



Regulation is a maze. We can show you the way!

Whitney E. Snyder  
717.703.0807  
[wesnyder@hmslegal.com](mailto:wesnyder@hmslegal.com)

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501 Corporate Circle, Suite 302, Harrisburg, PA 17110 Phone: 717.236.1300 Fax: 717.236.4841 [www.hmslegal.com](http://www.hmslegal.com)

June 15, 2026

***By Electronic Filing***

Matthew Homsher, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street – Second Floor North  
Harrisburg, PA 17120

Re: Pike County Light & Power Company (Gas)  
**DSIC Quarterly Update / Calculations**

Dear Secretary Homsher:

Attached are quarterly update calculations for Pike County Light & Power Company's (Gas) Distribution System Improvement Charge (DSIC). The DSIC remains at 5.0% and therefore PCL&P is not submitting a tariff supplement.

If you have any questions regarding this filing, please contact me.

Very truly yours,

*/s/ Whitney E. Snyder*

Whitney E. Snyder (Attorney ID No. 316625)

*Counsel for Pike County Light & Power Company*

WES/das  
Enclosure

cc: Per Certificate of Service

**Pike County Light and Power Company**  
**Gas DSIC Factor Calculation**  
**Based on November 1, 2025 - May 31, 2026 Plant Additions**

	<b>3rd Qtr 2026</b>	<b><u>Reference</u></b>
	<b><u>DSIC Rate</u></b>	
Distribution System Improvements (DSI)	\$ 2,024,971	Appendix A, p. 2 of 6
- Book Depreciation Reserve	(13,227)	Appendix A, p. 3 of 6
- Accumulated Deferred FIT	<u>(3,867)</u>	Appendix A, p. 3 of 6
DSI Net of Depreciation. & Def. Income Taxes	2,007,878	
x Effective Pre-Tax Rate of Return Rate (EPTRR) (Qtr)	<u>2.72%</u>	Appendix A, p. 4 of 6
= Effective Pre-Tax Rate of Return (EPTRR)*	54,614	
+ Depreciation Expense	7,936	Appendix A, p. 3 of 6
+/- Reconciliation / Audit Adjustments (e)	<u>13,075</u>	1307(e)
Carrying Charges To be Recovered in DSIC	\$ 75,625	
/ Levelized Quarterly Revenues (PQR)	<u>\$ 818,274</u>	Appendix A, p. 6 of 6
<b>= Distribution Service Investment Charge (DSIC)</b>	<b><u>9.24%</u></b>	
<b>= Lower of Calculated DSIC or DSIC Cap (5.00%)</b>	<b><u>5.00%</u></b>	

$$\text{DSIC} = \frac{(\text{DSI} \times \text{PTRR}^*) + \text{Dep} + e}{\text{PQR}}$$

\* Pike elected to include Pennsylvania State Tax Flow Through (STFT) deductions in its Pre-Tax Return Rate (PTRR) component, see pages 7-8.

**Pike County Light and Power Company  
Replacement of Mains and Services  
DSIC - Distribution System Improvements**

<u>Quarter</u>	<u>Actual Plant Additions</u>		<u>Meter Install</u>	<u>Quarterly Total</u>	<u>Cumulative Total</u>
	<u>Main Replacement</u>	<u>Service Replacement</u>			
November 2025 - February 2026	1,415,638.65	386,130.44	223,202.07	2,024,971.16	2,024,971.16
March 2026 - May 2026	-	-		-	2,024,971.16
June 2026 - August 2026	-	-		-	2,024,971.16
September 2026 - November 2026	-	-		-	2,024,971.16
<b>Total Additions</b>	<b>1,415,638.65</b>	<b>386,130.44</b>	<b>223,202.07</b>	<b>2,024,971.16</b>	<b>8,099,884.64</b>

**Post 10/15/2025 LTIP Completed Projects**

Gas LTIP GMR - Bertha Street, Westfall

PKE 241001 - Mains	\$ 851,877.71	GL 5 376020 - Closed January 2026
PKE 241001 - Services	99,584.44	GL 5 380020 - Closed January 2026
<b>Total Project</b>	<b>\$ 951,462.15</b>	

Gas LTIP GMR - Avenue H

PKE 241008 - Mains	\$ 18,551.05	GL 5 376005 - Closed January 2026
PKE 241008 - Services	18,999.62	GL 5 380005 - Closed January 2026
<b>Total Project</b>	<b>\$ 37,550.67</b>	

Gas LTIP GMR - Avenue O & P - Phase 2 Matamoras

PKE 245003 - Mains	\$ 545,209.89	GL 5 376005 - Closed January 2026
PKE 245003 - Services	267,546.38	GL 5 380005 - Closed January 2025
PKE 245003 - Meter Install	223,202.07	GL 5 382005 - Closed January 2026
<b>Total Project</b>	<b>\$ 1,035,958.34</b>	

**Total LTIP Additions** **\$ 2,024,971.16**

**Pike County Light and Power Company**  
**Plant Additions, Accumulated Depreciation for Replaced Mains and Services**  
**DSIC - Depreciation & Accumulated Deferred Income Taxes**

		<b>Mains</b>													
		<b>October 15, 2025</b>	<b>December 2025</b>	<b>January - November 2026</b>										<b>Total</b>	
		<u>Opening Balance</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	
<b>Mains</b>															
LTIP Eligible Plant Additions		-	-	1,415,639	-	-	-	-	-	-	-	-	-	-	1,415,639
Depreciable Plant Balance		-	-	1,415,639	1,415,639	1,415,639	1,415,639	1,415,639	1,415,639	1,415,639	1,415,639	1,415,639	1,415,639	1,415,639	
Book Depreciation Expense		-	-	1,685	1,685	1,685	1,685	1,685	1,685	1,685	1,685	1,685	1,685	1,685	18,538
Accumulated depreciation		-	-	(1,685)	(3,371)	(5,056)	(6,741)	(8,426)	(10,112)	(11,797)	(13,482)	(15,168)	(16,853)	(18,538)	
		<b>Services</b>													
		<b>October 15, 2025</b>	<b>December 2025</b>	<b>January - November 2026</b>										<b>Total</b>	
		<u>Opening Balance</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	
<b>Services</b>															
LTIP Eligible Plant Additions		-	-	386,130	-	-	-	-	-	-	-	-	-	-	386,130
Depreciable Plant Balance		-	-	386,130	386,130	386,130	386,130	386,130	386,130	386,130	386,130	386,130	386,130	386,130	
Book Depreciation Expense		-	-	495	495	495	495	495	495	495	495	495	495	495	5,445
Accumulated depreciation		-	-	(495)	(990)	(1,485)	(1,980)	(2,475)	(2,970)	(3,465)	(3,960)	(4,455)	(4,950)	(5,445)	
		<b>Meter Installations</b>													
		<b>October 15, 2025</b>	<b>December 2025</b>	<b>January - November 2026</b>										<b>Total</b>	
		<u>Opening Balance</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	
<b>Services</b>															
LTIP Eligible Plant Additions		-	-	223,202	-	-	-	-	-	-	-	-	-	-	223,202
Depreciable Plant Balance		-	-	223,202	223,202	223,202	223,202	223,202	223,202	223,202	223,202	223,202	223,202	223,202	
Book Depreciation Expense		-	-	465	465	465	465	465	465	465	465	465	465	465	5,115
Accumulated depreciation		-	-	(465)	(930)	(1,395)	(1,860)	(2,325)	(2,790)	(3,255)	(3,720)	(4,185)	(4,650)	(5,115)	
		<b>Total Mains, Services &amp; Meter Installations</b>													
		<b>October 15, 2025</b>	<b>December 2025</b>	<b>January - November 2026</b>										<b>Total</b>	
		<u>Opening Balance</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	
<b>Total</b>															
LTIP Eligible Plant Additions		-	-	2,024,971	-	-	-	-	-	-	-	-	-	-	2,024,971
Depreciable Plant Balance		-	-	2,024,971	2,024,971	2,024,971	2,024,971	2,024,971	2,024,971	2,024,971	2,024,971	2,024,971	2,024,971	2,024,971	
Book Depreciation Expense		-	-	2,645	2,645	2,645	2,645	2,645	2,645	2,645	2,645	2,645	2,645	2,645	29,099
Accumulated depreciation		-	-	(2,645)	(5,291)	(7,936)	(10,581)	(13,227)	(15,872)	(18,517)	(21,163)	(23,808)	(26,453)	(29,099)	
Monthly Tax Depr @ 21%		-	-	(773)	(773)	(773)	(773)	(773)	(773)	(773)	(773)	(773)	(773)	(773)	(8,507)
Accum'l Def. Income Taxes		-	-	(773)	(1,547)	(2,320)	(3,093)	(3,867)	(4,640)	(5,414)	(6,187)	(6,960)	(7,734)	(8,507)	

Plant Type	Life (Years)	Book Depreciation Rates	
		Annual	Monthly
Gas Mains	70	1.43%	0.11905%
Gas Services	65	1.54%	0.12821%
Meters	40	2.50%	0.20833%

**Pike County Light & Power Company  
Effective Pre-Tax Rate of Return**

	<u>Capital Structure</u>	<u>%</u>	<u>Cost</u>	<u>Weighted Cost</u>	<u>Gross-Up Factor</u>	<u>Pre-Tax Weighted Cost</u>
<b>Long Term Debt:</b>	\$ 17,584,425	41.53%	6.87%	2.85%	100.00%	2.85%
<b>Common Equity (a)</b>	24,761,740	58.47%	10.25%	5.99%	134.16%	8.04%
	\$ 42,346,164	100.00%		8.85%		10.90%
						/ 4
						<u>2.72%</u>

**Long Term Debt  
At May 31, 2026**

Pike County Light & Power Company	Company Accounts	Maturity Date	Original Issue Amount	31-May-26 Amount Outstanding	Unamortized Expense of Issue	Cost of Proceeds	x Effective Annual Debt %	= Cost (a)	Interest Rate	Annualized Interest Expense	Annualized Issuance Expense	(d)
Intercompany CEC Refinancing	224900	9/30/34	\$ 17,584,425	\$ 17,584,425	\$ 433,880	\$ 17,150,544	6.77%	\$ 1,161,643	6.31%	1,109,577.19	\$ 52,066	(d)
Loss on Reacquired Debt			-	-	69,024	-	-	17,345	-	-	17,345	
<b>Total</b>			<u>\$ 17,584,425</u>	<u>\$ 17,584,425</u>	<u>\$ 502,904</u>	<u>\$ 17,150,544</u>	<u>6.87%</u>	<u>\$ 1,178,987</u>	<u>6.31%</u>	<u>\$ 1,109,577</u>	<u>\$ 69,410</u>	

- (a) Cost of 10.25% is from the PAPUXC Quarterly Earnings Summary Report at the link below.
- (b) Equity Balance for Pike County Light & Power was as of May 31, 2026
- (c) The effective annual cost of debt represents the annualized interest expense (February 28, 2026 debt balance x coupon interest rate) plus the annual amortization of debt issuance costs
- (d) Intercompany loan from CEC issued September 30, 2024. Issue costs are being amortized over 10 years.

[http://www.puc.state.pa.us/filing\\_resources/quarterly\\_earnings\\_sum\\_rpt.aspx](http://www.puc.state.pa.us/filing_resources/quarterly_earnings_sum_rpt.aspx)

**Pike County Light & Power Company**  
**Calculation of the Effective Equity Gross Up Factor**

DSI Net of Accum Depr & Def FIT	\$ 2,007,878
x Equity Ratio	58.47%
= DSI Supported by Equity	1,174,098
x Return on Equity	10.25%
= DSI Equity Return after Tax	120,345
x Statutory Income Tax Factor	136.83%
= DSI Earnings Before Income Taxes	164,668
- Excess Depreciation Deduction (Net)	40,510
= Taxable Income	124,158
If Taxable Income is Negative, Convert to \$0.0	124,158
<b>x 2026 Pa. State Income Tax Rate</b>	<b>7.49%</b>
= 2026 Pa. State Income Tax	9,299
/ DSI Equity Return Before Taxes	164,668
<b>= Effective State Income Tax Rate</b>	<b>5.65%</b>

**Statutory Gross Up Factor for Income Taxes**

Earnings as a Percentage	100.00%
- 2026 State Income Tax Rate (7.49%)	-7.49%
Earnings after State Income Taxes	92.51%
- Statutory Federal Income Tax Rate (21%)	-19.43%
= Earnings after Federal & State Taxes	73.08%

**Gross up factor (1 / Earnings after taxes) 136.83%**

**Effective Gross Up Factor for Income Taxes**

Earnings as a Percentage	100.00%
- Effective State Income Tax Rate	-5.65%
Earnings after State Income Taxes	94.35%
- Statutory Federal Income Tax Rate	-19.81%
= Earnings after Fed & State Taxes	74.54%

**Gross up factor (1 / Earnings after taxes) 134.16%**

**Pike County Light and Power Company**  
**Forecast Gas Revenue Summary**  
**April 1, 2026 - March 31, 2027**  
**DSIC - Projected Quarterly Revenues (a)**

Billing Month Rate Class	2026									2027			TOTAL
	April	May	June	July	August	September	October	November	December	January	February	March	
SC1 Residential Space Heating	\$191,534.40	\$79,489.72	\$56,195.87	\$50,902.19	\$48,340.44	\$52,127.32	\$119,882.53	\$195,530.75	\$418,719.29	\$588,421.43	\$461,475.89	\$306,277.07	\$2,568,896.90
SC1 Residential Domestic	5,796.41	2,662.05	1,954.16	1,734.49	1,600.74	1,827.39	3,610.93	5,269.09	10,884.63	14,728.54	11,801.42	8,174.01	70,043.86
SC1 Residential Other	785.80	364.62	234.71	186.51	178.13	205.37	433.77	699.68	1,510.44	1,932.39	1,536.95	1,064.19	9,132.55
	<b>198,116.61</b>	<b>82,516.39</b>	<b>58,384.73</b>	<b>52,823.20</b>	<b>50,119.31</b>	<b>54,160.08</b>	<b>123,927.23</b>	<b>201,499.53</b>	<b>431,114.36</b>	<b>605,082.35</b>	<b>474,814.26</b>	<b>315,515.27</b>	<b>2,648,073.31</b>
SC2 General Service Commercial	23,073.77	19,764.65	17,647.88	17,309.85	16,183.27	17,034.99	18,880.95	18,562.68	36,199.80	51,127.78	38,592.10	25,917.06	300,294.76
SC2 Commerical Space Heating	27,451.36	11,505.39	8,207.91	7,385.44	6,162.15	10,803.77	21,259.00	27,424.43	53,471.58	67,640.98	48,631.12	34,786.00	324,729.13
	<b>50,525.13</b>	<b>31,270.03</b>	<b>25,855.79</b>	<b>24,695.29</b>	<b>22,345.42</b>	<b>27,838.76</b>	<b>40,139.95</b>	<b>45,987.11</b>	<b>89,671.38</b>	<b>118,768.76</b>	<b>87,223.21</b>	<b>60,703.06</b>	<b>625,023.89</b>
<b>Total</b>	<b>\$248,641.73</b>	<b>\$113,786.42</b>	<b>\$84,240.52</b>	<b>\$77,518.48</b>	<b>\$72,464.73</b>	<b>\$81,998.84</b>	<b>\$164,067.18</b>	<b>\$247,486.64</b>	<b>\$520,785.74</b>	<b>\$723,851.11</b>	<b>\$562,037.47</b>	<b>\$376,218.34</b>	<b>\$3,273,097.21</b>
<b>Quarterly Revenues</b>			<b><u>\$446,668.67</u></b>			<b><u>\$231,982.06</u></b>			<b><u>\$932,339.56</u></b>			<b><u>\$1,662,106.92</u></b>	<b><u>\$3,273,097.21</u></b>
<b>Levelized Quarterly Revenues</b>													<b><u>\$818,274.30</u></b>

(a) Projected billed revenues are based on the Company's internal forecast data through the period March 31, 2027.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true 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 NLY:**

Darryl Lawrence, Esquire  
Office of Consumer Advocate  
555 Walnut Street  
5th Floor Forum Place  
Harrisburg, PA 17101  
[Ra-oca@paoca.org](mailto:Ra-oca@paoca.org)

Allison Kaster, Director  
Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120  
[akaster@pa.gov](mailto:akaster@pa.gov)

NazAarah Sabree, Esquire  
Small Business Advocate  
Office of Small Business Advocate  
555 Walnut Street, 1<sup>st</sup> Floor  
Forum Place Harrisburg, PA 17101  
[Ra-sba@pa.gov](mailto:Ra-sba@pa.gov)

*/s/ Whitney E. Snyder*  
\_\_\_\_\_  
Whitney E. Snyder

Dated this 15<sup>th</sup> day of June, 2026.