

## COMMONWEALTH OF PENNSYLVANIA



## OFFICE OF CONSUMER ADVOCATE

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November 15, 2022



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Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17105-3265

Re: Use of Fully Projected Future Test Year,  
52 Pa. Code Chapter §§ 53.51 –53.56a  
Docket No. L-2012-2317273

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Comments in the above-referenced proceeding.

Copies have been served per the attached Certificate of Service.

Respectfully submitted,

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Certificate of Service

\*337635

## CERTIFICATE OF SERVICE

Use of Fully Projected Future Test Year, : Docket No. L-2012-2317273  
52 Pa. Code Chapter §§ 53.51 – 53.56a :

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate's Comments, 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 15<sup>th</sup> day of November 2022.

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Dated: November 15, 2022  
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BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Use of Fully Projected Future Test Year, : Docket No. L-2012-2317273  
52 Pa. Code Chapter 53.51-53.56a :

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COMMENTS OF THE OFFICE OF CONSUMER ADVOCATE  
REGARDING PROPOSED MODIFICATIONS  
TO THE COMMISSION'S REGULATIONS  
RELATING TO INFORMATION TO BE FURNISHED  
WITH THE FILING OF RATE CHANGES

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## I. INTRODUCTION

On August 24, 2022, the Commission's adopted its Notice of Proposed Rulemaking (NOPR) Order. On October 1, 2022, the NOPR, along with Annexes A and B, were published in the *Pennsylvania Bulletin*. 52 Pa.B. 6160-94. In the NOPR, the Commission has proposed amendments to its rate filing regulations as required by the enactment of Act 11 of 2012, to make those regulations consistent with Act. As the Commission noted, Act 11 authorized the use of a fully projected future test year (FPFTY) in public utility rate filings. Among its many requirements, Act 11 specifically required the Commission to adopt rules and regulations regarding the information and data to be submitted when a public utility uses a FPFTY. 66 Pa. C.S. § 315(e).

As the OCA has set forth in its prior Comments on this issue, the OCA supports efforts to update the filing requirements. The OCA was an active participant in the stakeholder process established by the Commission in this docket. Throughout, the OCA has advocated for the submission of consistent, meaningful data across utilities to support base rate requests. It is the OCA's position that ratepayers benefit when a thorough evaluation of proposed rate increases occurs, and that is especially true in an era where utilities are projecting costs well beyond the filing of cases using the FPFTY. No one has a crystal ball and all projections about future costs and investments are predictions and projections about what is to come. As such, it is essential that any rate increase request supported by an FPFTY requires consideration of both the actual FPFTY numbers and how the utility arrived at those numbers.

The inclusion of the information contained in the NOPR will help streamline the Commission's review of rate cases across the Commonwealth. The requirement that any utility using a FPFTY meet uniform data requirements will provide the Commission and parties with

crucial data needed to understand the basis of requested rates. Having a rigorous review of each rate request is crucial to meeting the ultimate goal of charging ratepayers just and reasonable rates.

Utilities vary in the detail provided in rate cases. There are a variety of approaches to rate filings across the Commonwealth. In some recent cases, rate filings have included as many as 19 separate witnesses, each providing written testimony with associated exhibits and attachments. Other utilities have included far less detail to support their rate requests. In all cases, however, the Commission's review must be completed within statutorily defined time constraints of typically 9 months. Thus, the more information that is provided up front, at the time of filing, the more the Commission and the statutory and other parties have to begin evaluating the merits of the requested increase, rate design, and proposed tariff and rule changes.

In the OCA's view, it is critically important that the Commission's regulations require specific and uniform information across all utilities as part of the ratemaking process. The requirements contained in this NOPR will help ensure that no matter which utility is filing, the Commission and interested parties will see uniform data. This level of transparency and visibility benefits all parties. Utilities across Pennsylvania are subject to an even-handed regulatory framework when requesting rate changes. Given the statutory timeframes under which a review of rate requests must be completed, requiring utilities to present complete and valuable data at the time of filing a rate case will allow parties to conduct a more thorough review which will ultimately benefit ratepayers.

The OCA commends the Commission in its development of updated filing requirements that meet the intent of Act 11. In reviewing the data requirements contained in the NOPR and detailed in Annex A and Annex B, however, the OCA has identified provisions that warrant

further clarification or editing. Through these Comments, the OCA will discuss in more detail the proposed regulations and will identify areas where modifications to the regulations are needed. The OCA also provides proposed language that will provide information about low income assistance programs at the time of the rate filing.<sup>1</sup>

The OCA appreciates this opportunity to submit Comments on these proposed regulations. The OCA looks forward to working with the Commission and stakeholders to develop filing requirements that benefit Pennsylvania ratepayers, and that are consistent with the principles of Act 11.

## II. COMMENTS

### Section 53.51 General

The OCA proposes two changes to Sections 53.51 that are related to a minor wording change and to clarify the definition related to telecommunications.<sup>2</sup>

(a) In order that the Commission may be **made aware** ~~concurrently advised~~ of the net effect of a proposed change in rates upon the customers and the revenues of a public utility, as well as the *prima facie* reasonableness of the proposed rate changes, the data called for in §§ 53.51—53.56a, as appropriate, shall accompany the filing of the proposed rates.

**(a.1)(1)(iv)Conveying or transmitting messages or telecommunications, except as a canal, turnpike, tunnel, bridge, wharf company and the like, by telephone or telegraph or domestic public land mobile radio service including, but not limited to, point-to-point microwave radio service for the public for compensation. The term does not include any person or corporation, not otherwise a public utility, who or which furnishes mobile domestic cellular radio telecommunications service.**

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<sup>1</sup>The OCA's proposed revisions and new language are included both in the body of these Comments with OCA's discussion as well as in an attached Appendix that contains the edits only. OCA's additions are shown as bold underlined text, highlighted in yellow and deletions are shown with strikethrough.

<sup>2</sup> Due to the recent revisions to 52 Pa. Code § 53.59, Docket No. L-2018-3001391, effective August 2022, the OCA does not provide any specific recommendations at this point to Exhibit B, which is not amended or eliminated in this NOPR.

**Section 53.52. Applicability; public utilities other than canal, turnpike, tunnel, bridge and wharf companies.**

In Section 53.52 (a)(4), the OCA proposes an addition to reflect the need for the public utility to show the impact of its proposed rate changes on residential customers at different usage levels. The use of a “typical” usage level, is not always particularly useful for customers to understand the impact of the proposed rate increase on their bills.<sup>3</sup> Customers should be able to look at the information that is released by the utility when it makes its filing, and have a reasonable example of the impact on their bills as a result of the public utility’s proposal. The OCA proposes the following addition:

(a)(4) The effect of the change on the public utility’s customers, **including the impact at usage levels for typical low, medium, and high usage for residential customers.**

**53.53 Information to be furnished with proposed general rate increase filings in excess of \$1 million.**

The OCA recommends modifications to a portion of new (a.1) and an addition to (c), as described below, to improve the quantum of information provided and to assure that the information is provided in the most useful format.

(a.1)

It is not clear to OCA whether the Commission intends to have a public utility using the FPFTY provide information for the years immediately following the FPFTY. By the use of “in

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<sup>3</sup> 52 Pa. Code § 53.45 addresses the notice of new tariffs and tariff changes. 52 Pa. Code § 53.45. In subsection (b)(2), the notice requires the company to use the typical usage level. 52 Pa. Code § 53.45(b)(2). In some instances, typical usage levels may vary widely across a service territory.

all cases” it appears that may be the requirement. If information for the years immediately following the FPFTY is not required, then the OCA suggests the deletion of the phrase “In all cases” and replace it with “If a public utility elects to use a HTY or FTY” as shown below in the excerpt of (a.1):

**If a public utility elects to use a FPFTY in discharging its burden of proof, it must provide the data and information requested for the HTY, the FTY and the FPFTY. In all cases the**  
**If a public utility elects to use a HTY or FTY, the public utility must also provide the data and information for any specified years preceding or following the applicable test year. If a public utility elects to use a FTY and a question in Exhibit E requests information for the year(s) immediately following the FPFTY, the public utility shall provide the information for the years immediately following the FTY.**

(c) Testimony

Subsection (1) requires testimony filed with the rate case filing to be accompanied by “supporting worksheets, if necessary and shall refer to supporting exhibits to which the testimony relates.” This language is the same as the current regulation. The OCA submits that it should be revised to include a requirement that the supporting worksheets be provided in live or working electronic format with all formula intact. This would reduce the amount of time that the OCA and the statutory advocates would need to wait to get live electronic versions of the worksheets after the filing. The OCA proposed addition is shown below.

**Filed materials shall include the direct testimony of each public utility witness who is testifying in support of the public utility’s position. The public utility’s witness testimony shall be accompanied by supporting worksheets, if necessary, and shall refer to supporting exhibits to which the testimony relates. The supporting worksheets will be provided in electronic format with all formula intact.**

## **Annex B – Exhibit E**

The PUC has proposed new Exhibit E, to replace existing Exhibits A, B, and D, and so identify the new filing requirements and information to be provided when water, wastewater, natural gas, artificial gas, electric and steam utilities request an increase in annual gross revenues of over \$1 million. The OCA supports the Commission’s efforts to update, streamline, and supplement the existing filing requirements through new Exhibit E.

The OCA recommends that the Commission adopt the following edits and modifications to the specified portions of Subsections E.II and E.III, following the format of the new Exhibit E. The OCA Comments also recommend that the Commission’s final version of Exhibit E require additional information in support of rate filings by particular types of utilities, as discussed below under “Other Information.”

### **Subsection E.III. General Filing Requirements**

#### **D. Rate Base**

The OCA proposes returning language related to the Allowance for Funds Used During Construction (AFUDC) to #11 of Rate Base. Section 53.53, Exh. E.III.D.11. The use of AFUDC should be separately shown in the rate base schedule and there is no reason to remove it. Moreover, given the special AFUDC rules provided for in Section 1329(f)(1), 66 Pa. C.S. § 1329(f)(1), the water or wastewater utility should provide specific breakdowns for AFUDC related to that section of the Public Utility Code.

11. Provide a schedule that shows a breakdown of plant additions and retirements by plant account for the FTY and the FPFTY, showing the following:

- a. Account number;

- b. Project number of each addition and each retirement;
- c. Completion date of each addition and each retirement;
- d. Description of the addition;
- e. Addition amount of each addition;
- f. Description of retirement;
- g. Retirement amount of each retirement; and
- h. Totals of additions and retirements.
- i. Original budgeted and current budgeted cost broken down by allowance for funds used during construction (AFUDC) and non-AFUDC components.**

The OCA proposes requesting more specific data be provided for the HTY, the FTY, and the FPFTY related to the timing of plant in service. Specifically, in #16, Section 53.53, Exh. III.D.16, the utility would provide plant in service for each test year by function and account. The utility should also provide the plant in service amounts by month. Utility plant in service is not always done equally over the course of a test year and having the HTY, FTY, and projected FPFTY balances by month will provide useful information to the parties. The OCA proposes this additional sentence be added to 16:

16. Provide schedules supporting claimed amounts for plant in service by function and by account for the HTY, the FTY and the FPFTY. **Provide projected monthly plant balances for the FTY and FPFTY.**

#### **E. Rate of Return**

In 53.53, Exh. E.E.3, the OCA proposes an edit to #3 to reflect language that is contained in #1 and #2:

3. Provide the year-end preferred stock dividend coverages for the last three years and at most current date, including charter and SEC basis **for the public utility, the parent company and the consolidated group.**

## **F. Balance Sheet**

In 53.53, Exh. E.F.2, the OCA proposes a revision to add the two years preceding the HTY comparative balance sheet submission (#2). This additional information, already available to the public utility would provide useful information to the parties. The proposed addition is as follows:

2. Provide a comparative balance sheet for the HTY and the **two years** ~~year immediately~~ preceding the HTY.

## **G. Income Statement and Cash Flow Statement**

In 53.53, Exh. E.G.4, the OCA proposes revisions so that the comparative income statements are provided for the FTY and the FPFTY. The time frames proposed by OCA are similar to the requirement for operating revenues. 52 Pa.B. at 6184. The OCA also proposes that the Uniform System of Accounts (USoA) be used for the classifications. These revisions to #4 will provide useful information in a manner that ties the information to the USoA. The OCA's proposed revisions are as follows:

4. Provide comparative income statements for the HTY and the 2 years immediately preceding the HTY, **the FTY and the FPFTY** showing increases and decreases between the three periods. **Revenue and expenses shall be summarized by the account classifications for the applicable industries' Uniform System of Accounts (USoA).** Provide explanations for variances that are greater than 15% of the summary level account type.

## **H. Operating Revenues**

In 53.53, Exh. E.H.4, the OCA proposes a small change to the requirement that the public utility provide its proposed tariff or tariff supplement on a red line basis to identify any proposed changes. The OCA proposes that the redlined tariff that is provided be a full tariff, not just the pages that are being changed. Having a full tariff will permit the parties to review the redlined provisions in the full context of the tariff language.

4. Provide a schedule of present rates and proposed rates showing dollar change and percent of change by customer class. Prepare a comparative schedule of monthly (or quarterly where applicable) billings at present rates and at proposed rates to demonstrate the impact of proposed rates over a range of usages. Identify any changes in rate design or any rate re-structure and provide supporting explanations. Provide a copy of the **full** ~~proposed~~ tariff or tariff supplement on a red line basis to identify any proposed changes.

In 53.53, Exh. E.H.7, the OCA proposes two additional years of customer growth projections be provided. The additional projections will assist the parties in reviewing the public utility's historic customer growth along with multiple projected years. The OCA proposes the following revision:

7. Provide growth patterns of usage and customer numbers by customer class, using historical and projected data **for the 2 subsequent years.**

#### **I. Operating Expenses**

In 53.53, Exh. E.I.5, the OCA proposes two additions to the list of charges by affiliates. The additional breakdown of charge and the details of the source and reason for the charges will provide information that will assist the parties in their review of the filing. The information to be added is consistent with the requirements related to recover of costs under Chapter 21 of the Public Utility Code. 66 Pa. C.S. § 2101 *et seq.*

5. Provide a list by applicable industry's USoA of charges by affiliates (service corporations, and the like) to the public utility, grouped by the claimed operating expenses and capitalized amounts for the HTY, the two years immediately preceding the HTY, the FTY and the FPFTY. Include the following:

- a. Copy of contract(s) governing the services provided and charges, if any;

- b. Explanation of the nature of the services provided;
- c. Explanation of the basis on which charges are made; and
- d. If charges are allocated to the public utility, identify the affiliate provider of the charges, allocation factors, and dollar amounts used for all affiliated companies not receiving allocation and explain why there is no allocation.
- e. Supply the components and amounts compromising the expense in this account.**
- f. Provide details of initial source of charge and reason thereof.**

In 53.53, Exh. E.I.8, the OCA also proposes an addition to have the public utility explain in its filing any variances of 15% or more between the HTY and the two preceding 12-month periods. In addition, providing an explanation of why projected expenses are varying from historical levels will provide useful information. The OCA's proposed revision is below:

- 8. For the HTY, the two years immediately preceding the HTY, the FTY and the FPFTY, submit schedules showing, by applicable industry's USoA, the claimed expenses incurred in the following expense categories. **Explain major variances (15% or more) between the HTY expenses and those expenses for the two preceding 12-month periods. Additionally, provide similar schedules explaining major variances (15% or more) for claimed above-the-line amounts for the FTY and the FPFTY.**

## **J. Payroll, Employee Benefits and Retiree Costs**

In 53.53, Exh. E.J.1, the OCA proposes additions to provide additional information related to expected changes and explanations of historical and projected variances. An explanation of the projected schedules in addition to the historic schedules to be provided in #1 will be helpful in reviewing the information. In addition, having the relevant underlying documents for wages, salaries, incentive compensation, and similar plan documents will provide context for the historic and projected data.

- 1. Provide the following information for employee counts for the HTY, the two years immediately preceding the HTY, the FTY and the FPFTY.

- a. Actual and projected month-end employee counts by union, nonunion and temporary employee categories;
- b. Explanation of any material changes in employee counts **or expected changes during the FTY or FPFTY;**
- c. **Provide a list of historic variances for the HTY and the two years immediately preceding the HTY and indicate whether the vacant positions are included in the headcount detail provided in response to Part a, above;**
- d. **Indicate whether employment changes have happened due to, or are expected to happen as a result of, attrition, reductions in force, sale or acquisitions of operations of facilities, mergers, etc., in the HTY, the FTY, and the FPFTY; and**
- e. **Provide a copy of all wage, salary, incentive compensation and bonus, benefit, leave, insurance, pension/thrift, and similar plan documents.**

**M. Rate Structure, Cost of Service Allocation Study, Bill Frequency Analysis and Special Rate Contracts.**

The OCA proposes several additions and clarifications to this section. Beginning with Section 1.c.iii, dealing with proposed rates, the OCA recommends clarifying that the utility should provide the estimated number of customers enrolled in low income programs as a separate category when providing information about the estimated number of customers show charges for service will be increased or decreased as a result of the filing. With the OCA's addition, that section would read:

- (a) **Estimated number of customers, including separately identifying the estimated number of low-income customers enrolled in the utility's low income program, whose charges will be increased or decreased as a result of this filing.**

**Other information**

In addition to the information currently required, the OCA believes that it would be useful for the gas, electric, water, and wastewater utilities to provide data that is routinely

provided to the Commission<sup>4</sup>, but often is not publicly supplied without some lag in reporting to the Commission. All of this information is routinely asked for in discovery by multiple parties and providing it up front would reduce the time and stress of providing it on the more truncated time frames provided in the Commission's discovery rules:

**For Gas and Electric Utilities:**

- The most recently filed data submitted to the Commission pursuant to the requirements of 52 Pa. Code § 54.153 et seq. (Reporting Requirements for Quality of Service Benchmarks and Standards)
- The most recently filed universal service reporting data submitted to the Commission pursuant to the requirements of 52 Pa. Code §54.75 (electric utilities) and 52 Pa. Code § 62.5 (natural gas utilities).

**For Water and Wastewater Utilities<sup>5</sup>**

Water or wastewater utilities with bill discount programs (BDP) shall provide a report with its rate filing that provides basic information regarding the program as set forth below.

The report shall contain information on programs and collections for the HTY. Where noted, the data shall be reported by classification of accounts. Each report shall contain the following information:

(1) Collection reporting shall be categorized as follows:

(i) The total number of payment arrangements and the total number of successful payment arrangements. To ensure that successful payment arrangements are not overstated, the public utility should report on the calendar year prior to the reporting year.

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<sup>4</sup> While water and wastewater utilities are not covered by the same reporting regulations as the electric and natural gas utilities the OCA proposes that any water and wastewater utilities that have low income assistance programs reflected in rates should provide relevant information with its rate filing as discussed below.

<sup>5</sup>Definitions for terms can be found in 52 Pa. Code § 54.72 and 52 Pa. Code § 62.2

(ii) Annual collection operating expenses by classification of accounts. Collection operating expenses include administrative expenses associated with termination activity, negotiating payment arrangements, budget counseling, investigation and resolving informal and formal complaints associated with payment arrangements, securing and maintaining deposits, tracking delinquent accounts, collection agencies' expenses, litigation expenses other than Commission related, dunning expenses and winter survey expenses for water-heating customers.

(iii) The total dollar amount of the gross residential write-offs and total dollar amount of the net residential write-offs, by classification of accounts.

(iv) The total number of residential customers by month for the 12 months covered by the report, by classification of accounts.

(v) The total number of residential accounts in arrears by month for the 12 months covered by the report, by classification of accounts.

(vi) The total dollar amount of residential accounts in arrears by month for the 12 months covered by the report, by classification of accounts.

(vii) The total number of residential customers who are payment troubled by month for the 12 months covered by the report, by classification of accounts.

(viii) The total number of terminations completed by month for the 12 months covered by the report, by classification of accounts.

(ix) The total number of reconnections by month for the 12 months covered by the report, by classification of accounts.

(x) The total number of low-income households. The public utility may estimate this number using census data or other information the public utility finds appropriate.

(2) Program reporting shall be categorized as follows:

(i) For each component, program data shall include information on the following:

(A) Program costs.

(B) Program recipient demographics, including the number of family members under age 18 and over age 62, family size, income and source of income.

(C) Participation levels by month for the 12 months covered by the report.

(ii) Additional program data for individual program components shall include the following information:

(A) Bill discount program (BDP)

(I) assistance benefits.

(II) Average bill discount bill.

- (III) Payment rate.
- (IV) Total cash payments by BDP customers.
- (V) Number of full, on-time payments
- (VI) Percentage of BDP bill paid by customer.
- (B) Arrearage Management Program
  - (I) Number of participants.
  - (II) Total dollar amount of arrearages held by AMP participants during the year.
  - (III) Average arrearage of AMP participants who enter the program during the year.
  - (IV) Average number of months in which participants earned forgiveness during the year
  - (V) Number of participants removed, including those where the arrears reached zero during the year
- (C) Hardship funds.
  - (I) Ratepayer contributions.
  - (II) Special contributions.
  - (III) Utility contributions.
  - (IV) Outreach contacts.
  - (V) Hardship fund benefits.

### III. CONCLUSION

The OCA appreciates the opportunity to provide these Comments on the Commission's Notice of Proposed Rulemaking regarding 52 Pa. Code § 53.51-53.56a.

Respectfully Submitted,

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## APPENDIX A

### Section 53.51 General

(a) In order that the Commission may be **made aware** ~~concurrently advised~~ of the net effect of a proposed change in rates upon the customers and the revenues of a public utility, as well as the *prima facie* reasonableness of the proposed rate changes, the data called for in §§ 53.51—53.56a, as appropriate, shall accompany the filing of the proposed rates.

(a.1)(1)(iv) Conveying or transmitting messages or telecommunications, except as a canal, turnpike, tunnel, bridge, wharf company and the like, by telephone or telegraph or domestic public land mobile radio service including, but not limited to, point-to-point microwave radio service for the public for compensation. The term does not include any person or corporation, not otherwise a public utility, who or which furnishes mobile domestic cellular radio telecommunications service.

**Section 53.52. Applicability; public utilities other than canal, turnpike, tunnel, bridge and wharf companies.**

(a)(4) The effect of the change on the public utility's customers, **including the impact at usage levels for typical low, medium, and high usage for residential customers.**

**53.53 Information to be furnished with proposed general rate increase filings in excess of \$1 million.**

excerpt of (a.1):

**If a public utility elects to use a FPFTY in discharging its burden of proof, it must provide the data and information requested for the HTY, the FTY and the FPFTY. In all cases the** **If a public utility elects to use a HTY or FTY, the public utility must also provide the data and information for any specified years preceding or following the applicable test year. If a public utility elects to use a FTY and a question in Exhibit E requests information for the year(s) immediately following the FPFTY, the public utility shall provide the information for the years immediately following the FTY.**

(b) Testimony

**Filed materials shall include the direct testimony of each public utility witness who is testifying in support of the public utility's position. The public utility's witness testimony shall be accompanied by supporting worksheets, if necessary, and shall refer to supporting exhibits to which the testimony relates. The supporting worksheets will be provided in electronic format with all formula intact.**

## **Subsection E.III General Filing Requirements**

### **D. Rate Base**

11. Provide a schedule that shows a breakdown of plant additions and retirements by plant account for the FTY and the FPFTY, showing the following:

- a. Account number;
- b. Project number of each addition and each retirement;
- c. Completion date of each addition and each retirement;
- d. Description of the addition;
- e. Addition amount of each addition;
- f. Description of retirement;
- g. Retirement amount of each retirement; and
- h. Totals of additions and retirements.

**i. Original budgeted and current budgeted cost broken down by allowance for funds used during construction (AFUDC) and non-AFUDC components.**

16. Provide schedules supporting claimed amounts for plant in service by function and by account for the HTY, the FTY and the FPFTY. **Provide projected monthly plant balances for the FTY and FPFTY.**

### **E. Rate of Return**

3. Provide the year-end preferred stock dividend coverages for the last three years and at most current date, including charter and SEC basis **for the public utility, the parent company and the consolidated group.**

### **F. Balance Sheet**

2. Provide a comparative balance sheet for the HTY and the **two years** year immediately preceding the HTY.

### **G. Income Statement and Cash Flow Statement**

4. Provide comparative income statements for the HTY and the 2 years immediately preceding the HTY, **the FTY and the FPFTY** showing increases and decreases between the three periods. **Revenue and expenses shall be summarized by the account classifications for the applicable industries' Uniform System of Accounts (USoA).** Provide explanations for variances that are greater than 15% of the summary level account type.

## H. Operating Revenues

4. Provide a schedule of present rates and proposed rates showing dollar change and percent of change by customer class. Prepare a comparative schedule of monthly (or quarterly where applicable) billings at present rates and at proposed rates to demonstrate the impact of proposed rates over a range of usages. Identify any changes in rate design or any rate re-structure and provide supporting explanations. Provide a copy of the **full-proposed** tariff or tariff supplement on a red line basis to identify any proposed changes.

7. Provide growth patterns of usage and customer numbers by customer class, using historical and projected data **for the 2 subsequent years.**

## I. Operating Expenses

5. Provide a list by applicable industry's USoA of charges by affiliates (service corporations, and the like) to the public utility, grouped by the claimed operating expenses and capitalized amounts for the HTY, the two years immediately preceding the HTY, the FTY and the FPFTY. Include the following:–

- a. Copy of contract(s) governing the services provided and charges, if any;
- b. Explanation of the nature of the services provided;–
- c. Explanation of the basis on which charges are made; and
- d. If charges are allocated to the public utility, identify the affiliate provider of the charges, allocation factors, and dollar amounts used for all affiliated companies not receiving allocation and explain why there is no allocation.
- e. Supply the components and amounts compromising the expense in this account.**
- f. Provide details of initial source of charge and reason thereof.**

8. For the HTY, the two years immediately preceding the HTY, the FTY and the FPFTY, submit schedules showing, by applicable industry's USoA, the claimed expenses incurred in the following expense categories. **Explain major variances (15% or more) between the HTY expenses and those expenses for the two preceding 12-month periods. Additionally, provide similar schedules explaining major variances (15% or more) for claimed above-the-line amounts for the FTY and the FPFTY.**

## J. Payroll, Employee Benefits and Retiree Costs

1. Provide the following information for employee counts for the HTY, the two years immediately preceding the HTY, the FTY and the FPFTY.

- a. Actual and projected month-end employee counts by union, nonunion and temporary employee categories;
- b. Explanation of any material changes in employee counts **or expected changes during the FTY or FPFTY;**
- c. **Provide a list of historic variances for the HTY and the two years immediately preceding the HTY and indicate whether the vacant positions are included in the headcount detail provided in response to Part a, above;**
- d. **Indicate whether employment changes have happened due to, or are expected to happen as a result of, attrition, reductions in force, sale or acquisitions of operations of facilities, mergers, etc., in the HTY, the FTY, and the FPFTY; and**
- e. **Provide a copy of all wage, salary, incentive compensation and bonus, benefit, leave, insurance, pension/thrift, and similar plan documents.**

**M. Rate Structure, Cost of Service Allocation Study, Bill Frequency Analysis and Special Rate Contracts.**

- (a) **Estimated number of customers, including separately identifying the estimated number of low-income customers enrolled in the utility's low income program, whose charges will be increased or decreased as a result of this filing.**