3 of the 2023 AAOP included PCLP's LTIP project schedule through 2028. The table indicated projected total LTIP expenditures of \$15,650,000 instead of the \$18,725,000 estimated in the LTIP.

PCLP's 2025 AAOP identified actual spending to be approximately \$3.49 million as compared to the estimated total of \$875,000 identified in PCLP's LTIP, for an increase of approximately 299%.<sup>7</sup> PCLP indicated that this overage was partially due to additional types of repairs identified using aerial drone inspections. PCLP noted that aerial inspections have enhanced its inspection program by identifying defects that would not typically be detected during standard ground inspections. PCLP again noted that the

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<sup>6</sup> See, Docket No. M-2025-3054074.

<sup>7</sup> See, Docket No. M-2026-3060746.

Infrastructure and Capacity Improvement program was budgeted for \$700,000 with actual spending coming in at approximately \$2.03 million. Additionally, PCLP's 2025 AAOP identified forecasted spending for 2026 of approximately \$1.46 million, as compared to the \$4.68 million identified in its LTIP, a decrease of approximately 69%.

### **Reliability Performance and LTIP Reliability Improvement Expectations**

The Commission ensures EDCs provide reliable service by requiring EDCs to meet certain reliability performance measures. The Commission established reliability benchmarks and standards to measure the performance of each EDC.<sup>8</sup> The benchmarks and standards established by the Commission are based on four reliability performance indices adopted by the Institute of Electrical and Electronics Engineers, Inc.: System Average Interruption Frequency Index (SAIFI), Customer Average Interruption Duration Index (CAIDI), System Average Interruption Duration Index (SAIDI), and Momentary Average Interruption Frequency Index (MAIFI).<sup>9</sup> Commission regulations on electric reliability may be found at 52 Pa. Code §§ 57.191-198.

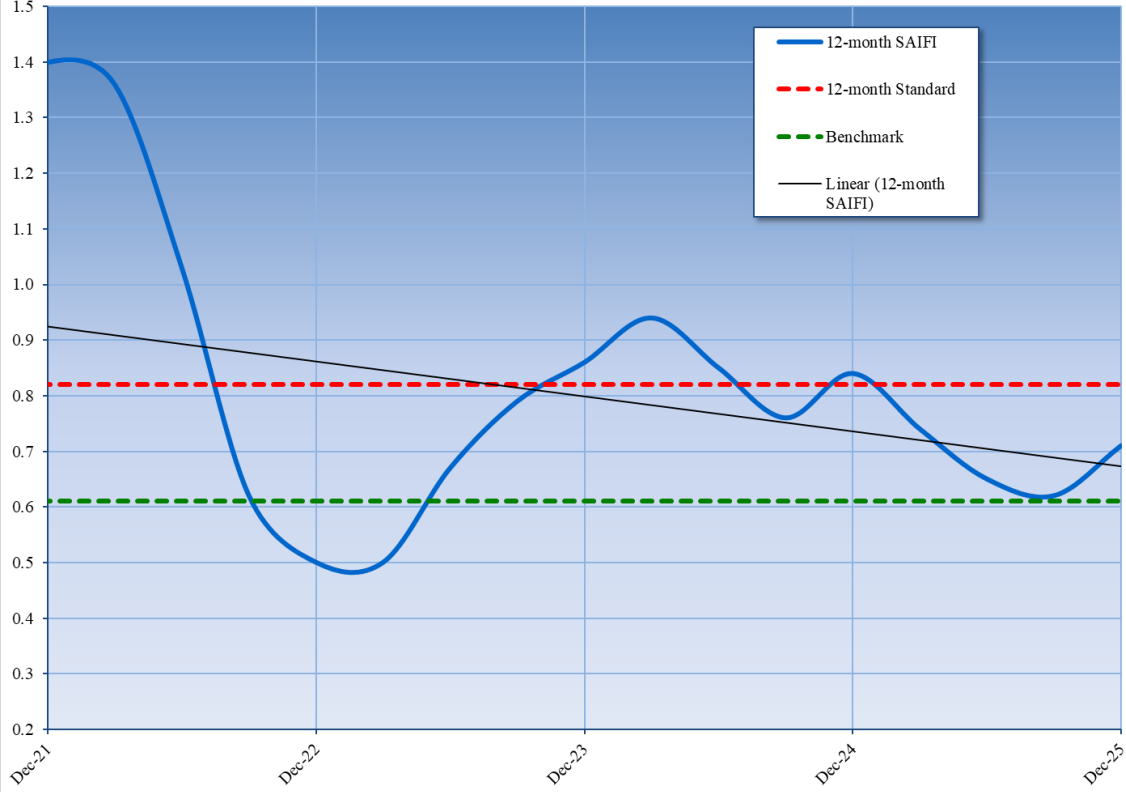
Figures 1 and 2 below, detail PCLP's SAIFI and CAIDI, which measure performance in a rolling 12-month period. As can be seen in these figures, PCLP's SAIFI has been trending toward the benchmark since 2021 and currently meets the 12-month standard. PCLP's CAIDI performance has consistently met the 12-month standard since 2021 and was below its benchmark in 2025.

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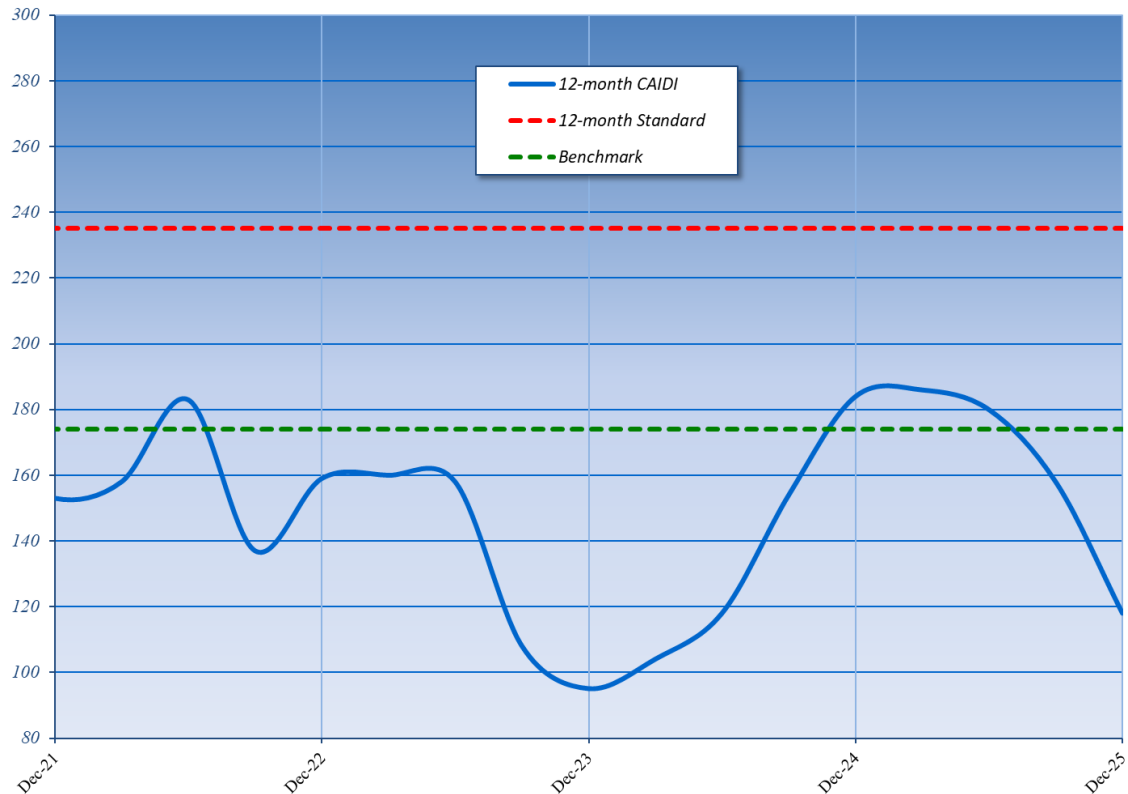
<sup>8</sup> See, Docket No. M-00991220.

<sup>9</sup> SAIFI is the system average interruption frequency index, or frequency of outages; CAIDI is the customer average interruption duration index, or duration of outages; SAIDI is the system average interruption duration index, or average number of minutes the average customer experiences in the measurement period; and MAIFI is the momentary average interruption frequency index, or occurrences of momentary customer interruptions. There is no benchmark measure for MAIFI.

**Figure 1: PCLP's SAIFI from 2021 through 2025**



**Figure 2: PCLP's CAIDI from 2021 through 2025**



### **RECOMMENDATION REGARDING PCLP'S LTIP**

PCLP is commended for its improved and maintained system reliability through the mid-term of its LTIP, as shown in Figures 1 and 2, above. However, based on the analysis and discussion above, PCLP is not in compliance with its LTIP obligations and is not meeting its LTIP projections in terms of project completion and expenditures. Pursuant to 52 Pa. Code § 121.8, PCLP is obligated to comply with the infrastructure replacement schedule and elements of its LTIP with only minor changes or deviations allowed. As detailed above, over time PCLP's variations from both its LTIP budget and project categories have become substantial. These substantial variations make it exceedingly difficult for the Commission, and any interested party, to rely on PCLP's planned versus actual LTIP expenditures and project completion.

As stated above, PCLP proposed an eight-year period in its LTIIIP because it would evenly distribute workload, capital expenditure, and overall impacts to the company. PCLP's significant expenditure swings and changes in its LTIIIP schedule identified through the AAOPs indicate that PCLP's existing LTIIIP does not reasonably reflect the actual eligible property to be repaired, improved, and replaced, or the associated schedule and expenditures for the remaining term of the LTIIIP. PCLP's DR Responses further draw into question the ability of PCLP to adhere to an eight-year LTIIIP. Commission staff attempted to rectify the discrepancies with PCLP through discussions and data requests, but as shown in Tables 1 through 3 above, PCLP's DR Responses by themselves reveal a significant deviation from the LTIIIP projections and do not comport with PCLP's reporting in its AAOPs.

PCLP appears to have instituted a significant change to its LTIIIP by adopting three general project categories of work in lieu of the specific projects identified in the LTIIIP. These general categories include: 1) Annual Defective Pole Replacement Program; 2) Minor System Improvement; and 3) Infrastructure and Capacity Improvements and appear to include the original LTIIIP projects as well as projects that PCLP has completed as it deemed necessary or convenient. PCLP's LTIIIP should reasonably reflect actual conditions. Again, the Commission recognizes that PCLP has undertaken capital improvement projects through its LTIIIP that appear to have helped PCLP maintain adequate reliability, but the Commission must be able to properly evaluate PCLP's planned versus actual projects and expenditures and evaluate if the expenditures are cost-effective and sufficient to ensure and maintain adequate, efficient, safe, reliable and reasonable service. 52 Pa. Code § 121.4(e).

As such, we direct that PCLP file a modified or new LTIIIP with the Commission that reflects its use of project categories and its revised budget and schedule. In the new or modified LTIIIP, PCLP shall identify a reasonable estimate of the quantity of eligible property to be improved or repaired, revise its estimated schedule for the planned repair

and replacement of eligible property, and identify its projected annual expenditures, by year.

## **CONCLUSION**

The Commission finds that the Long-Term Infrastructure Improvement Plan of PCLP is not designed adequately to ensure and maintain safe, adequate, reasonable, and reliable service and that PCLP has not substantially adhered to its plan; **THEREFORE,**

### **IT IS ORDERED:**

1. That within sixty (60) days of the entry of this Order, Pike County Light and Power Company shall file a modified or new Long-Term Infrastructure Improvement Plan addressing the issues noted in the body of this Order.

2. That if Pike County Light and Power Company chooses to withdraw its Long-Term Infrastructure Improvement Plan, its Distribution System Improvement Charge shall immediately terminate, and Pike County Light and Power Company shall file a tariff supplement within thirty (30) days of the entry of this Order that removes any provisions or language related to its Distribution System Improvement Charge. The tariff supplement shall be filed effective on one (1) days' notice.

3. That upon Pike County Light and Power Company either filing a modified or new Long-Term Infrastructure Improvement Plan as directed in Ordering Paragraph 1, or the tariff supplement pursuant to Ordering Paragraph 2, the proceeding at Docket No. M-2024-3050192 be closed.

**BY THE COMMISSION,**



Matthew L. Homsher  
Secretary

(SEAL)

ORDER ADOPTED: May 21, 2026

ORDER ENTERED: May 21, 2026