Hawke McKeon & Sniscak LLP
ATTORNEYS AT LAW

Thomas J. Sniscak
(717) 236-1300 x224
tjsniscak@hmslegal.com

Whitney E. Snyder
(717) 236-1300 x260
wesnyder@hmslegal.com

Bryce R. Beard
(717) 236-1300 x248
brbeard@hmslegal.com

100 North Tenth Street, Harrisburg, PA 17101 Phone: 717.236.1300 Fax: 717.236.4841 www.hmslegal.com

October 26, 2020

VIA ELECTRONIC FILING

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

Re: Pike County Light & Power Company
2020 General Base Rate Increase (Electric) Filing
Docket No. R-2020-3022135

Dear Secretary Chiavetta:

Pursuant to Section 1308(d) of the Pennsylvania Public Utility Code, (66 Pa C.S. §1308(d)) and the Commission's Regulations at 52 Pa Code §§ 1.37(a), 53.45 and 53.51, enclosed please find Pike County Light & Power Company's ("Pike") or the ("Company") filing which contains Supplement No. 82 to Tariff Electric - Pa. P.U.C. No. 8, issued October 26, 2020 to be effective December 28, 2020 which constitutes a general base rate increase. Supplement No. 82 consists of the tariff leaves set forth in Appendix A to this filing.

The increased rates and charges reflected in Supplement No. 82 are designed to produce additional revenues of $1,933,600 per year, which represents an increase of approximately 24.7% in the Company's total electric revenues based upon an historic test year ending June 30, 2020. The total bill for a residential customer using 674 kWh would increase from $103.90 to $121.90 per month, or by 17.3%.

I also enclosed the written pre-filed testimony of the Company's Accounting Panel, Steve Grandinali, and the Cost of Service and Rate Panel, and supporting schedules, including data required by the Commission's regulations at 52 Pa. Code § 53.52.

Pike is engaged in the retail distribution and sale of natural electric for residential, commercial and industrial purposes within the State of Pennsylvania. Pike serves approximately 4,800 residential and commercial electric customers in Pike County, Pennsylvania.

Pike requests that Supplement No. 82 become effective on December 28, 2020. Pike's electric base rates were last increased in September 2014, more than 6 years ago. Pike's current electric rates do not produce an adequate return on the Company's invested capital that is dedicated to the service of the Company's electric customers. The proposed rates for electric service are necessary to provide sufficient operating revenues to meet operating expenses (including depreciation), taxes and fixed charges, and provide a reasonable rate of return on the Company's investment in electric property. The proposed rates should be approved to enable Pike to maintain its creditworthiness at a level sufficient to raise capital necessary to perform properly its obligations to provide safe, adequate and proper service to its electric customers.

As set forth in the testimony of the Electric Cost of Service and Rate Panel, the bills of all Pike's electric customers will be affected by this rate increase. Appendix B attached hereto sets forth, by service classification, the revenue increases associated with this filing.

Pike hereby advises the Commission that it has elected to use the method of customer notification set forth in Section 53.45 (b)(2) of the Commission's regulations, 52 Pa. Code § 53.45 (b)(2). I enclosed a copy of the Notice of Proposed Rate Changes sent to all Pike electric customers by first class mail on October 21 and 22, 2020. Also included is an affidavit stating that the required notice provisions have and will be complied with.

As indicated in the attached Certificate of Service, Pike has served copies of this filing and all supporting data on the Office of Consumer Advocate, as required by Section 53.51(d) of the Commission's regulations, 52 Pa. Code § 53.51 (d), on the Office of Small Business Advocate, the Commission's Bureau of Investigation and Enforcement.

Pike is also submitting three pieces of testimony in support of its filing. The Accounting Panel will discuss the Company's various financial exhibits, the electric sales forecast, rate case costs, depreciation rates, and will testify as to the fair and reasonable rate of return on the common equity capital invested by the Company in its electric delivery operations. Steven Grandinali will discuss the Company's capital expenditures and additions to plant, the Company's recent LTIIP filing, the impact of hurricane Riley, and Pike's contractor tree trimming program. The Electric Cost of Service and Rate Panel will discuss the Company's Electric Embedded Cost of Service study, the Company's electric revenue forecasts, the Company's proposal for revenue allocation and rate design, and the impact of the proposed rate changes on customers' bills, and other tariff changes. Pike reserves the right to submit additional direct testimony in support of this filing.

Pike's legal counsel for this filing are as follows:

Thomas J. Sniscak, Esq. (PA ID No. 33891)
Whitney E. Snyder, Esq. (PA ID No. 316625)
Bryce R. Beard, Esq. (PA ID No. 325837)
Hawke, McKeon & Sniscak LLP
100 North Tenth Street
Harrisburg, PA 17101
Tel: (717) 236-1300
tjsniscak@hmslegal.com
wesnyder@hmslegal.com
brbeard@hmslegal.com

If you have any questions regarding the enclosed filing or supporting data, please call me at (717) 236-1300 or at the address listed above.

Respectfully submitted,

/s/ Whitney E. Snyder

Thomas J. Sniscak, Esq.
Whitney E. Snyder, Esq.
Bryce R. Beard, Esq.

Counsel for Pike County Light and Power Company

Enclosures
cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the forgoing document upon the parties, listed below, in accordance with the requirements of § 1.54 (relating to service by a party). This document has been filed electronically on the Commission's electronic filing system and served via electronic mail only on the following:

VIA ELECTRONIC MAIL ONLY

Tanya McCloskey, Esquire
Christine Maloni Hoover, Esquire
Office of Consumer Advocate
555 Walnut Street
5th Floor Forum Place
Harrisburg, PA 17101
tmccloskey@paoca.org
choover@paoca.org

John R. Evans, Esquire
Office of Small Business Advocate
555 Walnut Street
1st Floor Forum Place
Harrisburg, PA 17101
jorevan@pa.gov

Richard Kanaskie, Esquire
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street 2nd Floor
Harrisburg, PA 17120
rkanaskie@pa.gov

/s/ Whitney E. Snyder
Thomas J. Sniscak, Esq.
Whitney E. Snyder, Esq.
Bryce R. Beard, Esq.

Dated: October 26, 2020

PCLP
PIKE COUNTY LIGHT & POWER

105 Schneider Lane, Milford, PA 18337
1-855-855-2050 www.pclpeg.com

October 26, 2020

Rosemary Chiavetta, Secretary VIA HAND DELIVERY
Pennsylvania Public Utility Commission, Commonwealth of Pennsylvania
Keystone Building 400 North Street, 2nd Floor Harrisburg, PA 17120

Re: Pike County Light & Power Company
2020 General Rate Base Increase (Electric) Filing
Docket No. R-2020-3022135

Dear Secretary Chiavetta:

On behalf of Pike County Light & Power Company, Inc. please find attached for filing with the Pennsylvania Public Utility Commission the following supplemental documents in connection with Pike's electric rate case filing submitted on October 26, 2020, in the above referenced docket:

1. Notice to customers of the proposed increases that was mailed to all Pike County Light & Power Company electric customers on October 21 and 22, 2020;

2. Notice of a rate increase has been posted in the company's office at 105 Schneider Lane, Milford, Pa. 18337 on October 26, 2020; This notice is the same as was mailed to customers.

3. Notice of a rate increase for Pike County Light & Power electric customers was delivered on behalf of the company to two local newspapers, the Pike County Courier (Straus News) and the Pike County Dispatch, for publication in the October 29th editions; and

4. Notice of a rate increase that was posted on the company's website www.pclpeg.com on October 26, 2020. This notice is the same as was mailed to customers.

I, Charles Lenns, Vice President and Chief Financial Officer, on behalf of Pike County Light & Power Company, hereby state that the facts set forth in the foregoing document are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing in this matter. This verification is made subject to the penalties of 18 Pa.C.S.s. § 4904 relating to unsworn falsification to authorities.
Please date stamp the extra copy of this transmittal letter, and kindly return it for our records. Please contact the undersigned if you have any questions.

Very truly yours,

Charles Lenns
Vice President and Chief Financial Officer
Pike County Light & Power Company

NOTICE OF PROPOSED ELECTRIC RATE CHANGES

10/21/2020

To Our Electric Customer

Pike County Light and Power Company, Inc. is filing a request with the Pennsylvania Public Utility Commission (PUC) to increase your Electric rates as of December 28, 2020. This notice describes the company's rate request, the PUC's role, and what actions you can take.

Pike County Light and Power Company, Inc. has requested an overall rate increase of $1,933,600 per year, if the company's entire request is approved, customer bills would increase as follows:

- Residential customers using 674 kWh's per month would Increase from $103.90 to $121.90 per month or by 17.3% including estimated energy charges.
- SC2 Primary Customers using 105,514 kWh's per month would Increase from $9,958.27 to $11,225.55 per month or by 12.7% including estimated energy charges and sales tax.
- SC2 Secondary Demand Customers using 3,308 kWh's per month would Increase from $450.61 per month to $552.89 per month or by 22.7% including estimated energy charges and sales tax.
- SC2 Secondary Non-Demand Customers using 532 kWh's per month would Increase from $70.46 per month to $87.59 per month or by 24.3% including estimated energy charges and sales tax.
- Municipal Street Lighting customer bills would increase on average from $933.15 per month to $1,250.09 per month or by 34.0% including estimated energy charges.
- Private Lighting customer bills would increase on average from $39.29 to $51.35 per month or by 30.7% including estimated energy charges and sales tax.

To find out your customer class or how the requested increase may affect your electric bill, contact Pike County Light & Power Company at (855) 855-2050 or (570) 832-2988. The rates requested by the company may be found in TARIFF SUPPLEMENT NO. 82 TO TARIFF-ELECTRIC PA PUC NO. 8. You may examine the material filed with the PUC which explains the requested increase and the reasons for it. A copy of this material is kept at Pike County Light & Power's

office. The state agency that approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates. The PUC may change the amount of the rate increase or decrease requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the company and shown above. There are three ways to challenge a company's request to change its rates:

1. You can file a formal complaint. If you want a hearing before a PUC judge, you must file a formal complaint by filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before December 1, 2020. If no formal complaints are filed, the Commission may grant all, some or none of the request without holding a hearing before a PUC judge.

2. You can send the PUC a letter telling why you object to the requested rate increase. Sometimes there is information in these letters that makes the PUC aware of problems with the company's service or management. This information can be helpful when the PUC investigates the rate request. Send your letter or formal complaint form to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg PA 17105-3265. For more information, call the PUC's Bureau of Consumer Services at 1-800-692-7380. You may leave your name and address so you can be notified of any public input hearings that may be scheduled in this case. You may also contact the Pennsylvania Office of Consumer Advocate (OCA). The OCA represents the interests of consumers in cases before the PUC. You may contact the OCA with questions or requests for public input hearings at 1-800-684-6560 or by email at consumercpaoca.org

3. You can be a witness at a public input hearing. Public input hearings are held if the PUC opens an investigation of the company’s rate request and if there is a large number of customers interested in the case. At these hearings you have the opportunity to present your views in person to the PUC judge hearing the case and the company representatives. All testimony given "under oath* becomes part of the official rate case record. These hearings are held in the service area of the company.

Pike County Light & Power Company

PUBLIC NOTICE ELECTRIC RATES

Pike County Light and Power Company, Inc. is filing a request with the Pennsylvania Public Utility Commission (PUC) to increase your Electric rates as of December 28, 2020. The Company has requested an overall rate increase of $1,933,600 per year. If the company's entire request is approved, the total customer bill would increase as follows:

- Residential customers using 674 kWh per month would increase from $103.90 to $121.90 per month, or by 17.3% including estimated energy charges.
- SC2 primary customers using 105,514 kWh per month would Increase from $9,958.27 to $11,225.55 per month, or by 12.7% including estimated energy charges and sales tax.
- SC2 secondary demand customers using 3,308 kWh per month would Increase from $450.61 to $552.89 per month, or by 22.7% including estimated energy charges and sales tax.
- SC2 secondary non-demand customers using 532 kWh per month would Increase from $70.46 to $87.59 per month, or by 24.3% including estimated energy charges and sales tax.
- Municipal street lighting customer bills would increase on average from $933.15 to $1,250.09 per month, or by 34.0% including estimated energy charges.
- Private lighting customer bills would increase on average from $39.29 to $51.35 per month, or by 30.7% including estimated energy charges.

PUBLIC NOTICE GAS RATES

Pike County Light and Power Company, Inc. is filing a request with the Pennsylvania Public Utility Commission (PUC) to increase your gas rates as of December 28, 2020. The Company has requested an overall rate increase of $262,200 per year. If the company's entire request is approved, the total customer bill would increase as follows:

- Residential heating customers using 80 Ccf would increase from $93.57 to $111.97 per month, or by 19.7% including estimated gas costs.
- Residential non-heating customers using 50 Ccf would increase from $61.40 to $74.09 per month, or by 20.7% including estimated gas costs.
- General service commercial customers using 623 Ccf per month would Increase from $635.60 to $644.31 per month, or by 1.4% including estimated gas costs and sales tax.
- General service heating customers using 250 Ccf per month would Increase from $269.87 to $276.04 per month, or by 2.3% including estimated gas costs and sales tax.

The company has requested the rate increase because it has incurred and will realize increased operating expenses since its last rate change in 2016. These expenses include the financing of investments in new and replacement infrastructure, as well as increased operating costs due to normal operating conditions and other regulatory demands to meet customer service and reliability requirements. Customers can contact the company at (855) 855-2050 or (570) 832-2988 to get further information on the proposed increases, or to find out what action they may take.

Pike County Light & Power Company, Inc,

Electric Rate Case
Docket No. R-2020-3022135

Tab No.	Witnesses & Exhibits
1	Transmittal Letter
2	Tariff Leaves
3	Statement No. 1 - Cost of Service - Rate Design Panel
4	Statement No. 2 - Accounting Panel
5	Statement No. 3 - Steven Grandinali
6	Exhibit E-1 Historical Financial Statements
7	Exhibit E-2 Capital Structure & Rate of Return
8	Exhibit E-3 Electric Rate Base
9	Exhibit E-4 Electric Revenue Requirement
10	Exhibit E-5 Electric Sales & Revenues
11	Exhibit E-6 Cost of Service Study Embedded
12	Exhibit E-7 Cost of Service Study Proposed Rates
13	Exhibit E-8 Electric present and Proposed Rate Design
14	Data Responses to 52 Pa. Code Section 53.52

Pike County Light & Power Company, Inc,

Electric Cost of Service
Docket No. R-2020-3022135

Schedule	Title of Schedule
Transmittal Letter	Separately Attached
Appendix A	Proposed Tariff Leaves Effective December 28, 2020
Appendix B	Impact of the Proposed Rate Change on Total Billed Revenues for the Twelve Months Ended June 30, 2021

Appendix A

PIKE COUNTY LIGHT & POWER COMPANY
Electric Rate Case
Proposed Tariff Leaves effective December 28, 2020

P.U.C. No. 8 Electricity

82nd Revised Leaf No. 1
76th Revised Leaf No. 2
71st Revised Leaf No. 3
15th Revised Leaf No. 5
68th Revised Leaf No. 6
4th Revised Leaf No. 71
31st Revised Leaf No. 84
37th Revised Leaf No. 85
19th Revised Leaf No. 88
19th Revised Leaf No. 89
24th Revised Leaf No. 91
19th Revised Leaf No. 93
22nd Revised Leaf No. 99

SUPPLEMENT NO. 82 TO
ELECTRIC PA. P.U.C NO. 8

PIKE COUNTY LIGHT & POWER COMPANY

RATES AND RULES

GOVERNING THE

FURNISHING OF

ELECTRIC SERVICE

IN

THE BOROUGHS OF MATAMORAS AND MILFORD

AND VICINITY,

PIKE COUNTY, PENNSYLVANIA

(See Leaf No. 7)

ISSUED: October 26, 2020 EFFECTIVE: December 28, 2020

ISSUED BY: Michael German
President and CEO
Corning, New York

NOTICE

This supplement makes changes to existing rates, rules and regulations. (See Leaf No. 2)

2. CHANGES MADE BY THIS SUPPLEMENT

Tariff Supplement No. 82 has been filed to reflect:

1) Increased delivery (i.e., customer, per kWh, and per kW) charges applicable to Service Classification Nos. 1, 2 – Primary, 2 - Non-Demand Billed, 3, and 4.

(2) Increased delivery (i.e., customer, per kWh, and per kW over 5 kW) charges applicable to Service Classification No. 2 – Secondary Demand Metered. Elimination of KW charges of 5kW or less for Service Classification No. 2 – Secondary Demand Metered.

(3) Roll-in of the State Tax Adjustment Surcharge into delivery rate.

(4) Roll-in of the Tax Cuts & Jobs Act (TCJA) Credit into delivery rates.

3. TABLE OF CONTENTS

(Continued)

3. TABLE OF CONTENTS (Continued)

3. TABLE OF CONTENTS (Continued)

(c) Indicates Change

RULES AND REGULATIONS

24. TCJA TEMPORARY SURCHARGE

(C)

The temporary surcharge implemented on October 1, 2018, to reflect the impact of the Tax Cuts and Jobs Act (TCJA) will be eliminated effective with the date of this leaf.

The cumulative over / under pass back of the surcharge in place since October 1, 2018, will amortized over a four-year period, as part of base rates.

(C) Indicates Change

(Continued)

STATE TAX ADJUSTMENT SURCHARGE

In addition to the charges provided in this tariff, except for charges or credits applied under the Income Tax Adjustment, a two part surcharge will be assessed for all service rendered on and after the effective date of this leaf.

Part 1 will include Capital Stock Tax, Corporate Income Tax, Public Utility Realty Tax, Gross Receipts Tax and the STAS Reconciliation, which will be applied to all charges except Default Service Charges. Part 1 is a credit of 0.00%. Part 2 will include Gross Receipts Tax, which will be applied to Default Service Charges. Part 2 is 0.00%. (D)

Each part of the State Tax Adjustment Surcharge will be recomputed using the elements prescribed by the Commission whenever the Company experiences a material change in any of the taxes used in calculation of the surcharge. Such recalculation will be submitted to the Commission within 10 days after the occurrence of the event which occasions such recomputation. If the recomputed surcharge is less than the one in effect the utility will, or if the recomputed surcharge is more than the one in effect the utility may, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge. The effective date of such tariff or supplement shall be ten days after filing. Any charges or credits in the surcharge shall be rolled into base rates in the Company's next base rate proceeding.

TAX INDEMNIFICATION

If the Company becomes liable under Section 2806(g) or 2809(c) of the Public Utility Code, 66 Pa. C.S. Section 2806(g) or 2809(f), for Pennsylvania state taxes not paid by an Electric Generation Supplier (EGS), the non-compliant EGS shall indemnify the Company for the amount of additional state tax liability imposed upon the Company by the Pennsylvania Department of Revenue due to the failure of the EGS to pay or remit to the Commonwealth the tax imposed on its gross receipts under Section 1101 of the Tax Report Code of 1971 or Chapter 28 of Title 66.

(D) Indicates Decrease
(I) Indicates Increase

SERVICE CLASSIFICATION NO. 1

APPLICABLE TO USE OF SERVICE FOR:

Residential service, including Space Heating.

CHARACTER OF SERVICE:

Continuous, 60 cycles, A.C., from any one of the following systems as designated by the Company:

(a) Single phase approximately 120, 120/208 or 120/240 Volts,
(b) Three phase four wire at approximately 208 Volts in limited areas.

RATE - FOUR PART - MONTHLY:

(1) Customer Charge $11.65 per month (I)

(2) Energy Charge (¢ per kWh)

	Delivery Charge		System Benefits Charge
All kWh	9.6586	(I)	.0098

(3) Default Service Charge

A Default Service Charge, determined in accordance with Section No. 18 of the Rules and Regulations, shall apply to customers taking Default Service from the Company. This charge is not applicable to customers obtaining Competitive Energy Supply.

(4) State Tax Adjustment Surcharge

The State Tax Adjustment Surcharge included in this Tariff is applied to all charges under this Service Classification. Part 1 of The State Tax Adjustment Surcharge applies to all charges except Default Service Charges. Part 2 of the State Tax Adjustment Surcharge applies to Default Service Charges

(I) Indicates Increase

(Continued)

SERVICE CLASSIFICATION NO. 2

APPLICABLE TO USE OF SERVICE FOR:

General Service, secondary or primary. All service at each location shall be taken through one meter.

CHARACTER OF SERVICE:

Continuous, 60 cycles, A.C., single or three phase secondary at approximately 120/208, 120/240 Volts, and 277/480 Volts where available; or single or three phase primary at approximately 2400 Volts Delta where available.

RATE - FIVE PART - MONTHLY:

(1)	Customer Charge ($/month)		
	(a) Non-Demand Billed Customers		
	Unmetered Service	18.65	(I)
	Metered Service	18.65	(I)
	(b) Secondary Service (Demand Billed)	18.65	(I)
	(c) Primary Service	152.00	(I)
(2)	Demand Charge ($/kW)		
	(a) Secondary Service (Demand Metered)		
	First 5 kW	1.30	(I)
	Over 5 kW	5.05	(I)
	(b) Primary Service		
	All kW	11.40	(I)
(3)	Energy Charge (¢ per kWh)		
	(a) Non-Demand Billed Customers (Includes Unmetered)		
	All kWh	10.1251	(I)

(I) Indicates Increase

(Continued)

SERVICE CLASSIFICATION NO. 2 (Continued)

RATE - FIVE PART - MONTHLY: (Continued)

(3) Energy Charge (¢ per kWh) (Continued)

(b) Secondary Demand Billed Service

First 100 Hours Use of Billing Demand	8.4533	(I)
Next 100 Hours Use of Billing Demand	6.9999	(I)
Over 200 Hours Use of Billing Demand	6.8689	(I)

(c) Primary Service

All kWh	1.6626	(I)

(4) Default Service Charge

A Default Service Charge, determined in accordance with Section No. 18 of the Rules and Regulations, shall apply to customers taking Default Service from the Company. This charge is not applicable to customers obtaining Competitive Energy Supply.

(5) State Tax Adjustment Surcharge

The State Tax Adjustment Surcharge included in this Tariff is applied to all charges under this Service Classification. Part 1 of the State Tax Adjustment Surcharge applies to all charges except Default Service Charges. Part 2 of the State Tax Adjustment Surcharge applies to the Default Service Charges.

MINIMUM MONTHLY CHARGE: (C)(I)

For secondary demand billed service, $18.65 plus the demand charge. For secondary non-demand billed service, $18.65. For primary service, $152.00 plus the demand charge.

(I) Indicates Increase
(C) Indicates Change

(Continued)

SERVICE CLASSIFICATION NO. 2 (Continued)

TERM:

Secondary service is terminable at any time after six months unless a longer period is required under a line extension agreement.

Primary service is terminable at any time after one year upon ninety days written notice. The Company reserves the right to require a longer initial term where special construction is required to furnish the service.

SPECIAL PROVISIONS:

A. SHORT TERM SECONDARY SERVICE:

When short term service is requested, the Company reserves the right to require a deposit of the estimated bill for the period service is desired. The minimum charge for such short term service shall be an amount equal to six times the minimum monthly charge, payable in advance. When construction is necessary, the cost of installation and removal of all equipment, less salvage value, shall be borne by the customer, and a sufficient amount to cover these charges shall be paid in advance. A part of a month shall be considered a full month for computing all charges hereunder.

B. SPACE HEATING:

Customers who take service under this Service Classification for 10 kW or more of permanently installed space heating equipment may elect to have the electricity for this service billed separately. All monthly use will be billed at the following rates:

Delivery Charge	7.1334¢ per kWh	(I)

When this option is requested, it shall apply for at least 12 months and shall be subject to a minimum charge of $60.00 per year per kW of space heating capacity. This rule applies for both heating and cooling where the two services are combined by the manufacturer in a single self-contained unit.

All usage under this Special Provision shall also be subject to Parts (4) and (5) of RATE – FIVE PART – MONTHLY.

(I) Indicates Increase

(Continued)

SERVICE CLASSIFICATION NO. 3

APPLICABLE TO USE OF SERVICE FOR:

Municipal Street Lighting, where the Company furnishes all equipment, except as provided for below, and maintains and operates the system.

CHARACTER OF SERVICE - MULTIPLE:

Continuous, alternating current, 60 cycles, 120 Volts, single phase. Units will be photoelectrically controlled and operate approximately 4100 hours per year, and mounted on wood poles for Overhead Services.

RATE - THREE PART - MONTHLY:

(1) Luminaire Charge ($/month)

Nominal Lumens	Luminaire Type	Nominal Wattage	Total Wattage	Delivery Charge (I)
Street Lighting Luminaries				
5,800	Sodium Vapor	70	108	$ 26.41
9,500	Sodium Vapor	100	142	28.94
16,000	Sodium Vapor	150	199	32.86
27,500	Sodium Vapor	250	311	42.14
46,000	Sodium Vapor	400	488	55.49
3,900	LED	35	35	32.36
5,000	LED	50	50	32.47
5,890	LED	70	74	31.15
7,250	LED	70	68	32.94
9,365	LED	100	101	38.22
12,000	LED	100	103	33.72
16,000	LED	135	140	34.50
22,000	LED	175	200	35.17
Flood Lighting Luminaires				
27,500	Sodium Vapor	250	311	44.71
46,000	Sodium Vapor	400	488	56.81
14,500	LED	96	96	32.66
28,700	LED	218	218	34.55

The following luminaires will no longer be installed. Charges are for existing installations only:

4,000*	Mercury Vapor	100	127	18.84
7,900*	Mercury Vapor	175	211	23.56
12,000*	Mercury Vapor	250	296	31.70
22,500*	Mercury Vapor	400	459	42.14

* Indicates those luminaires that no longer will be repaired.
See Special Provision B.

(I) Indicates Increase

(Continued)

SERVICE CLASSIFICATION NO. 4 (c)

APPLICABLE TO USE OF SERVICE FOR:

Private overhead street, yard or flood Mercury Vapor and Sodium Vapor lighting.

CHARACTER OF SERVICE - MULTIPLE:

Continuous, 60 cycles, A. C., 120 Volts, single phase. Units will be photoelectrically controlled and operate approximately 4100 hours per year.

RATE - THREE PART - MONTHLY

(1) Luminaire Charge ($/month)

Nominal Lumens	Luminaire Type	Nominal Wattage	Total Wattage	Delivery Charge (I)
Private Lighting Luminaries				
3,900	LED	35	35	36.25
5,000	LED	50	50	36.36
7,250	LED	70	68	36.82
12,000	LED	100	103	37.61
Flood Lighting Luminaires				
46,000	Sodium Vapor	400	488	46.57
14,500	LED	96	96	39.48
28,700	LED	218	218	42.28

The following luminaires will no longer be installed. Charges are for existing installations only:

12,000	Mercury Vapor	250	296	29.57
22,500	Mercury Vapor	400	459	38.43

(2) Default Service Charge

A Default Service Charge, determined in accordance with Section No. 18 of the Rules and Regulations, shall apply to customers taking Default Service from the Company. This charge is not applicable to customers obtaining Competitive Energy Supply.

The Default Service Charge shall apply to the kWh estimated in the following manner:

kWh = (Total Wattage ÷ 1,000) Times Monthly Burn Hours*

* See Monthly Burn Hours Table.
(I) Indicates Increase
(c) Indicate Change

(Continued)

PIKE COUNTY LIGHT AND POWER COMPANY

Impact of Proposed Rate Change on Total Billed Revenue
For the 12 Months Ended June 30, 2021

Service Class	Type of Service	Annual Bills	Total Sales (kWh)	Total Revenue* at Present Rates	Total Revenue* at Proposed Rates	Increase Revenue Change	Increase Percent Change
1	Residential Service	45,756	30,847,400	$4,754,048	$5,560,333	$806,285	17.3%
2	General Secondary - Demand	9,215	30,487,565	4,152,360	5,079,249	926,889	22.7%
2	General Secondary - Non-Demand	2,185	1,161,935	153,950	190,791	36,841	24.3%
2	General Primary Service	96	10,129,300	955,994	1,074,339	118,345	12.7%
3	Municipal Street Lighting	108	211,700	100,781	134,594	33,814	34.0%
4	Private Area Lighting	960	155,200	37,722	49,149	11,426	30.7%
Total		58,320	72,993,100	$10,154,856	$12,088,455	$1,933,600	19.4%

* For comparison purposes, an estimated electric supply charge for retail access customers has been included in total revenue.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:
	:
v.	: DOCKET NO. R-2020-3022135
	:
Pike County Light & Power Company (electric)	:

PIKE COUNTY LIGHT & POWER COMPANY

Statement No. 1

Direct Testimony of Electric Rate Panel

Paul M. Normand and Debbie L. Gajewski

Electric Embedded Cost of Service (Exhibit E-6)

Electric Cost of Service Proposed Revenues (Exhibit E-7)

Electric Rate Design Recommendations (Exhibits E-8)

MANAGEMENT APPLICATIONS CONSULTING, INC.
1103 Rocky Drive, Suite 201
Reading, PA 19609-1157

(610) 670-9199
fax (610) 670-9190
www.manapp.com

DIRECT TESTIMONY OF ELECTRIC RATE PANEL
ON BEHALF OF
PIKE COUNTY LIGHT & POWER COMPANY

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DIRECT TESTIMONY OF ELECTRIC RATE PANEL
ON BEHALF OF
PIKE COUNTY LIGHT & POWER COMNPANY

LIST OF EXHIBITS

EXHIBIT E-6	Electric Embedded Cost of Service

Exhibit E-6 Schedules	**Description**
ERP-1-E	Qualifications of Electric Rate Panel
ERP-2-E	Company Electric Embedded Cost of Service Summary Results – Existing Rate of Return, Based on 12 Months Ended 06/30/2020 (Exhibit E-6, Summary)
ERP-3-E	Summary of Electric Revenue Requirements at Existing Rate of Return, Equalized Rate of Return, and at Proposed Revenue Levels.
ERP-4-E	Class Electric Embedded Cost of Service Detailed Results Based on 12 Months Ended 06/30/2020 (Exhibit E-6, Detail)
ERP-5-E	Electric Embedded Class Cost of Service – Unbundled Summary of Results – Existing Rate of Return, Based on 12 Months Ended 06/30/2020 – Proposed Equalized ROR, Based on 12 Months Ended 6/30/2021
ERP-6-E	Description of Electric Allocation Factors

EXHIBIT E-7	Electric Embedded Cost of Service Summary Results – Proposed at Equalized ROR, Based on 12 Months Ended 06/30/2021
EXHIBIT E-8	Electric Rate Design and Bill Impact Analysis

INTRODUCTION

Q. Would the members of the Electric Rate Panel ("Panel") please state your names and business address?

A. Paul M. Normand and Debbie L. Gajewski, 1103 Rocky Drive, Suite 201, Reading, PA 19609.

Q. By whom are you employed and what position do you hold?

A. We are both employed by Management Applications Consulting, Inc. Paul M. Normand's position is management consultant and president of the firm. Debbie L Gajewski's position is management consultant.

Q. Please state your qualifications.

A. Paul M. Normand and Debbie L. Gajewski's qualifications are shown on Schedule ERP-1-E.

SCOPE OF TESTIMONY

Q. What is your responsibility in connection with this filing?

A. We are sponsoring the following three exhibits:

- Exhibit E-6, the Electric Embedded Cost of Service Study
- Exhibit E-7, the Electric Cost of Service Summary at Proposed Rates

- Exhibit E-8, the Electric Present and Proposed Rate Design.

Q. What is the scope of the Panel's direct testimony in this proceeding?

A. Our testimony will present:

1. The Pike County Light & Power Company ("Pike" or "Company") Electric Embedded Cost of Service ("COS") Study as of June 30, 2020;
2. The Company's Electric COS Study as of June 30, 2021;
3. The Company's proposal for revenue allocation and rate design; and
4. The impact of the proposed rate changes on customers' bills.

Q. Please describe the general arrangement of Exhibit E-6.

A. Exhibit E-6 consists of six schedules, Schedule ERP-1-E through ERP-6-E. Schedule ERP-1-E contains the qualifications of the Panel. Schedule ERP-2-E contains the class embedded cost of service study summary results at the actual return using a test period ended June 30, 2020. Schedule ERP-3-E contains the class embedded cost of service study summary at existing, claimed (uniform) and proposed revenue rate of return. Schedule ERP-4-E presents the complete detailed output of the test period class embedded cost of service study as summarized in Schedule ERP-2-E. Schedule ERP-5-E, pages 1 and 2 presents the Unbundled Costs Summary of Results of Schedule ERP-3-E by the major COS cost component categories based on the present revenue level test period ended June 30, 2020. Schedule ERP-5-E, pages 3 and 4 present the same information at the proposed equalized rate of return revenue levels using the future test period June 30, 2021. Schedule ERP-6-E provides a description of the allocation factors used in the

embedded cost of service study (Schedule ERP-4-E). Exhibit E-7 includes the cost of service summary of results at the proposed test period ended June 30, 2021. Exhibit E-8 presents the electric rate design calculations for the proposed rates and associated revenue targets. Also included in Exhibit E-8 are the bill impacts at the present and proposed revenue target levels.

EMBEDDED COST OF SERVICE STUDY

Embedded Cost of Service Study

Q. Would you briefly define an Embedded Cost of Service Study?

A. The cost to serve the customers of any utility company generally consists of allowable investments, operating expenses, and a return. For a historical test period, these costs are on record and the overall cost to serve the collective customers of the utility may be readily established. On the other hand, the unique cost to provide services and energy to customers of the various service classifications is much less apparent. Costs can vary significantly between services and customer classes depending upon the nature of their demands, delivery voltage on the system, and the facilities required to serve them. The purpose of an Embedded Cost of Service Study is to directly assign costs based on the utility records or allocate each relevant and identifiable component of cost on an appropriate basis in order to determine the proper cost to serve the utility's respective customer classes. These analyses result in matrices which display the detailed total costs of serving each customer class of service in the study. Additionally, these costs are

further unbundled into more detailed cost component categories reflecting the various services provided by the Company to its customers for energy delivery.

Q. Please describe the procedure that you used in preparing your Embedded Cost of Service Study?

A. Through the application of a computerized microcomputer cost model developed by Management Applications Consulting specifically for Pike electric operations, it was possible to treat each element of Rate Base, Revenue and Operating Expense in detail and to classify and directly assign or allocate each item to the customer classes. This cost of service study is a distribution function study and includes other power production costs that are recovered in the distribution base rates. All costs, with the exception of the other power production costs, have been classified as either demand-related or customer-related costs in this study.

The demand-related costs are fixed costs created by the loads placed on the various components of the electric system. The customer-related costs are also fixed costs created by the customer requirements to be connected to the system regardless of their usage. The complete detailed line-by-line allocation process is presented in Schedule ERP-4-E for Pike's electric operations for the test period ended June 30, 2020. This schedule is the underlying support for all of the cost of service results presented in Schedules ERP-2-E, ERP-3-E, and ERP-5-E.

Q. Please summarize your cost of service study.

A. Schedule ERP-3-E shows a summary of class revenue requirements at existing rates, at an overall uniform 7.09% targeted (claimed) rate of return identified by the Company, and at proposed revenue levels. A second analysis, Schedule ERP-5-E, summarizes the unbundled costs to serve each major cost component category at present rates and at an equalized target rate of return target for each class of service to assist in the rate design process. The calculated monthly customer charge for each class of service is shown on at existing (page 2, line 37) and uniform (page 4, line 37) ROR schedules. The specific customer costs included in the total monthly customer costs are shown in detail on lines 38 through 45 of pages 2 and 4 of Schedule ERP-5-E.

Description of Cost of Service (COS) Model

Q. How does the computerized cost of service model operate?

A. The cost of service model is essentially a cost matrix. The vertical dimension of the study consists of the costs to serve as provided by the Company. The development of the cost of service study begins with rate base and continues with revenues, operating expenses, taxes, and the computation of a labor allocator. The cost model includes three additional pieces, a summary of costs to serve, a list of the allocation factors employed in the study and a revenue requirements section. The horizontal portion consists of the assignment of all costs to each of the Company's customer classes.

Each page, starting with page 1 has an important column immediately preceding the numerical data marked "ALLOC", an abbreviation for ALLOCATOR. The ALLOC column contains an acronym to indicate the allocation factor used to allocate the costs shown in the Total Electric Company column to each customer class. A tabulation of these allocators in absolute form, typically total dollars or volumes and as a percent of total has been provided at the end of the study beginning on page 14 in Schedule ERP-4-E and is repeated in the same sequence as a percent of the total value for each allocator at the end of the study beginning on page 20.

Using these allocation factors, costs shown in the Total Company column that were not directly assigned were allocated to each customer class. The cost of service information provided in the "Total" vertical column is based on the testimony and exhibits for the test year provided by the Company.

Q. What customer classes did you recognize in your Cost of Service Study?

A. The cost of service study recognized and allocated the Company's cost to the rate classes as follows:

Rate Designation	Description
SC1	Residential
SC1	Residential Space/Water Heating
SC2-S	Small Commercial & Industrial Secondary
SC2-P	Small Commercial & Industrial Primary
SC3	Municipal Street Lighting
SC4	Private Lighting

Cost of Service Model Allocation Methodology

Q. Would you please tell us how you chose allocation factors for your cost study?

A. In the cost allocation process, we attempted to determine the intended use of specific plant investments and then examined the specific use of these assets in the test year. As part of the cost of service process, we then separately developed the required external allocators or selected internal allocators to assign the various costs appropriately to each customer class. A complete and detailed list of each allocation factors has been provided in Schedule ERP-4-E, pages 14 through 26. Pages 14 through 19 present the total actual Company values while the remaining pages 20 through 25 reformat and unitize these same values with each factor totaling to unity or one. A description of these allocation factors has been provided in Exhibit E-6, Schedule ERP-6-E.

Rate Base Allocation

Q. Please describe the allocation of rate base to customer classes.

A. Rate base allocation is shown on pages 3 through 5 of Schedule ERP-4-E. Distribution plant represents investment in facilities to deliver electricity to the customer meter.

Q. Please describe the allocation of Distribution Plant Accounts 360 through 368 to customer classes.

A. The distribution plant accounts were functionalized as High Tension (primary) and Low Tension (secondary). The Low Tension costs were subdivided into demand and customer components using a "Minimum Size" minimum system methodology.

The High Tension (primary) function includes the fixed costs for the distribution substations and primary feeders that provide the source of supply from the higher voltage grid to the lower voltage substations and to the primary voltage high tension customers.

The Low Tension (secondary) function includes fixed costs associated with overhead (OH) and underground (UG) secondary line transformers and the overhead and underground lines. The Low Tension demand component includes the transformers and the evaluated costs of that portion of the secondary system for OH and UG Lines required supplying the connected load, above a base of a zero load.

The Low Tension secondary customer component includes the fixed costs that are considered to be joint customer costs as distinguished from direct customer costs, since they represent the estimated costs of the minimum-size jointly-used network of distribution lines needed to serve customers under the existing conditions of customer density and geographical dispersion, on the assumption of little or no use of the service by any customer. Expressed in another manner, the customer component is the cost of the smallest secondary system theoretically needed to physically connect all of the existing service points to line transformers, if the system was not required to supply any load.

The cost of service study utilized the same primary and secondary line separation and minimum system distribution factors for Accounts 360 through 368 as was used in the 2013 General Base Rate Increase Filing. The factors used in the cost of service study are as follows:

DISTRIBUTION FACTORS

	High Tension Primary	Low Tension Secondary		
Account	**Percent**	**Percent**	**Percent**	**Total**
360	100.00%			100.00%
361	100.00%			100.00%
361	100.00%			100.00%
362	100.00%			100.00%
364	65.50%	4.05%	30.45%	100.00%
365	65.50%	4.05%	30.45%	100.00%
366	2.72%	22.17%	75.12%	100.00%
367	2.72%	22.17%	75.12%	100.00%

368		23.70%	76.30%	100.00%
Classification	Demand	Demand	Customer	

Q. What are the other customer-related allocation factors included in your cost study?

A. Customer-related plant items were allocated using the "**CDIST**" or "**CUST"** prefixed allocators for services, meters, and other such customer-related items. A complete list of these factors has been provided on Exhibit E-6, Schedule ERP-4-E, page 15 of the cost of service study.

Q. How was general plant allocated on page 4 of Schedule ERP-4-E?

A. General plant was allocated on an internally generated labor allocation factor (**LABOR**) based on labor expensed in the test year. Each Operations and Maintenance account was examined to determine the labor portion of expense included. The labor portions of these costs were allocated separately in the same manner as the total Operations and Maintenance accounts were allocated. The development of this allocator is shown on Schedule ERP-4-E, page 13.

Q. How was each account of depreciation reserves assigned?

A. The plant Depreciation Reserves by function and the distribution account detail were obtained from the Company's records and allocated to customer classes based on the allocation of the corresponding plant account.

Q. How was Construction Work in Progress assigned?

A. The Construction Work in Progress was allocated to customer classes based on total plant.

Q. What other elements of rate base were included in your study?

A. Each adjustment to rate base has been detailed on Schedule ERP-4-E, page 5. Additions to net plant included allowance for working capital which includes Cash Working Capital, Materials and Supplies and Prepayments. The deductions from net plant include customer deposits, deferred credits (net of tax), and accumulated deferred income taxes and credits.

Each adjustment to rate base was allocated on the most appropriate allocation factor. For example, allowance for working capital items materials and supplies and prepayments of property tax and deferred debits were allocated on **TOTPLT,** revenue related prepayments of gross earnings, PA Corp Net Income, and PA PUC assessment were allocated on claimed revenues (**CLAIMREV)** and cash working capital was allocated on O&M expense excluding purchased power (**OMXPP**).

Operating Revenue Allocation

Q. How were operating revenues assigned?

A. Operating revenues (Schedule ERP-4-E, page 6) are based on the Company's books and records by customer class allocated on the most appropriate allocation factor. Sales of Electric revenue were directly assigned to each class. Other operating revenue account 450, late payment charges, was allocated on the basis of the late payment charges incurred for each rate class. Rent from electric property was allocated on plant account 364 – poles, towers & Fixtures (**PLT_364**) and other electric revenues were allocated on revenues (**CLAIMREV**).

Operating Expense Allocation

Q. How were the Operation and Maintenance Expenses allocated?

A. Distribution O&M expenses follow the allocation of distribution plant. Customer Accounts, Sales Expenses, and Administrative and General Expenses were allocated using a variety of methods based on direct assignments, revenues, plant, and labor costs. Whenever possible, specific information detailing class cost responsibilities or weightings were utilized in order to develop the most accurate cost study possible. Customer Service and Sales Expenses used a composite allocation factor that was weighted 50% on customers and 50% on sales.

A&G expenses were primarily allocated on the **LABOR** allocator. The regulatory commission expense was allocated on the **CLAIMREV** allocator and the remaining A&G expenses were allocated on **TOTPLT**, and General plant in service (**GENLPLT**).

Q. What are the remaining operating expenses?

A. The remaining operating expenses consist of depreciation expenses, taxes other than income taxes, state income taxes and a detailed federal income tax calculation.

Q. How were they allocated?

A. Depreciation expenses were allocated on the basis of plant in service. Taxes Other Than Income Taxes were allocated using the **TOTPLT, LABOR,** and **CLAIMREV** allocation factors; PURTA taxes, capital stock, and real estate taxes were allocated on **TOTPLT.** Payroll related taxes were allocated on the **LABOR** allocation factor and the PA and local use tax was allocated on the **CLAIMREV** allocation factor. Federal income taxes and state taxes were computed for each customer class based on the allocated expenses previously discussed.

Cost of Service Study Results

Q. Could you summarize the results of your cost study at present rates?

A. The results of the test year ended June 30, 2020 cost of service study show that the rates presently in effect generate somewhat different rates of return for each customer class.

Schedule ERP-2-E shows that the Company's current rates produce inequities between the customer classes as summarized in the following table:

Cost of Service Results – Present ROR

	Schedule ERP-2-E	
	ROR (%)	ROR Index
Total Company	4.62	1.00
SC1 Residential	5.39	1.17
SC1 Residential Space/Water Heating	8.39	1.82
SC2-S Small Commercial & Industrial Secondary	3.07	0.66
SC2-P Large Commercial & Industrial Primary	4.17	0.90
SC3 Municipal Street Lighting	4.93	1.07
SC4 Private Street Lighting	3.11	0.67

Q. Has the Panel employed "tolerance bands" around the total system rate of return in developing class revenue responsibilities?

A. Yes. The proposed class revenue target responsibility has been measured with respect to a ±10% tolerance band around the total system average rate of return. Classes would not be considered "surplus" or "deficient" if the class COS rate of return falls within this band.

Q. Based on the application of a ±10% tolerance band around the calculated total system rate of return of 4.62%, which classes are considered to be deficient and which classes are surplus?

A. The customer class ROR inequities shown in Schedules ERP-2-E and ERP-3-E indicate that the SC1 Residential and Residential Space/Water Heating and SC4 Municipal Lighting customer classes are surplus and are subsidizing the SC2-S Small Commercial and Industrial Secondary and SC4 Private Lighting customer classes which are deficient.

RATE DESIGN

Q. How did you approach the task of rate design in this case?

A. The class cost of service unbundled revenue requirement summary results at a proposed revenue levels presented in Exhibit E-6, Schedule ERP-5-E, pages 3 and 4 which use a future test period for the twelve months ended of June 30, 2021 provided the basis or starting point for all of the proposed rate designs presented in Exhibit E-8.

Q. Was there a logical progression in your efforts to perform the rate design?

A. Our rate design efforts were performed in three discrete steps. First, we determined the total costs incurred to serve each customer class using the future test year June 20, 2021, Exhibit E-7. Next, we examined the embedded cost of service study at the Company's uniform ROR (equalized annual increase) and compared these results to the revenues currently produced by each customer class, Exhibit E-6, Schedule ERP-3-E. Finally, we

performed the proposed class revenue targets and rate designs utilizing these results and adjusted present rate charges to all rates.

Q. Could you briefly list the factors that you considered in arriving at your proposed rate designs?

A. The proposed rate year rate design and class revenue targets considered several very important factors which we will list in the order that they were considered in my decision process:

1. Existing Rate Structure
2. Present Rate of Returns & Index of Returns (Schedules ERP-2-E and ERP-3-E)
3. Cost of Service at a Uniform Target Rate of Return (Exhibit E-7 and ERP-3-E)
4. Use of unbundled costs results presented in Schedule ERP-5-E
5. Initial Target Class Revenue Increases using Rate Year Revenue Requirement

Q. Have you prepared an unbundling cost study for Pike?

A. Yes, we have. Schedule Exhibit E-6, ERP-5-E provides for the detailed results by major cost categories that are presented in the Panel's testimony. The most important aspect of these unbundled results is with respect to the customer-related costs presented on Schedule ERP-5-E, pages 3 and 4, at a uniform ROR level for each customer class. These results indicate the proper level of customer-related costs which should be recovered on a monthly basis which we used as a guide in establishing the proposed rate designs presented in Exhibit E-8. While it is important to recognize that the delivery only

revenue requirements are essentially fixed and invariant to throughput, the overall goal representing customer impacts prevents establishing the total delivery revenue requirement as a monthly fixed cost for each customer and requiring a continued dependence on volumetric charges.

Q. Have you prepared a proposed rate that includes the phase out of the SC-2 Secondary demand billed block rate structure?

A. Yes. In addition to the SC-2 Secondary service class rate design which uses a demand billed block structure, we have prepared a rate design for the SC-2 Secondary service class that includes a flat rate demand structure in accordance with the 2014 Settlement Agreement. The new proposal consists of eliminating all demand charges for billing demands of 5 kW or less and recovering this revenue shortfall through the kWh billing blocks of this rate. These proposed rate designs can be found in Exhibit E-8, page 4 and Exhibit E-8, page 7 respectively.

Bill Impact Analysis

Q. Have you prepared an analysis of the impact of your proposed rates?

A. Yes. This analysis is shown on pages 12 of 30 of Exhibit E-8. We have shown the total charges under present and proposed rates for a variety of usage levels for the Service Classifications, pages 17 through 20. The monthly delivery costs for a SC1 Residential customer using 660 kWh would increase from $57.21 to $74.90, or 30.9%. The total monthly bill including supply costs for these customers would increase 17.4% as shown

on Exhibit E-8, page 17. The proposed rates for a SC1 Residential customer reflect an overall total bill including supply costs increase of 17.3% as shown on Exhibit E-8, page 29.

Q. Does this conclude your testimony?

A. Yes, it does. We reserve our right to update or amend this testimony.

Schedule ERP-1-E

Qualifications
of
Paul M. Normand
and
Debbie L. Gajewski

Qualification of Paul M. Normand

Q. Mr. Normand, what is your present position?

A. I am a principal in the consulting firm of Management Applications Consulting, Inc. (MAC). This Company provides consulting services to the utility industry in such fields as loss studies, econometric studies, cost analyses, rate design, expert testimony, and regulatory assistance. The Company is located in Reading, Pennsylvania.

Q. What is your educational background?

A. I graduated from Northeastern University in 1975, with a Bachelor of Science Degree and a Master of Science Degree in Electrical Engineering-Power System Analysis. I have attended various conferences and meetings concerning engineering and cost analysis.

Q. What is your professional background?

A. I was employed by the Massachusetts Electric Company in the Distribution Engineering Department while attending Northeastern University. My principal areas of assignment included new service, voltage conversions, and system planning. Upon graduation from Northeastern University, I joined Westinghouse Electric Corporation Nuclear Division in Pittsburgh, Pennsylvania. In that position, I assisted in the procurement and economic analysis of electrical/electronic control equipment for the nuclear reactor system.

In 1976, I joined Gilbert Associates as an Engineer providing consulting services in the rate and regulatory area to utility companies. I was promoted to Senior Engineer in 1977, Manager of the Austin office 1980, and Director of Rate Regulatory Service in 1981.

In June, 1983, I left Gilbert to form a separate consulting firm and I am now a principal and President of Management Applications Consulting, Inc. My principal areas of concentration have been in loss studies, economic analyses, and pricing.

Q. Have you testified in support of any cost studies that you participated in or performed?

A. Yes, I have testified about such studies before the following regulatory agencies: the Maine Public Utility Commission, the Public Utility Commission of Texas, Illinois Commerce Commission, New Hampshire Public Utilities Commission, New Jersey Board of Public Utilities, New York Public Service Commission, Pennsylvania Public Utility Commission, the Massachusetts Department of Public Utilities, the Kentucky Public Service Commission, the Arkansas Public Service Commission, the Public Service Commission of Louisiana, the Public Utilities Commission of Ohio, the Public Service Commission of Missouri, the Delaware Public Service Commission, the Maryland Public Service Commission, the Indiana Utility Regulatory Commission, the North Carolina Utilities Commission and the Federal Energy Regulatory Commission.

Q. Could you please briefly discuss your technical experience?

A. I have performed numerous embedded and marginal cost of service studies, time differentiated bundled and fully unbundled cost studies for both electric and gas utilities since 1980. I have also used such studies in the design and presentation of detailed rate proposals before regulatory agencies.

My additional experience has been in the area of unaccounted for loss evaluations for electric and gas utilities for over thirty years. These studies include a detailed review of each system and the calculation of appropriate recovery factors.

Qualifications of Debbie L. Gajewski

Q. Ms. Gajewski, what is your present position?

A. I am a Managing Consultant in the consulting firm of Management Applications Consulting, Inc. ("MAC"), 1103 Rocky Drive – Suite 201, Reading, Pennsylvania 19609. This Company provides consulting services to the utility industries provide services in the fields of utility rate and regulatory analysis.

Q. What is your educational background?

A. I received a Bachelor of Science degree in Business Administration from Albright College in 1983. I was enrolled in the Ashford University M.B.A. program in 2009 and completed one year.

Q. What is your professional background?

A. I began as a technical assistant in the Cost and Load Analysis Department of Gilbert Associates in 1980. I was promoted to the position of Management Consultant in 1982. I joined Management Applications Consulting in 1985 as a Consultant and I became a Managing Consultant in 1997. During this time I have been involved with the preparation and presentation of embedded and marginal cost of service studies for both gas and electric utilities.

I have reviewed cost of service and revenue requirement data for over 100 applications on behalf of both investor owned and municipal utilities. In addition to cost of service studies, I have performed rate tariff and pricing, econometric and forecasting analyses, allocation factor development, and other gas and energy related matters. My experience includes gathering, processing, and analyzing engineering, operating, and accounting data necessary for these studies as well as cost of service model development and training.

Q. Have you presented testimony in support of any cost studies that you participated in or performed?

A. Yes, I have presented testimony about these studies before the following regulatory agencies: Massachusetts Department of Public Utilities, Maine Public Utilities Commission, Public Service Commission of Maryland, and the Railroad Commission of Texas.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	DOCKET NO. R-2020-3022135
Pike County Light & Power Company (electric)	:	

Pike County Light and Power Company
Statement No. 2
Direct Testimony of
Accounting Panel

Chuck Lenns and Richard A. Kane

Q. Would the members of the Accounting Panel please state your names and business addresses?

A. Chuck Lenns, 330 West William Street, Corning, New York 14830.

Richard A. Kane, 77 Leland Avenue, Pleasantville, New York 10570.

Q. By whom are you employed and in what capacity?

A. **(Lenns)** I am employed by Corning Natural Gas Corporation ("CNG") where I hold the position of Vice President and Chief Financial Officer.

(Kane) I am a Rate Case Consultant and have been retained by CNG to provide assistance in the development of the exhibits and testimony presented in this rate filing.

Q. Please explain your educational background, work experience, and current general responsibilities.

A. **(Lenns)** I received my Accounting Degree from the University of Scranton, where I currently teach in the business school. I also hold a law degree from Duquesne University Law School, and am a certified public accountant. I began my professional career in the tax practice of Ernst & Young ("EY"), and have

served clients in the firm's power and utilities tax and M&A practice. I was a tax partner from 1989 until retiring from EY in 2012. From 2012 until 2018 I served as Vice President - Tax for Consolidated Edison Inc. ("CEI") until I reached the mandatory retirement age for Officers with that Corporation. I joined Corning Natural Gas Holding Company ("CNGH") as Vice President and Chief Financial Officer in July of 2020 for the parent and all of its subsidiaries, including Corning Natural Gas Corporation ("CNG") and Pike County Light and Power Company ("Pike" or "the Company").

(Kane) In May 1976, I received a Bachelor of Science degree in Accounting from Manhattan College. I worked for Consolidated Edison Company of New York, Inc. ("CECONY") from August 1976 until January 1978 as a staff accountant. I then joined Orange & Rockland Utilities, Inc. ("ORU") and became Supervisor – Facility Accounting. In 1980, I became Manager – Budgets. In 1989, I became Manager – General Accounting and in 1996, the Accounts Payable Section was added to my responsibilities. As a result of ORU's merger with CEI, the Accounting Departments for CECONY and ORU were combined. After the merger, I

continued to be responsible for overseeing ORU's General Accounting Section and Financial Reporting area until March 2003. At that time, I assumed the position as Department Manager of the Regulatory Accounting & Filings Department until I retired in 2014. The primary responsibility of that Department was to coordinate as well as participate in rate filings before regulatory agencies in New York, New Jersey, and Pennsylvania. Since that time, I have continued to provide assistance in several electric, gas, and steam rate case filings involving CECONY, ORU, and Rockland Electric Company ("RECO"). I am very familiar with Pike as it was a wholly owned subsidiary of ORU up until the time I retired. Pike was one of the companies I was responsible for handling in my different capacities at CECONY and ORU. One of the last assignments I had before retiring from CECONY involved overseeing the development of the financial exhibits in the prior Pike Electric & Gas rate filings (Dockets No. R-2013-2397237 – Electric and R-2013-2397353 – Gas) and participating in settlement negotiations.

Q. Have you previously submitted testimony before the Pennsylvania Public Utility Commission ("PAPUC")?

A. **(Lenns)** No.

(Kane) No.

Q. What is the purpose of the Accounting Panel's testimony in this proceeding?

A. The Accounting Panel will cover the following topics:

- Provide an overview of the acquisition of Pike by Corning Natural Gas Holding Company, Inc. in 2016;
- Explain how the Electric Long-Term Infrastructure Improvement Plan ("LTIIP") filing has been incorporated into this filing; and
- Discuss the major costs driving the rate increase Pike is seeking.

Q. Is the Accounting Panel sponsoring any exhibits in this filing?

A. Yes. The Accounting Panel is sponsoring Exhibits E-1 through E-5, which explain and detail the following:

- Historic financial data and Intercompany cost allocations between CNG and Pike (Exhibit E-1);
- ;
- Actual and forecast capital structures and rate of return (Exhibit E-2);
- Historic and forecast electric rate base (Exhibit E-3);

- Historic and forecast cost of service (Exhibit E-4); and
- Historic and forecast electric sales and revenues (Exhibit E-5).

PIKE ACQUISITION BY CORNING NATURAL GAS HOLDING COMPANY

Q. Please discuss the acquisition of Pike County Light and Power Company, Inc. by Corning Natural Gas Holding Company.

A. CNGH completed its purchase of Pike from Orange and Rockland Utilities, Inc. in 2016 after receiving necessary approvals from the PAPUC and the New York Public Service Commission ("PSC"). The acquisition was financed by the issuance of long-term debt and an equity infusion by CNGH.

While Pike had been part of an integrated contiguous system for ORU, its service territory is geographically separate from CNGH's other utility operations. In order to manage operations in Pike's service territory, full-time staff were hired to handle daily operations; emergency storm and gas leak response, customer needs, and manage utility investments. Administrative support was provided by CNGH's wholly owned subsidiary Corning Natural Gas

Corporation. CNG's Information Technology financial and customer systems were upgraded to incorporate Pike's requirements.

ELECTRIC LONG TERM INFRASTRUCTURE IMPROVEMENT PLAN

Q. Is the Company integrating projects associated with its Long Term Infrastructure Improvement Plan ("LTIIP") in conjunction with this rate filing?

A. Yes. The Company has integrated its planned capital expenditures for the calendar years 2020 and 2021 into this filing, as shown on Exhibits E-3, Schedule 10 and 11. These Exhibits are supported by the testimony of witness Grandinali.

Q. What is the Company's proposal with regards to the LTIIP?

A. Pike has integrated the LTIIP capital spending for 2020 and 2021 into the Company's revenue requirement calculations, variances from planned expenditures would be reconciled annually and collected from or passed back to customers as part of a Distribution System Improvement Charge ("DSIC"). The DSIC will allow Pike to use a surcharge to fund upgrades beyond the first year that new rates are in effect in order to replace aging infrastructure. The LTIIP plan

indicates the major capital projects that Pike currently plans to complete through 2024; the DSIC, if approved by the PAPUC, should greatly reduce the need for future years' additional base rate increases.

COSTS DRIVING RATE INCREASE

Q. When were Pike's electric delivery rates last changed?

A. Pike has been operating under electric rates that went into effect on September 1, 2014. Starting October 1, 2018, delivery revenues were reduced by a temporary customer bill credit (i.e., Temporary negative surcharge), related to the Tax Cuts and Jobs Act (TCJA). The TCJA was implemented in order to pass back to customers income tax savings that resulted from the decrease in the statutory federal income tax rate from 35 percent to 21 percent.

Q. Please explain why Pike is seeking an electric base rate increase at this time.

A. As indicated above, the Company has been operating under rates that have been in place since 2014. Since that time Pike has invested significant amounts of capital to improve its infrastructure in order to increase reliability and modernize its electrical system in order to better serve its customers.

Assuming new rates go into effect in the third quarter of 2021; it will be almost seven years since Pike has had any rate relief. Overall sales for the last several years have remained fairly constant from the levels upon which rates were based, requiring the Company to absorb increases in operating costs.

Q. Was Pike's last base rate case fully litigated or settled?

A. Pike negotiated a "black box" settlement in its last base rate case with the PAPUC Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate that was then approved by Commission.

Q. Why has Pike waited until now to file for new base rates?

A. There are two reasons; the settlement of the acquisition case had a stay-out provision that did not allow for a change in base rates until March 1, 2018. As a practical matter, it has taken CNGH time to properly staff and integrate Pike daily operations.

Q. How large a rate increase is Pike seeking?

A. Pike is seeking to increase its delivery rates by $1,933,600, representing an increase of approximately 19.4 percent in total forecast revenues, including

estimated energy costs for retail access customers. Delivery revenues would increase by 37.0 percent.

Q. What is driving the rate increase the Company is seeking?

A. While the 2014 rate case was a black box settlement without an associated detailed revenue requirement calculation, the increase of approximately $1.9 million can be attributed to the following:

- Carrying charges on net plant additions - $647,900
- Depreciation on net plant additions - 391,900
- Rate Base carrying charges(excl. plant) - 275,200
- Higher power supply delivery expenses - 447,200
- Higher Other O&M expenses - 304,700
- Higher Gross Receipts and other taxes - 87,500
- Lower sales & other operating revenues - 79,900
- Lower Cost of Capital / All Other - (112,900)
- Lower federal income rates - (187,800)

Total Net Increase $1,933,600

Q. Please explain how you developed the amounts discussed above.

A. Net plant additions have increased by approximately $7.2 million from levels included in the Pike's last

rate filing. This balance multiplied by the requested cost of capital is equates to approximately $647,900. Depreciation expense has increased by almost $391,900. The majority of this increase is attributable to general plant investments in Pike for IT systems, vehicles and tools. These items are amortized over their relatively short useful lives of five to ten years.

Carrying costs for other rate base items contribute $275,200 to the increase. This balance is comprised of higher working capital requirements for Materials and Supplies, prepayments, deferred charges and lower deferred income tax balances.

Under the acquisition agreement for Pike and the Commission-approved electric supply agreement, ORU continues to purchase and deliver energy and capacity to Pike. The cost of this service is higher than the internal cost allocated by ORU to Pike under its FERC tariff, when Pike was an ORU subsidiary.

Other O&M includes higher storm cost recoveries of approximately $135,000, salaries for full-time staff at Pike and other inflationary items.

Higher taxes are attributable to the Gross Receipts Tax on the rate increase, as well as higher payroll and property taxes.

Partially offsetting these increases is the overall cost of capital, which is lower due to lower debt costs and a lower equity ratio, than reflected in rates.

Higher delivery revenues and the lower federal income tax rate of 21 percent also partially offset the increases discussed above.

EXHIBIT E-1 HISTORICAL FINANCIAL DATA

Q. Please describe Exhibit E-1.

A. Exhibit E-1 contains the historic financial data for Pike as required by PAPUC regulations. Schedule 1 shows the balance sheets of Pike at June 30, 2020 and June 30, 2019. Schedule 2 provides the account balances comprising the Company's net investment in electric, gas and common utility plant in service at June 30, 2020. Schedule 3 is an income statement that shows the derivation of net income for electric and gas operations for the year ended June 30, 2020. Schedule 4 is a comparative income statement for Pike's electric operations for the twelve months ended

June 30, 2020 and June 30, 2019. Schedule 5 shows the intercompany charges billed to Pike under the terms of the intercompany agreement with CNG for the twelve months ended June 30, 2020. Schedule 6 shows the intercompany cost allocation factors currently in effect. Schedule 7 show the activity impacting the Intercompany Payable between Pike and CNG between June 30, 2019 and June 30, 2020. These charges and credits are in accordance with the terms of the intercompany agreement between Pike and CNG.

INTERCOMPANY COST ALLOCATIONS

Q. Is the Accounting Panel familiar with Pike's books and records, as well as the intercompany cost allocations between Pike and Corning Natural Gas Corporation ("CNG"), pursuant to which certain Administrative and General costs, including but not limited to, wages, shared services and taxes, are allocated to Pike?

A. Yes.

Q. Are the accounts of the Company kept in accordance with the Uniform System of Accounts as prescribed by the PAPUC?

A. Yes.

Q. Please describe Exhibit E-1, Schedule 5 in more detail.

A. Exhibit E-1, Schedule 5, "Statement of Charges Made by Corning Natural Gas Corporation to Pike County Light & Power Company's Electric Operations" is submitted in support of the charges for electric operations billed by CNG to Pike. The schedule sets forth by prime account each item for which a direct charge is made or which was the result of an allocation.

Q. What types of services are billed by CNG to Pike based on direct charges?

A. As part of the approval process for the acquisition of Pike by CNG, the New York State Public Service Commission (NYPSC) and PAPUC have required CNG to bill Pike on a direct charge basis for services rendered by CNG whenever it is practical, based on payroll records, direct payments to vendors and contractors, and usage studies supporting the distribution of clearing accounts. Further, CNG is required to develop and update Cost Allocation factors annually for shared expenses. The factors that are currently in effect are shown on Schedule 6 of Exhibit E-1. The direct and allocated charge billings are for activities and services rendered that are for the

exclusive benefit of Pike's customers, and are primarily shared administrative costs such as customer billing and collection, processing of invoices, administration of benefit plans, Accounting, Tax and Financing functions, Information Technology and Computer Services.

Q. Please describe the types of costs allocated by CNG to Pike and the methods of allocation used.

A. The types of costs allocated and the basis for such allocations are shown on Schedule 6 of Exhibit E-1. Costs that are impractical to charge on a direct basis are allocated to Pike based on the relationship, during the preceding calendar year, for the type of expense of Pike to the total expenses incurred by CNG and its utility subsidiaries. For the twelve months ended February 28, 2021, the ratios are as follows:

"A" Allocation Factor – Invoice Processing

Number of Pike Electric Invoices	927	= 15.28%
Total Invoices Processed	6,065	

"B" Allocation Factor – Human Resource Administration

Pike Electric Payroll	$592,314	= 11.63%
Total Payroll	$5,094,099	

"C" Allocation Factor – Health Insurance, Pension, etc.
Three part calculation that combines the payroll used in the B allocation with the number of active employees used in the D allocation and retired employees of which Pike has none. = 6.58%

"D" Allocation Factor – Payroll Processing

Pike Electric Employees	6	= 8.11%

	Total Employees	74	
"E" Allocation Factor – Billing & Receipts Processing			
	Pike Electric Bills Rendered	58,095	= 23.00%
	Total Bills Rendered	252,576	
"F" Allocation – Accounting Functions			
	Three part calculation that combines plant in service balances with revenues used in H and payroll used in B allocation.		= 16.78%
"G" Allocation – Plant Close-Outs			
	Change in Pike Electric Plant	$1,827,231	= 36.25%
	Total change in Plant	$5,040,099	
"H" Allocation – Customer Service (Call Center)			
	Pike Electric Revenues	$7,445,510	= 20.97%
	Total Revenues	$35,504,844	
"I" Allocation – Fixed Asset Accounting			
	Pike Electric Net Plant	$19,922,523	= 18.98%
	Total Net Plant	$104,939,822	
"J" Allocation – Income Taxes			
	Combines net income with permanent and temporary income tax timing differences		= 24.42%
"K" Allocation – Operational Services			
	Combines Capital expenditures with O&M expenses (excluding purchased power)		= 26.05%
"L" Allocation – Purchasing Activities			
	Pike Purchase Requisitions	41	= 18.63%
	Total Purchase Requisitions	397	

With regard to Federal income taxes, CNG and its subsidiaries file a consolidated Federal Income tax return and any tax liability or benefit is allocated among CNG and its subsidiaries as provided for in Section 1152-1 (a)(2) of the Internal Revenue Code of 1954. Tax liabilities or benefits are computed and

allocated to each company on the separate return basis, with tax liabilities or benefits allocated to the company that generated the liability or benefit, and each company's tax liabilities never exceeds its separate return liability.

Q. How does Pike allocate common costs between electric and gas operations?

A. Pike allocates 85 percent of common costs to electric operations and 15 percent to gas operations. The allocation is based on the ratio that net plant for each service bears to total net electric and gas plant.

EXHIBIT E-2 CAPITALIZATION

Q. Please describe Exhibit E-2.

A. Exhibit E-2 shows the actual and forecast capital structures.

Q. What capital structure is Pike requesting in this proceeding?

A. The Company is requesting a capital structure for June 30, 2021 as shown below:

	Ratio
Long-Term Debt	46.54%
Short-Term Debt	5.14%

Common Equity	48.32%
Total	100.00%

Q. Do you believe that this is a reasonable capital structure to be employed in this proceeding?

A. Yes, we do.

Q. Please explain why this capital structure is appropriate?

A. It reflects the forecast ratios of capital being employed by Pike, as set forth on Exhibit E-2, Schedule 1 for the twelve months ending June 30, 2021. The capital structure reflects the proportions of the actual capital being used in the utility's business plus a projected debt financing. We note that Exhibit E-2, Schedule 2, page 2 of 2 includes new long-term debt that Pike issued at the end of October 2020, in the amount of $1.315 million for 3.6%. The average daily short-term debt balance for the Twelve Months Ended June 30, 2020 of $1,318,134 was reflected in the Capital Structure as of June 30, 2021 as a proxy for the average short-term debt balance at June 30, 2021. The current cost of short-term debt of 3.1% was used in calculating the cost of this debt. This capital structure is reasonable when compared to the capital

structure of other companies and weighted more towards debt when compared to capital structures filed by Pike in the prior cases.

Q. What is your conclusion as to the reasonableness of Pike's requested common equity ratio in this proceeding?

A. Based on the above discussion, we conclude that the 48.32 percent common equity ratio requested by Pike in this proceeding is reasonable. The equity ratio reflects Pike's forecast of net earnings during the Twelve Months Ended June 30, 2021 and thus is appropriate to use in this proceeding.

Q. What cost of equity return is the Company requesting in this proceeding?

A. As shown on Exhibit E-2, Schedule 3, the cost of equity return is 9.75 percent.

Q. What overall rate of return ("ROR") is the Company requesting in this proceeding?

A. As shown on Exhibit E-2, Schedule 3, the overall ROR is 7.09 percent.

Exhibit E-3 ELECTRIC RATE BASE

Q. Please describe Exhibit E-3.

A. Exhibit E-3 consists of a summary and eleven schedules containing Pike's historic and future electric rate base. Schedules 10 and 11 are discussed by Company Witness Grandinali.

Q. Please describe the method used to calculate the historic electric rate base at June 30, 2020 as shown on the summary page.

A. We began with actual electric utility plant and plant reserves to arrive at net plant at June 30, 2020. To net plant, we added cash working capital, materials and supplies, prepayments, and deferred debits. Finally, we deducted deferred credits, accumulated deferred income taxes, and customer deposits to arrive at electric rate base.

Q. Please describe the method used to calculate the forecast electric plant balance at December 31, 2021.

A. We began with the actual electric plant in service balance per books at June 30, 2020. The completed construction work in progress ("CWIP") projects were transferred to plant as shown on Exhibit E-3, Schedule 1, pages 1 and 4. We would note that because of Pike's small size and the effort required to summarize the CWIP projects, they are normally transferred to plant-in service at the end of its fiscal year (i.e.,

September 30th). Company Witness Grandinali provided us with the budgeted electric distribution expenditures and additions scheduled for July 1, 2020 through December 31, 2021 shown on Exhibit E-3, Schedules 10 and 11. Retirements were projected through December 31, 2021. For distribution plant, retirements were based on historic levels. Common general plant, other than computer software, is amortized over five years. As a result, assets placed in service during 2015 – 2016, will be retired in 2020 – 2021. The calculated adjustment for distribution plant of $4,464,700 is shown on Exhibit E-3, Schedule 1, page 1 of 4. The adjustment for common general plant allocated to electric of $407,400 is shown on Exhibit E-3, Schedule 1, page 2 of 4.

Q. What is the purpose of Exhibit E-3, Schedule 1, page 3 of 4?

A. Exhibit E-3, Schedule 1, page 3 of 4 is necessary to allocate shared net plant related to administrative offices, equipment, and computers used by CNG employees that provide services to Pike. Office space was allocated on the basis of square footage utilized by those employees (i.e., 1.73%). Furniture, equipment, and computers were allocated on the basis

of CNG administrative wages charged to Pike (i.e., 6.17%).

Q. What is the purpose of Exhibit E-3, Schedule 1, page 4 of 4?

A. As discussed above, Exhibit E-3, Schedule 1, page 4 of 4 is necessary to reclassify completed plant additions from construction work in progress to plant in service. The offset is shown in Exhibit E-3, Schedule 1, page 1 of 4.

Q. Please describe the calculation of the accumulated provision for depreciation of electric plant in service for the period ending December 31, 2021.

A. We began with the per books balance at June 30, 2020, added accruals projected for the 18 months ending December 31, 2021 and subtracted projected retirements for the same period to arrive at the ending balance at December 31, 2021. Our calculated adjustment of $547,000 for the electric plant reserve is shown on Exhibit E-3, Schedule 2, page 1 of 2.

Q. Please describe the calculation of the accumulated provision for depreciation of common plant in service for the period ending December 31, 2021.

A. We began with the per books balance at June 30, 2020 and added accruals projected through December 31, 2021

and subtracted projected retirements for the same period to arrive at the ending balance at December 31, 2021. The calculated adjustment of $95,800 is shown on Exhibit E-3, Schedule 2, Page 2.

Q. How did you calculate the cash working capital for the twelve months ending June 30, 2020 and 2021?

A. We prepared a lead/lag study. The results of the study are shown on Exhibit E-3, Schedule 3 pages 1 and 2.

Q. Please provide an overview of the lead/lag study and describe its results.

A. The lead/lag study utilizes accounting information and financial studies for the twelve months ended June 30, 2020 to determine the net lag days. The net lag days are applied to the cost of service inputs for the years ending June 30, 2021, in order to determine the cash working capital requirements reflected in rate base. The study indicates a cash working capital requirement of $442,391 for the twelve months ended June 30, 2021 as shown on Exhibit E-3, Schedule 3, pages 2 and 2. We would note that the working capital requirement for the Twelve Months Ended June 30, 2020 is shown on Exhibit E-3, Schedule 3, page 1 of 2. The purpose of the cash working capital component of

rate base is to compensate the Company for funds it provides to pay operating expenses in advance of receipt of revenue. It reflects the amount of capital over and above investment in plant and other separately identified rate base items provided by the Company to bridge the gap between the time the Company provides service and the time the Company collects revenue for that service. A lead or lag reflects the amount of time that elapses between when a party provides a product or service, and when that providing party is compensated for the product or service provided. For the purpose of this study, the amount of lead or lag times was calculated in days. We would note that the while the study period was a leap year (i.e., contained 366 days), we reflected 365 days in our calculations, since the twelve months ended June 30, 2021 has 365 days.

Q. Please describe the revenue component of the lead/lag study.

A. The lag on revenue collection consists of three components:

- the time between rendering of service and meter reading;

- the time between meter reading and billing of services; and
- The time between billing of services and collection of revenue.

Pike's customers are billed on a monthly cycle. The average time from the rendering of service to meter reading date is calculated to be 15.2 days. The 15.2 days was calculated by dividing 365 days by twelve months and then dividing by two to achieve the mid-point for each monthly service period (365 days / 12 months / 2 = 15.2 days). Based on an examination of the meter reading and billing data for the year ended June 30, 2020, on average, it took 1.9 days from the time meters were read to the time bills were generated and mailed out. Generally, billing occurs the same day the meter reading is completed for that particular cycle, with mailing occurring the following day. The billing to collection lag was determined by analyzing payments for the Twelve Months Ended June 30, 2020. Average lag days were generated for each revenue class of billing and weighted by their amounts. Based on this analysis, on average, bills were outstanding for 16.7 days. Combined, the total lag in revenue recovery

of energy bills and miscellaneous operating revenues is 33.8 days.

Q. Please describe the treatment of cost of service in the study.

A. The cost of service was broken down into the basic components of operating expense and operating income. Operating income, which represents a return on invested capital, is included as a component of the cost of service.

Q. Please describe the treatment of purchased power expenses in the study.

A. The cost of purchased power and related expenses are billed monthly and are required to be paid within 10 days of receiving the invoice. Invoices are normally received within the first few days following the service month. The lag measured from the mid-point of the month (365 days / 12 months / 2 = 15.2 days) to the date of payment for services, normally on or before 15 days after the end of the service month, totals 30.2 days.

Q. How was the System Benefits Charge ("SBC") expense reflected?

A. For purposes of the lead lag calculation both the SBC recoveries and offsetting expense have the same number of lag days (i.e., 34.2 days).

Q. Please describe the treatment of salaries and wages.

A. The lag for salaries and wages was calculated to be 11 days. All employees are paid Bi-Weekly on the Thursday following the weeks worked resulting in an 11-day lag (service period 14 days) / 2 = 7 day midpoint plus 4 days until payment is made.

Q. Please describe the lag days associated with pensions.

A. The Company sponsors a 401K plan that includes a partial match of employee contributions. The match is paid at the same time as payroll, so the 11 day lag was assigned to fund contributions.

Q. Please describe the lags associated with employee welfare expenses.

A. Employee welfare premiums for health, life and Workers' Compensation insurance are administered by CNG. Pike reimburses CNG on the 15th day of the month following the service month. The lag measured from the mid-point of the service month (365 days / 12 months / 2 = 15.2 days) to the date of payment for services (15 days), totals 30.2 days.

Q. How was the lag for intercompany payments calculated?

A. As with employee welfare expenses discussed above, the lag is measured from the mid-point of the month (365 days / 12 months / 2 = 15.2 days) to the date of payment for services (15 days), totaling 30.2 days.

Q. Please describe the lag associated with uncollectible accounts expense.

A. Uncollectible accounts expense was lagged at 33.8 days, consistent with the revenue recovery lag, to reflect the portion of revenue that is uncollectible.

Q. Please describe the lag associated with other O&M.

A. The lag on other O&M expenses was calculated to be 22.1 days. This calculation is based on an analysis of accounts payable payments made to vendors for materials and services charged to O&M expense. Lag days were measured from the mid-point of the month (365 days / 12 / 2 = 15.2) to the date of payment for services (6.8 days), totals 22.0 days.

Q. Please describe the lead or lag associated with taxes other than income taxes.

A. FICA payroll taxes are funded at the same time as payroll and assigned the same 11.0 day lag. Pennsylvania’s gross receipts tax and property taxes are amortizations of prepaid costs and were assigned zero lag days. The average unamortized prepaid

balance for the gross receipts and property taxes is shown and included in Rate Base on Exhibit E-3, Schedule 5. If the prepaid balances are eliminated from Rate Base it will be necessary to adjust the Lead Lag Study to include the (lead) / lag times for these items. Gross Receipts tax for example, has a (lead) time of 107.5 days.

Q. Please describe the lag days associated with Federal and state income taxes.

A. The Federal Income Tax ("FIT") and state income tax lag assumes four annual payments (i.e., September 15th, December 15th, April 15th, and June 15th). We determined that there was a lag of 38.5 days by the number of days that elapsed from the mid-point of the service period (i.e., December 30, 2019) and the four payments, respectively.

Q. Please describe the lag days associated with the amortization of deferred expenses, deferred federal and state income taxes, depreciation, and return on invested capital.

A. These components were assigned zero lag days because they are non-cash items.

Q. How did you calculate the Plant Materials and Stores component of electric working capital?

A. We used the average balance for the twelve months ended August 31, 2020 as a proxy for the plant material balances for the twelve-month period ended June 30 2021. The calculation is shown on Exhibit E-3, Schedule 4.

Q. How did you calculate the prepayments component of electric working capital?

A. We used the same method we used to calculate the plant material balances. The components of prepayments and the balances used for the calculations are shown on Exhibit E-3, Schedule 5.

Q. Please describe Exhibit E-3, Schedule 6.

A. Schedule 6 contains various deferred debits that are included in rate base. Deferred storm costs for Hurricane Riley will be $977,630 at June 30, 2021. The Company estimates that it will incur $150,000 of outside legal and consulting costs related to the electric and gas rate filings. $127,500 of these costs were allocated to electric operations based on a net plant split. On Schedule 6, we calculated the after tax amount for these two items to be $785,800.

Q. Please describe Exhibit E-3, Schedule 7.

A. At June 30, 2020, the Company had a deferred credit of $57,173 as a result of variances from amounts passed

back to customers and targeted refunds ordered by the PAPUC as a result of the Federal Tax Cuts and Jobs Act (TCJA). Under the TCJA legislation the federal income tax rate was reduced for Pike from 35% to 21%, lowering its annual revenue requirement. As a result, the Company currently provides a credit on customer bills of 0.67%. The deferred TCJA balance is projected to grow by an additional $23,591 through June 30, 2021 resulting in a forecast balance of $80,764. In addition, the Company has deferred $282,404 related to the lower income rate and timing differences that will turn around in the future. The net of Tax balance for these two credits is forecast to be $258,200 at June 30, 2021 and is reflected as a rate base deduction in Exhibit E-3, Summary.

Q. Please describe the calculation of customer deposits as shown on E-3 Schedule 8.

A. We used the average balance for the twelve months ending August 31, 2020 as a proxy for the twelve-month period ending June 30, 2021.

Q. Did you calculate the deferred income taxes for the twelve months ending June 30, 2021?

A. Yes. This calculation, shown on Exhibit E-3, Schedule 9, presents the difference between the balances of

accumulated deferred income taxes at June 30, 2020 and June 30, 2021, respectively.

EXHIBIT E-4 ELECTRIC COST OF SERVICE

Q. Please describe Exhibit E-4.

A. Exhibit E-4 consists of a summary and fourteen schedules containing the historic and future electric cost of service. The Accounting Panel supports all schedules with the exception of Schedule 8, which addresses the annual allowance for tree trimming and is supported by Mr. Grandinali. Page 1 of the Summary shows the historic and forecast cost of service, page 2 of the Summary shows the calculation of the revenue requirement, and page 3 of the Summary lists all of the adjustments to the cost of service.

Q. How did you develop the historical and forecast cost of service?

A. We began with the actual per books information for the twelve months ended June 30, 2020. This information is shown in Column 1 of Exhibit E-4, Summary, Page 1 of 3. Column 3 sets forth the adjustments necessary to bring historical revenues, expenses, and rate base in line with the levels of revenues, expenses and rate

base projected for the twelve months ending June 30, 2021.

Q. Please describe how the revenue requirement of $1,933,600 shown on page 2 of the Summary was calculated?

A. We began with the projected June 30, 2021 rate base from Exhibit E-3, Summary. To this balance we applied the overall rate of return shown on Exhibit E-2, Schedule 3. This produced a return of $1,741,999. We compared this number to the earned return projected on page 1, column 4 of the Summary, which was $469,200. The difference between these two amounts is $1,272,799, which we factored up for the Pennsylvania gross earnings tax, customer uncollectibles, and income taxes to arrive at a revenue requirement of $1,933,622, which was rounded to $1,933,600.

Q. Please describe Exhibit E-4, Schedule 1, Page 1 of 3.

A. Exhibit E-4, Schedule 1, Page 1 of 3 compares the forecast billed electric sales and revenues for the Twelve Months Ended June 30, 2021 to the actual electric sales and revenues for the Twelve Months Ended June 30, 2020. The calculation of the forecast delivery revenues, fuel recoveries, System Benefit Charge and Gross Receipts Tax for the Twelve Months

Ended June 30, 2021 come from Exhibit E-5, Schedule 6. We did not include a projection of the TCJA credit in the forecast revenues. While the TCJA credit will remain in effect until rates are reset, we did not include it in the forecast because the credit would have lowered the Company's operating revenues and overstated the revenue requirement. The estimated TCJA Credit customers will receive during the Twelve Months Ended June 30, 2021 of $48,905 is shown on the bottom of Exhibit E-4, Schedule 1, page 2 of 3.

Q. Please continue with page 2 of Schedule 1.

A. Exhibit E-3 Schedule 1, page 2 of 3 shows Other Operating Revenues for the Twelve Months Ended June 30, 2020 and 2021. The forecast of Late Payment Charge ("LPC") revenues was calculated by taking the ratio of actual LPC revenues to total billed electric revenues for the twenty-four months ended June 30, 2020. This resulted in a LPC factor of 0.11%, which was multiplied by the forecast of electric revenues shown on Page 1 of Schedule 1 to project LPC revenues of $8,261. Rents from Electric Property are derived from pole attachment fees. In reviewing the historic levels of pole attachment fees for the Twelve Months Ended June 30, 2020, we determined them much higher

than normal due to delays in settling annual billings with Verizon. The level for the Twelve Months Ended June 30, 2021 of $139,710 is based on the agreements in place and represents a normal level of billings. The provision for rate refund of $20,548 represents a four-year amortization of the estimated balance of TCJA credits to be deferred at June 30, 2021. The Company reconciles the actual TCJA credits passed back to customers to the annual targeted levels. At June 30, 2021, we forecast that customers will be due $82,192 in TCJA credits.

Q. Please continue.

A. Exhibit E-4, Schedule 1, page 3 of 3, is necessary to match the level of expense associated with the SBC surcharge for the Twelve Months Ended June 30, 2021 to the level included in the Twelve Months Ended June 30, 2020.

Q. Please describe Exhibit E-4, Schedule 2.

A. Exhibit E-4, Schedule 2 reflects the change in purchased power expenses and matches projected energy cost recoveries through base rates and the Electric Supply Adjustment Charge ("ECR") for the Twelve Months Ended June 30, 2021.

Q. Please describe the adjustment to other Purchased Power Cost shown in Exhibit E-4, Schedule 3.

A. The estimated increase in other Purchased Power Costs shown on Exhibit E-4, Schedule 3 was calculated by applying the actual increase in this expense realized between the Twelve Months Ended June 30, 2020 and June 30, 2019 of $22,419 to the June 30, 2020 level of this expense.

Q. Please explain the increases in salaries shown in Exhibit E-4, Schedule 4.

A. Page 1 of Exhibit E-4, Schedule 4 contains the calculation of the annual wage increases. We took both direct and allocated payroll that was charged to Pike's electric operations and first removed the October 2019 increase in order to determine base wages before the increase that went into effect during the twelve months Ended June 30, 2020. We then annualized the October 2019 wage increase by multiplying the base salaries before the increase by 25% of 3.0% (i.e., 0.75 percent), representing the three months beyond the historic test year, representing the increase that will go into effect during July – September 2020. We next applied the estimated annual overall increase of 3.0% that will go into effect in October 2020 to the

actual payroll for the Twelve Months Ended June 30, 2020 plus the annualized increase. This Schedule will be updated for the actual overall wage increase percentage when the Company files an update.

Q. What is the basis for the wage increase factor of 3.0 percent?

A. The Company's overall general wage increase guidelines were set at 3.0 percent. While some employees may receive more than a 3.0 percent increase due to promotions and changes in responsibilities, others may receive less. In some cases, the salary for the replacement is at a lower wage rate and sometimes they are at a higher rate than the current incumbent. The Company tries to keep the overall level of increases in wages to be no more than 3.0 percent.

Q. Please continue.

A. Page 2 of Exhibit E-4, Schedule 4 reflects the cost of three new positions to be added during the Twelve Months Ended June 30, 2021. The first would be a full time Pike employee. It is anticipated that the person to be hired in this position will perform multi-functions; including materials management and procurement, customer service, and oversee maintenance of the office facilities for Pike. Eighty percent of

the salary for this position was allocated to Pike's electric operations based on the current electric vs. gas customer split (i.e., 4,800 / 6,000). The two Accounting positions shown on the Schedule would be hired and work for Corning Natural Gas Corporation. It is anticipated that twenty percent of their time would be devoted to Pike. We assigned 17 percent of their estimated salaries to Pike's electric operations (i.e., 85 percent net plant split x 20 percent Pike allocation = 17 percent).

Q. Please continue with a description of Adjustment No. (5), Changes in Operation and Maintenance Expense to Reflect the Estimated Increase in Payroll Ancillary Costs and Adjustment No. (13), Changes in Taxes Other Than Income Taxes to Reflect Increases in Payroll Taxes, as shown on Exhibit E-4, Summary, as well as on Exhibit E-4, Schedule 5 and Schedule 13, Page 1, respectively.

A. The estimated increase in payroll ancillary costs, which amounts to $42,300, was calculated by applying a fringe benefit rate of 46.05% to the forecasted wage increase amounts shown on Exhibit E-4, Schedule 4, Pages 1 and 2, and which were discussed above. The 46.05% fringe benefit rate includes the cost of health

and life insurance at 38.27%, Workers' Compensation insurance at 2.26%, and Pike's 401K matching contribution of 5.52%. These rates were developed based on the historic cost of each benefit item in relation to the total historic labor costs for the twelve months ended June 30, 2020. The estimated increase in Payroll Taxes, which amounts to $5,916, was calculated by applying the payroll tax rate of 7.65% to the forecasted wage increase amount. The 7.65% payroll tax rate includes the cost of Federal Insurance Contribution Act Tax at 6.20% and Medicare at 1.45%. These tax rates are based on the current statutory rates.

Q. **Please explain Adjustment No. (6), Changes in Operation and Maintenance Expenses to reflect the elimination of the amortization of Other Post Employment Benefit Other Than Pensions ("OPEB") expense, as shown in E-4, Schedule 6.**

A. Adjustment No. (6) is necessary to eliminate the annual amortization of deferred OPEB expenses. The deferred balance of this cost will be fully amortized by September 2020. This adjustment eliminates this cost from base rates going forward.

Q. Please describe Adjustment No. (7), Changes in Operation and Maintenance Expenses to reflect the amortization of Storm Deferrals, as shown in Exhibit E-4, Schedule 7.

A. Adjustment No. (7) in the amount of $137,400 reflects the increase in amortization expense for storm cost over four-years. The amortization of deferred Hurricane Sandy cost was completed in December 2019. As result, the Company applied the annual rate allowance for deferred storm costs to start amortizing deferred Hurricane Riley costs starting in January 2020. At June 30, 2021, the Company projects that the deferred Hurricane Riley balance will be approximately $1.1 million. The annual amortization expense of $280,067 was compared to the level of storm costs charged to expense in the Test Year of $142,639 to calculate the adjustment of $137,428 or $137,400 when rounded.

Q. Please describe Adjustment No. (8), Changes in Operation and Maintenance (O&M) Expense to Related to Tree Trimming, as shown on Exhibit E-4, Summary, as well as on Exhibit E-4, Schedule 8.

A. Adjustment No. (8) provides for an increase in O&M expense of $59,000 to normalize the level of

contractor tree trimming costs. In the test year, the Company had tree trimming costs of $145,347. The Company is on a five-year cycle for tree trimming and the adjustment increases the Test Year level to reflect the average annual spending for the twelve months ended September 30, 2018 and 2019 of $204,353.

Q. Why did you use fiscal years ended in September 2018 and 2019 instead of June 2018 and 2019 for tree trimming costs.

A. The Company's accounting year ends in September. The payments to tree trimming venders are maintained on the same basis (i.e., Twelve Months Ended September).

Q. Please describe Adjustment No. (9), Changes in Operation and Maintenance Expense to reflect the amortization of estimated rate case expenses, as shown on Exhibit E-4, Schedule 9.

A. Adjustment No. (9) Represents an increase in O&M expense of $31,900 to reflect a four-year amortization of estimated incremental costs associated with this rate case. As shown on Schedule 9, Pike estimates that it will incur $127,500 of costs in the preparation and filing of this case, which are primarily for consultant fees to prepare the exhibits and testimony in support of the revenue requirement,

cost service study, rate design, and outside legal fees.

Q. Please describe Adjustment No. (10), for intercompany administrative and operating charges, as shown on Exhibit E-4, Summary, as well as on Exhibit E-4, Schedule 10.

A. The adjustment reflects the test year level of intercompany charges not reflected in other schedules of $356,766, (e.g., payroll, taxes other, etc.). To this amount we applied the current Consumer Price Index of 1.0% to escalate these costs for the Twelve Months Ended June 30, 2021. This adjustment increases O&M expense by $3,568 which was rounded on the Exhibit to $3,600.

Q. Please address Adjustment No. (11), Exhibit E-4, Schedule 11.

A. Adjustment No. (11) adjusts the uncollectible expense recorded on the Company's books to reflect the actual bad debt write-offs experienced during the twenty-four months ended June 30, 2020. We took the actual net write-offs (i.e., customer bills written off as uncollectible less recoveries), as a percentage of billed revenues during the same period of time. This produced a factor of 1.53 percent. This percentage

was applied to the projected revenues for the twelve months ended June 30, 2021 to calculate the annual bad debt expense of $109,909. This expense was compared to the uncollectible accruals recorded during the twelve months ended June 30, 2020, which was a negative expense of $79,050 to arrive at the adjustment of $188,960 or $189,000 rounded.

Q. Why was uncollectible expense a negative amount of $79,050 for the twelve months ended June 30, 2020?

A. During the twelve months ended June 30, 2020, the Company was able to collect some of the amounts that had been written off in the prior year as uncollectible. Since there is an inherent lag between the time customer bills are written off and the possible recovery of a portion of those write-offs, we utilized a two-year period to normalize this time lag in developing the uncollectible factor of 1.53 percent.

Q. Please explain Adjustment (12) to depreciation expense, Exhibit E-4, Schedule 12.

A. Exhibit E-4, Schedule 12 consists of four pages. The first page shows the calculation of depreciation expense for the rate year, the Twelve Months Ended June 30, 2021. Page 2 shows the calculation of the

composite book depreciation rate for electric distribution and general plant that was utilized on page 1 of this Exhibit. Page 3 shows the calculation of the average amortization rate for common general plant that was reflected page 1 of this Exhibit. Finally, page 4 shows the current allowance for net salvage and the amortization of an unallocated reserve established in Case R-2008-2046518.

Q. Please explain how the adjustment to depreciation expense shown on page of Schedule 12 was calculated.

A. We started with the electric distribution and common general plant balances allocated to electric at June 30, 2020. To these balances we eliminated non-depreciable plant. We then reflected the plant additions and retirement as shown on Exhibit E-3, Schedule 1, pages 1 and 2 to calculate the plant balance subject to depreciation at June 30, 2021. The plant balances were then multiplied by the composite depreciation rates from pages 2 and 3 to calculate the rate year level of depreciation expense of $900,500. This level was compared to the Test Year level of $616,700 and resulted in the depreciation adjustment of $283,800.

Q. What is the purpose of the depreciation reserve calculations shown at the bottom of page 1 of Exhibit E-4, Schedule 12?

A. The calculations are necessary to compute the change in the depreciation reserve from the twelve months ended June 30, 2020. The changes are reflected in Rate Base Exhibit E-3, Schedule 2, pages 1 and 2.

Q. Are the depreciation, amortization, net salvage rates shown on pages 2 through 4 the same as contained in the Settlement Agreement approved by the PAPUC in Case R-2013-2397237?

A. Yes, with the exception of some general plant accounts that did not exist at the time of the Agreement. For computer equipment and software (recorded in Account 391), the Company is amortizing this plant over its estimated useful life of ten years. Transportation equipment (FERC Account 392) along with small tools and equipment (FERC Account 392) are being amortized over five years.

Q. With regards to the current allowance for removal and net salvage shown on page 4, why hasn't the Company proposed any changes to the current allowances?

A. Pike has not proposed any changes to the current allowances for removal and net salvage because we do

not enough data at this time. The acquisition of Pike was completed in fourth quarter of 2016 and as a result, we don't have adequate historic data to recommend changes at this time. The current allowance of $35,148 is shown on Exhibit E-4, Schedule 12, Page 4.

Q. Please discuss the recovery of net salvage.

A. In lieu of recovering net salvage costs through the annual depreciation rate, the PAPUC establishes an annual allowance to be collected from, or returned to, customers through base rates which is computed by averaging the Company's annual actual expenditures for net salvage costs. That amount is then added to or subtracted from annual depreciation expense.

Q. Please explain the amortization of the reserve excess of $16,000, shown on the bottom of Exhibit E-4, Schedule 12, Page 4.

A. As a result of a previous electric base rate case (Docket No. R-2008-2046518), the Company moved an excess depreciation reserve out of the allocated portion of the reserve, which maintains a reserve for each plant account to an unallocated account. The Company is in the process of returning that excess depreciation reserve to customers.

Q. Are you proposing any changes to the unallocated reserve and its associated amortization to return that money to customers?

A. No, we are not.

Q. Please describe Adjustment No. (13), Changes in Taxes Other, as shown Exhibit E-4, Schedule 13, Page 1.

A. Adjustment No. (13), in addition to the change to payroll taxes discussed above, reflects the change in the Pennsylvania Gross Earnings Tax for the Twelve Months Ending June 30, 2021 and property taxes. The Gross Earnings Tax was calculated by multiplying electric revenues shown on Exhibit E-4, Summary, page 1, Column 4 of $7,352,100 the Gross Receipt tax rate of 5.9 percent. Property tax expense was based on the latest actual tax bills.

Q. Please describe Adjustment No. (14), Calculation of Income Tax Expense for the Twelve Months Ending June 30, 2021, as shown Exhibit E-4, Schedule 14.

A. Adjustment No. (14) Shows the necessary additions and subtractions that must be made to operating income before taxes in order to determine taxable income to which the statutory tax rates are applied.

Q. Please explain page 3 of Schedule 14.

A. Page 3 shows the calculation of the interest deduction included in page 1 of Schedule 14. The weighted cost of debt of 2.38 percent comes from Exhibit E-2, Schedule 3 after combining the weighted interest cost for both long and short term debt and is multiplied by Pike's rate base to determine the interest deduction reflected on pages 1 and 2 of this Exhibit.

EXHIBIT E-5 ELECTRIC SALES AND REVENUES

Q. What were Pike's actual total delivery volumes for the 12 months ended June 30, 2020?

A. Pike's actual total delivery volumes for the 12 Months Ended June 30, 2020 were 72,583,273 KWHs as shown on Exhibit E-5, Schedule 1. The associated actual monthly billed revenues for the 12 Months Ended June 30, 2020, are shown on Exhibit E-5, Schedule 3.

Q. Please summarize, in aggregate form, your delivery volume forecasts for the 12 months ending June 30, 2021.

A. For the 12 months ending June 30, 2021, the total delivery volume forecast is 72,993,100 KWHs, which is an increase of 409,827 KWHs from the 12 months ended June 30, 2020 and reflects a 0.6 percent growth for

the period. The calculation of the forecast sales is shown on Exhibit E-5, Schedule 5.

Q. How did you project the Company's electric billed delivery volumes?

A. As shown on Exhibit E-5, Schedule 5, we started with the actual delivery volumes for the Twelve months ended June 30, 2020. To this level we first reflected the actual historic growth in sales for residential customers. Next for residential, secondary commercial and lighting classes we added in the projected growth in new customers, which was based on the actual growth between the Twelve Months Ended June 30, 2019 and June 30, 2020. Finally we made an adjustment to the residential and lighting customers to normalize the impact of leap year. The Twelve months ended June 30, 2020 had 366 days. This adjustment normalized the rate year to 365 days. Historic sales to primary and secondary commercial customers have been declining. Several factors are impacting these customers; including COVID-19, increases in the number of small business bankruptcies and higher unemployment levels than we have seen over the last several years. The declines in sales volumes over prior years have been present even before COVID-19. As a result, we cannot

quantify whether or not the decrease in sales volumes is the direct result of COVID-19 or other economic conditions. Delivery volumes for commercial customers were not changed from the level for the twelve months Ended June 30, 2020, other than to reflect the average historic increase in secondary customers discussed above.

Q. Please explain how you estimated Pike's electric revenues for the forecast period.

A. The projected electric revenues are shown on Exhibit E-5, Schedule 6. We populated this Schedule with the projected number of customers, which is shown in column 1, reflected the projected sales volumes from Schedule 5 in column 2, and put the historic KW demand adjusted for customer growth of commercial secondary customers in column 3. We then priced out the monthly customer charge shown in Column 4 by multiplying the number of customers in Column 1 by the current tariff rates. Delivery revenues shown in column 5 were calculated by taking the sales volumes shown in column 2 and multiplying them by current tariff rates that were weighted to reflect historic usage. Demand revenues shown in column 6 were calculated by multiplying the KW demand shown in column 3 by current

tariff rates. The Market Price of Energy and ECR surcharges shown in columns 7 and 8 respectively were calculated by multiplying the sales volumes for full service ("POLR") customers shown in column 2 by the current tariff rates in effect. The SBC surcharge shown in column 9 is only applicable to residential customers and was calculated by multiplying the delivery volumes in Column 2 by the current tariff rate. Total electric revenues including the Gross Receipt Tax are shown in Column 10. Column 11 shows Gross Receipt Tax included in column 10 was developed by multiplying column 10 by the current tax rate of 5.9 percent. Electric revenues excluding the Gross Receipt Tax are shown in Column 12. The monthly distribution of sales and revenues including the Gross Receipts Tax for the Twelve Months Ended June 30, 2021 are shown on Exhibits E-5, Schedule 2 and 4 respectively.

Q. Does that conclude your testimony?

A. Yes, it does. We reserve the right to update or amend this testimony.

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	DOCKET NO. R-2020-3022135
Pike County Light & Power Company (electric)	:	

Pike County Light and Power Company

Statement No. 3

Direct Testimony of

Steven L. Grandinali

Q. Please state your name and business address.

A. My name is Steven L. Grandinali and my business address is One Hundred Five Schneider Lane, Milford, Pa 18337.

Q. By whom are you employed and in what capacity?

A. I am employed by Corning Natural Gas Corporation("CNG"), the corporate parent of Pike County Light & Power Company ("Pike" or the "Company") as General Manager of Pike. In this position I am responsible for all operations at Pike.

Q. Please provide your educational background and professional experience.

A. In 1979, I graduated from Stevens Institute of Technology with a Bachelor's Degree in Engineering. Upon graduating, I joined Public Service Electric and Gas Company ("PSEG") as an Electrical Supervisor Engineer. While at PSEG I held several successive positions leading to a Senior Engineer Distribution Planner. In 1985, I earned my Master's Degree in Business Administration from the Iona College Hagan School of Business. In 1988, I joined Orange and Rockland Utilities ("ORU") as a Distribution Planner in the Electrical Engineering Department. During the next 28 years, I progressed throughout ORU holding various positions within the Electrical Engineering, Contract Management, Electric Operations, Distribution Control Center, Special Projects and retiring as Section Manager of New Construction Services.

I joined Pike, October 2016 as the General Manager where I am responsible for overseeing the daily electric and gas operations of the system.

Q. Have you previously sponsored testimony before the Pennsylvania Public Utility Commission ("PAPUC")?

A. No, I have not.

Q. What is the purpose of your testimony in this proceeding?

A. I will provide an overview of Pike's electric system that serves the five municipalities in Pike County, which include Matamoras Borough, Westfall Township, Milford Borough, Milford Township and Dingmans Township, Pennsylvania, discuss Pike's electric system improvement projects as presented in the Company's Distribution Electric Long Term Infrastructure Improvement Plan ("LTIIP") that was submitted to the PAPUC on October 5, 2020 at Docket No. P-2020-3022285 and is pending Commission approval, electric meter test equipment and the vegetation management program requirements and discuss the impact on the system and costs related to the Winter Storm Riley.

Q. Please provide an overview of Pike's electric system that serves the territory in Pennsylvania.

A. Pike serves approximately 4,800 electric customers of which 960 are commercial, 3,810 are residential and 90 are lighting. Pike territory is served primarily from two 34.5kV feeders that originate from Orange and Rockland Utilities. The Borough of Matamoras and a small commercial area of Westfall are served by two 13.2kV feeders from the Matamoras Substation with backup circuit tie capability to a 13.2kv distribution circuit from Orange and Rockland Utilities. The substation is normally fed by a 34.5kv circuit "A" with a backup service being provided by a second 34.5kv circuit "B" through an automatic transfer scheme located at the substation. The western portion of the Pike service territory of Milford Borough and Township, and Westfall and Dingmans Township are supplied by a long radial feed from the 34.5kv circuit "B". In the event of a contingency on circuit "B", it will be restored with switching as long as the outage location is up stream of the Circuit "A" tie point, if not then approximately 2,600 customers are without power

until the repairs are completed. In addition due to the geography of the area, side roads off the State Route 209 from Westfall to Dingman Townships are supplied with radial single or three phase laterals via step down transformers or directly from the 34.5kv line to the last customers.

Q. Please describe the major plant expenditures that Pike plans to complete over the next Five years.

A. In 2020, the Company submitted a Long Term Infrastructure Improvement Plan. Included in the plan is funding for recurring pole inspections and defective pole replacements along with six system improvement projects. The details of the Company's capital program are described in the following sections:

1. **The recurring Annual Pole Inspection and Replacement Program:** The Company has focused its reliability and system improvement efforts toward pole inspections and defective pole replacements. The Company accelerated the pole inspection and the defective pole replacements in 2017 and 2018, resulting in the Company completing the first twelve-year cycle and replacing over one hundred (100) poles along with the pole top apertures. In 2019, the company inspected over 1,000 poles resulting in over 60 poles scheduled for replacement in 2020. In 2020, a return to normal annual frequency of 350 poles inspected, completing the second cycle by 2030. The emphasis on replacement of defective poles was to focus on the "main-line" of the two 34.5kv circuits from the Delaware River into Milford Borough and Township and associated laterals. The second stage of priority is to replace defective poles with equipment installed, such as transformers, regulators and reclosers.

2. **The following four projects are inter-related and will be constructed in phases to continue to create the second 34.5kv electric supply to Milford Borough. The first two phases have been completed or are under construction. All of these projects are included in the LTIIP submitted in October 2020:**

Phase 3, Capital-Reliability Project, Old Milford Road to Route 209: This project is a reliability improvement project initiated under the prior ownership (i.e., ORU) to replace, convert and extend approximately 6,000 feet of distribution. It was undertaken to extend the 35.4kv and 13.2kv lines, connecting the existing two completed phases. When completed, this project will improve system reliability by creating a distribution loop into Milford Borough. This loop would also provide the initial construction or link for a second 34.5kv from the current source or from an alternate supply.

Installation of 1500 feet of Civil portion for Second 34.5kv supply along Route 209: This project includes the installation of conduit and manholes for the second 34.5kv circuit to support the prior and future 34.5kv circuit construction.

Phase 4, Capital-Reliability Project, Old Milford Road to Cummins Hill Road; This project is will replace and extend approximately 4,000 feet of distribution circuits. This project will be a continuation of the Phase 3 project above.

Phase 5, ROW Improvement of 116-2-34: This project is a capital-reliability improvement projects. The project calls for the reestablishment of Rights-Of-Way ("ROW") with vegetation management and road access improvements, reconductoring of the 3,500 feet of #2 Copper conductor with 477 aluminum conductor and the installation a new 13.2kv under-build. These improvements will provide a full circuit capacity tie for the source end of the 34.5kv feed to Milford and the installation of an auto transfer scheme between the two 34.5kv circuits feeding into Pike.

3. **13.2kv Infrastructure and Capacity Improvement along Route 209, Milford:** This project is included in the LTIIP. As the vacant land is developed along Route 209 and Route 6 between Cummins Hill Road and the Milford Borough line, the existing 34.5kv to 13.2kv 1500kva step-down transformers will no longer be able to service the existing or new load during normal and contingency conditions. We plan to install two 34.5kv to 13.2kv, 1500kva to 2500kva pad mount transformers. The transformers will be placed strategically to provide reliability for new and existing loads. In addition, it will convert Wheatfield Drive from a 34.5kv to a 13.2kv operation.

4. **Extend 34.5kv along Route 6 to Route 84:** This project is in the LTIIP. In order to provide reliable service to existing and new business loads along and around the Route 6 and Route 84 exchange, it will be necessary to reconductor and convert the approximately 4,700 feet of

2.4kv distribution circuits to 34.5kv distribution circuits.

Q. Please explain the meter test equipment and software improvements the Company is planning to undertake.

A. Currently, the Company has no means of testing or programming meters or the ability to read commercial demand meters with an optical reader. The Company will purchase the necessary electric meter equipment and software to give us that functionality.

Q. Please explain the Vegetation Management program:

A. The Company's two 34.5kv feeds and two main 13.2kv distribution circuits represent a total overhead primary mileage of approximately 100 miles. The circuits are located within Pike County. Pike maintains this system on a five-year for the 13.2kv and three year for the 34.5kv system vegetation maintenance cycles. In addition, the Company implemented a hazardous tree response program that works with Municipalities to identify problem areas, along with off-cycle hot spotting and routine patrols. The hot spotting and hazardous tree removal initiatives are above the scope of the normal maintenance cycles, but in spite of the additional efforts put forth, they have not eliminated tree related outages. Tree related outages are the largest cause of interruptions in the service territory to both operating voltage systems. For the Twelve Months Ended June 30, 2020, tree caused outages represented 59% of all interruptions; 54% of customers effected and 54% of the Customer minutes of interruption. The cost to complete a full five-year tree trimming cycle is estimated be approximately one million dollars or $200,000 annually. Each voltage trimming cycle is typically completed

within a three-month time frame in each year of the cycle. The annual amounts spent vary based on the work required for each circuit depending on, for example whether there is blight, significant growth spurts and/or the severity of storms. As shown in Exhibit E-4, Schedule 8, Pike spent $161,046 during the Twelve Months Ended September 30, 2018 and $247,661 during the Twelve Months Ended September 30, 2019 or $204,353 on average during those two fiscal years. For the Test Year (i.e., the Twelve Months Ended June 30, 2020), the tree trimming costs charged to expense amounted to $145,347. Schedule 8 adjusts the Test Year Level of expense to increase it to an annual funding amount the Company is requesting of $204,353. An annual allowance of $204,353 will allow the Company to continue its existing program and to continue off cycle and hazardous tree removals in an effort to reduce potential tree related outages.

Q. Please explain the impact and cost to the Company due to Winter Storm Riley.

A. Winter Storm Riley, (Riley) was a devastating storm and its impact was far reaching. The level of damage caused by Riley closely compares to the damage from Hurricanes Sandy and Katrina. The prolonged heavy snow combined with the strong sustained winds and wind gusts, severely damaged portions of the Company's overhead distribution system. The long radial feeds were particularly affected with multiple damaged locations. Most of the restoration/construction continued with tree and line crews removing large volumes of vegetation, replacing poles, replacing / reinstalling numerous spans of primary, secondary, and service conductors. Approximately 25 poles and 22 transformers were replaced. Incremental repair costs of $1,194,800 as shown on Exhibit E-4, Schedule 7 were

deferred by the Company. The Accounting Panel discusses the Company's proposal to recover the deferred costs.

Q. Are you proposing any staffing changes in Pike?

A. Yes, Pike has a relatively small staff in Pennsylvania, and we need an additional person to help support our workload. As shown on Exhibit E-4, Schedule 4, page 2 of 2, the Company has plans to hire a general service employee (i.e., Materials and Facilities Management - Customer Service Representative) to perform several tasks including inventory monitoring and control, meter reading and collections, building maintenance and other related functions. The estimated annual wages for this employee would be $60,000, of which 80% or $48,000 will be allocated to electric operations.

Q. Does that conclude your testimony?

A. Yes it does. I reserve the right to update or amend my testimony.

Pike County Light and Power Company **Exhibit E-1**

Index of Schedules

Balance Sheet and Supporting Schedules, Income Statement,

and Joint Operating Agreement Charges for the Test Year

Pike County Light and Power Company | **Exhibit E-1**
Balance Sheet | **Schedule 1**
As of June 30, 2020 and 2019 | **Page 1 of 2**

	June 30, 2020	June 30, 2019
ASSETS AND OTHER DEBITS		
Utility Plant		
Electric Plant in Service	$ 19,367,541	$ 17,138,969
Gas Plant in Service	3,001,661	2,661,829
Common Plant in Service	1,957,164	1,887,664
Construction Work in Progress	1,593,654	1,951,345
Total Utility Plant	25,920,019	23,639,807
Accumulated Provision for Depreciation		
Electric	1,484,800	1,046,352
Gas	167,011	115,297
Common	707,443	457,214
Total Accumulated Provision for Depreciation	2,359,254	1,618,864
Net Utility Plant	23,560,766	22,020,943
Other Property and Investments		
Nonutility Property	-	-
Accumulated Provision for Depreciation	-	-
Net Other Plant	-	-
Current and Accrued Assets		
Cash	222,188	96,150
Customer Accounts Receivable	1,053,769	1,407,522
Other Accounts Receivable	27,559	27,101
Accumulated Provision for Uncollectible Accounts	(7,919)	(151,209)
Accounts Receivable from Associated Companies	332,608	-
Materials and Supplies	1,103,406	801,118
Prepayments	242,062	316,425
Total Current and Accrued Assets	2,973,672	2,497,106
Deferred Debits		
Unamortized Debt Expense	99,650	116,230
Other Regulatory Assets	2,399,685	2,004,157
Clearing Accounts	-	(1,549)
Miscellaneous Deferred Debits	121,539	300,989
Accumulated Deferred Federal Income Tax	28,456	28,456
Total Deferred Debits	2,649,330	2,448,282
Total Assets and Other Debits	$ 29,183,768	$ 26,966,332

	June 30, 2020	June 30, 2019
LIABILITIES AND OTHER CREDITS		
Proprietary Capital		
Common Stock Issued	$ -	$ -
Miscellaneous Paid-In Capital	8,500,000	7,500,000
Retained Earnings	2,733,874	2,371,432
Total Proprietary Capital	11,233,874	9,871,432
Long Term Debt		
Bonds - Long-Term	12,051,978	10,851,073
Total Capitalization	23,285,852	20,722,506
Noncurrent Liabilities		
Long Term Obligations	-	-
Total Noncurrent Liabilities	-	-
Current and Accrued Liabilities		
Notes Payable	1,655,007	2,487,945
Accounts Payable	805,803	732,147
Accounts Payable to Associated Companies	817,271	818,647
Tax Collections Payable	23,003	6,992
Customer Deposits	153,263	127,623
Taxes Accrued - Federal	45,351	113,711
- Other	(71,954)	40,614
Interest Accrued	(157)	1,911
Other Current Liabilities	-	578
Total Current and Accrued Liabilities	3,427,585	4,330,170
Deferred Credits		
Other Deferred Credits	254,126	254,126
Other Regulatory Liabilities	(2,149)	24,840
Accumulated Deferred Income Taxes - Other Property	1,001,238	749,806
Accumulated Deferred Income Taxes - Other	1,217,115	884,884
Total Deferred Credits	2,470,330	1,913,657
Total Liabilities and Equity	$ 29,183,768	$ 26,966,332

Pike County Light and Power Company **Exhibit E-1**
Net Book Value of Electric, Gas and Common Plant-in-Service **Schedule 2**
As of June 30, 2020

	Electric Plant-in-Service	Accumulated Provision for Depreciation & Amortization	Net Book Value
Intangible Plant			
Franchise and Consents	$ 2,675	$ -	$ 2,675
Total Intangible Plant	2,675	-	2,675
Distribution Plant			
Land and Land Rights	1,110,207	60,020	1,050,187
Structures and Improvements	2,832	871	1,960
Station Equipment	1,513,672	114,393	1,399,279
Poles, Towers, and Fixtures	6,476,423	374,144	6,102,279
Overhead Conductors and Devices	5,254,582	355,672	4,898,910
Underground Conduit	362,124	6,606	355,519
Underground Conductors and Devices	945,120	32,984	912,136
Line Transformers	3,197,008	176,141	3,020,867
Services	2,628,640	67,489	2,561,151
Meters	771,400	99,588	671,812
Street Lighting & Signal Systems	214,426	7,030	207,396
Total Distribution Plant	22,476,435	1,294,938	21,181,496
General Plant			
Structures and Improvements	2,147,572	166,872	1,980,699
Small Tools	84,376	22,989	61,387
Total General Plant	2,231,947	189,861	2,042,086
Electric Acquisition Adjustment	(5,376,571)	-	(5,376,571)
Total Electric Plant-in-Service	$ 19,334,486	$ 1,484,800	$ 17,849,686

	Gas Plant-in-Service	Accumulated Provision for Depreciation & Amortization	Net Book Value
Distribution Plant			
Land and Land Rights	$ 1,551	$ 42	$ 1,509
Mains	2,073,247	86,820	1,986,427
Meas. And Reg. Equip. - General	107,339	11,525	95,813
Services	856,735	45,214	811,521
Meters	133,876	9,923	123,952
Meter Installations	321,558	2,570	318,988
House Regulator Installations	19,418	781	18,637
Industrial Measuring and Regulating Equipment	50,766	3,531	47,235
Total Gas Plant	3,564,490	160,408	3,404,082
General Plant			
Small Tools	26,914	6,603	20,311
Total General Plant	26,914	6,603	20,311
Gas Acquisition Adjustment	(589,743)	-	(589,743)
Total Gas Plant-in-Service	$ 3,001,661	$ 167,011	$ 2,834,650

	Common Plant-in-Service	Accumulated Provision for Depreciation & Amortization	Net Book Value
Intangible Plant			
Franchise Trade Name	$ 311,000	$ 79,478	$ 231,522
Total Intangible Plant	311,000	79,478	231,522
General Equipment			
Office Furniture & Equipment	1,200,826	335,229	865,596
Transportation Equipment	214,416	122,997	91,419
Communication Equipment	159,866	110,875	48,991
Misc Equipment	104,112	70,104	34,007
Total Common Plant	1,679,219	639,206	1,040,013
Retirement Work in Progress		(11,241)	11,241
Total Common Plant-in-Service	$ 1,990,219	$ 707,443	$ 1,282,776

Pike County Light and Power Company **Exhibit E-1**
Statement of Income **Schedule 3**
Twelve Months Ending June 30, 2020

	Company Total	Electric Department	Gas Department
Operating Revenues:			
Residential Sales	$ 4,399,929	$ 3,262,482	$ 1,137,446
Commercial & Industrial Sales	3,535,884	3,225,162	310,722
Public Lighting Sales	121,890	121,890	-
Total Sales and Delivery of Electricity	8,057,703	6,609,534	1,448,169
Other Operating Revenues			
Miscellaneous Service Revenues (Late Payment Charges)	10,266	7,531	2,735
Rent from Electric Property	186,523	185,497	1,026
Other Electric Revenues	(41,788)	(40,524)	(1,263)
Total Other Operating Revenues	155,002	152,504	2,498
Total Operating Revenues	8,212,704	6,762,038	1,450,666
Operating Expenses:			
Purchased Electric Power Costs	1,430,316	1,430,316	-
Purchased Gas Costs	853,230	-	853,230
Other Power Supply Expenses	672,207	672,207	-
Distribution Expenses	822,032	706,934	115,098
Customer Accounts Expenses	94,514	58,323	36,191
Customer Service Expenses	38,562	32,774	5,788
Administrative And General Expenses	1,951,352	1,687,797	263,555
Depreciation Expense	707,981	616,672	91,309
Taxes, Other than Income Tax	479,716	469,489	10,227
State Income Taxes	26,542	21,357	5,185
Federal Income Taxes	43,583	26,887	16,697
Total Operating Expenses	7,120,035	5,722,755	1,397,280
Income from Utility Operations	1,092,669	1,039,283	53,387
Taxes - Other Income Deductions:			
Donations	(1,900)	(1,615)	(285)
Other Income Deductions	27,999	23,800	4,200
Total Taxes - Other Income Deductions	26,099	22,184	3,915
Interest Charges:			
Interest on Long Term Debt	659,952	559,728	100,224
Amortization of Debt Discount & Expense	20,264	17,224	3,039
Other Interest Expense	5,626	4,782	844
Total Interest Charges	685,841	581,734	104,107
Net Income	$ 380,729	$ 435,365	$ (54,636)

Pike County Light and Power Company **Exhibit E-1**
Statement of Income - Electric **Schedule 4**
Twelve Months Ending June 30, 2020 and 2019

	June 30, 2020	June 30, 2019
Operating Revenues:		
Residential Sales	$ 3,262,482	$ 4,060,051
Commercial & Industrial Sales	3,225,162	4,348,427
Public Lighting Sales	121,890	128,194
Total Sales and Delivery of Electricity	6,609,534	8,536,672
Other Operating Revenues:		
Miscellaneous Service Revenues	7,531	119,569
Rent from Electric Property	185,497	(18,442)
Other Electric Revenues	(40,524)	(55,258)
Total Other Electric Revenues	152,504	45,869
Total Electric Operating Revenues	6,762,038	8,582,541
Operating Expenses:		
Purchased Electric Power Costs	1,430,316	3,471,246
Other Power Supply Expenses	672,207	649,788
Distribution Expenses	706,934	350,462
Customer Accounts Expenses	58,323	32,584
Customer Service Expenses	32,774	32,272
Administrative And General Expenses	1,687,797	1,706,052
Depreciation Expense	616,672	613,777
Taxes, Other than Income Tax	469,489	679,447
State Income Taxes	21,357	7,743
Federal Income Taxes	26,887	(121,997)
Total Operating Expense	5,722,755	7,421,374
Total Income from Electric Utility Operations	1,039,283	1,161,167
Taxes - Other Deductions:		
Donations	(1,615)	23,800
Other Income Deductions	23,800	17,532
Total Taxes - Other Income Deductions	22,184	41,332
Interest Charges:		
Interest on Long Term Debt	559,728	624,762
Amortization of Debt Discount & Expense	17,224	26,529
Other Interest Expense	4,782	10,229
Total Interest Charges	581,734	661,520
Net Income - Electric Operations	$ 435,365	$ 458,315

		Direct Charges	Allocated Charges	Total Charges
Operation and Maintenance Expenses				
Purchased Power Expense				
555	Purchased Electric Power Costs	$ 2,045,877		$ 2,045,877
555	Deferred Purchased Power	(615,561)		(615,561)
555	Other Power Supply Expenses	672,207	-	672,207
	Total Power Supply Expense	$ 2,102,523	$ -	$ 2,102,523
Distribution Expenses - Operation				
580	Operation Supervision and Engineering	$ 5,066	$ -	$ 5,066
588	Miscellaneous Distribution Expenses	30	-	30
	Total Operation	5,096	-	5,096
Distribution Expenses - Maintenance				
593	Maintenance of Overhead Lines	$ 607,445	$ 318	$ 607,763
594	Maintenance of Underground Lines	90,889	-	90,889
598	Maintenance of Miscellaneous Distribution Plant	3,186		3,186
	Total Maintenance	701,519	318	701,837
	Total Distribution Expenses	$ 706,615	$ 318	$ 706,934
Customer Accounts Expenses - Operation				
901	Supervision			
902	Meter Reading Expenses	$ 103,512	$ -	$ 103,512
903	Customer Records & Collection Expenses	32,436	-	32,436
904	Uncollectible Accounts	(78,425)	-	(78,425)
	Total Customer Accounts Expenses	$ 57,522	$ -	$ 57,522
Customer Service & Information Expenses - Operation				
908	Customer Service & Informational Expenses (Non-Major	$ 799	$ 1	$ 800
	Total Customer Service & Informational Expenses	$ 799	$ 1	$ 800
Sales Expense				
917	Promotional Advertising Expense	$ 32,612	$ 162	$ 32,774
	Total Customer Service & Inform. Expenses	$ 32,612	$ 162	$ 32,774
Administrative and General Expenses - Operation				
920	Administrative and General Salaries	$ 153,820	$ 237,471	$ 391,292
921	Office Supplies and Expenses	171,309	125,326	296,635
922	Administrative Expenses Transferred - Cr.	-	295	295
923	Outside Services Employed	148,156	206,904	355,060
924	Property Insurance	2,741	22,282	25,023
925	Injuries and Damages	-	18,752	18,752
926	Other Employee Benefit Expenses	32,767	310,828	343,595
928	Regulatory Commission Expenses	234,862	-	234,862
930.2	Miscellaneous General Expenses	1,583	980	2,563
930.6	Miscellaneous General Expenses- Vehicle	72	-	72
	Total Operation	$ 745,311	$ 922,839	$ 1,668,150
Administrative and General Expenses - Maintenance				
932	Maintenance of General Plant	$ 19,139	$ 508	$ 19,647
	Total Maintenance	$ 19,139	$ 508	$ 19,647
	Total Administrative and General Expense	$ 764,450	$ 923,347	$ 1,687,797
Total Operations and Maintenance		$ 3,664,523	$ 923,828	$ 4,588,350

Other Charges for Operations		Direct Charges	Allocated Charges	Total Charges
Income Statement Accounts				
408.1	Taxes Other Than Income - Utility	$ 466,222	$ 3,267	$ 469,489
425	Miscellaneous Amortizations	17,623	-	17,623
426.1	Donations	(1,615)	-	(1,615)
426.5	Other Income Deductions - Debt Expense	6,176	-	6,176
Balance Sheet Accounts				
101	Electric Plant In Service	2,228,571	-	2,228,571
108	Accumulated Provision for Depreciation	438,448	-	438,448
131	Cash & TCI's	126,038	-	126,038
142	Customer Accounts Receivable	(353,753)	-	(353,753)
150	Materials and Supplies	287,444	14,844	302,288
165	Prepayments	(74,363)	-	(74,363)
232	Accounts Payable	73,655	-	73,655
253	Other Deferred Credits	(26,989)	-	(26,989)
283	Accumulated Deferred Income Tax	583,662	-	583,662
	Total Other Charges for Operations & Maintenance	$ 3,771,120	$ 18,111	$ 3,789,230
	Total Charges	$ 7,435,642	$ 941,938	$ 8,377,581

Pike County Light and Power Company **Exhibit E-1**
Common Expense Allocation (Effective March 1, 2020 to February 28, 2021) **Schedule 6**

Allocation Factor			Applicable Services
A	**Invoice Processing**		Accounts Payable Processing
	CNG	74.82%	
	Pike Electric	15.28%	
	Pike Gas	2.70%	
	Leatherstockimg PA	7.21%	
B	**Payroll Factor**		
	CNG	83.21%	Management of Compensation,
	Pike Electric	11.63%	Workers Compensation,
	Pike Gas	2.05%	Labor relations, Training &
	Leatherstockimg PA	3.11%	Employment Services
C	**Employee Benefit Factor**		
	CNG	89.45%	Management of Benefit Programs
	Pike Electric	6.58%	(e.g., health insurance. Pension,
	Pike Gas	1.13%	and retiree benefits)
	Leatherstockimg PA	2.84%	
D	**Number of Employees**		Payroll Processing
	CNG	85.14%	
	Pike Electric	8.11%	
	Pike Gas	1.35%	
	Leatherstockimg PA	5.41%	
E	**Number of Bills**		
	CNG	71.09%	Billing Functions if not directly done by subsidiary Companies
	Pike Electric	23.00%	Customer Payments
	Pike Gas	5.91%	
	Leatherstockimg PA	**	
	** Leatherstocking billing done by Marabito JV partner		
F	**Gross Plant, Revenues and Payroll**		
	CNG	72.17%	Accounting Function other than Income Tax and Fixed Asset
	Pike Electric	16.78%	Auditing Services if not charged direct
	Pike Gas	2.69%	Maintenance of operating facilities
	Leatherstockimg PA	8.37%	Rate Engineering, External Affairs, IT and Computer Services
G	**Change in Fixed Assets**		
	CNG	63.75%	Plant Close out
	Pike Electric	36.25%	
	Pike Gas	0.00%	
	Leatherstockimg PA	0.00%	
H	**Revenues**		
	CNG	70.86%	Customer Service call center policy and compliance
	Pike Electric	20.97%	
	Pike Gas	4.59%	
	Leatherstockimg PA	3.58%	
I	**Total Fixed Assets**		
	CNG	67.54%	Fixed Asset Accounting
	Pike Electric	18.98%	
	Pike Gas	2.76%	
	Leatherstockimg PA	10.71%	
J	**Tax Allocation**		
	CNG	71.27%	Income Tax Preparation and analysis
	Pike Electric	24.42%	
	Pike Gas	4.31%	
K	**Operational Services**		
	CNG	69.70%	Operations (includes the study, planning and performance of field work
	Pike Electric	26.05%	for subsidiary companies,
	Pike Gas	2.15%	Field work may include Construction of facilities, field customer service,
	Leatherstockimg PA	2.10%	safety, environmental, and compliance activities)
L	**Purchasing Requisitions**		
	CNG	77.83%	Purchasing Activity
	Pike Electric	18.63%	
	Pike Gas	3.29%	
	Leatherstockimg PA	0.25%	

Pike County Light and Power Company **Exhibit E-1**

Intercompany Accounts - Receivable / Payable to Corning Natural Gas Corporation **Schedule 7**

Accounts 146 / 234

As of June 30, 2020

Net Payable to Corning Natural Gas Corporation at June 30, 2019	$	818,647
Common Expense Allocation		829,304
Administrative Payroll Allocation		279,376
Federal Income Taxes		(434,081)
Materials and Supplies		14,844
Payments Made During Year		(1,023,427)
Net Payable to Corning Natural Gas Corporation at June 30, 2020	$	484,663

Pike County Light And Power Company
Index of Schedules
Capitalization and Rate of Return

Exhibit E-2

Schedule	Title of Schedule	Witness
(1)	Capitalization of Pike County Light And Power Company	Accounting Panel
(2)	Long Term Debt Schedule Pike County Light & Power Company	Accounting Panel
(3)	Cost of Money for Pike County Light and Power Company	Accounting Panel

Exhibit E-2
Schedule 1

Pike County Light And Power Company
Capitalization

	As of June 30, 2020 (Actual)		As of June 30, 2021 (Forecast)	
	Amount (000s)	Percent	Amount (000s)	Percent
Long Term Debt:	$ 12,051,978	48.98%	$ 11,924,718	46.54%
Average Short Term Debt (a)	1,318,134	5.36%	1,318,134	5.14%
Proprietary Capital				
Common Stock	-		-	
Paid In Capital	8,500,000		8,500,000	
Retained Earnings	2,733,841		3,879,437	
Total Proprietary Capital:	11,233,841	45.66%	12,379,437	48.32%
Total Capitalization	$ 24,603,953	100.00%	$ 25,622,289	100.00%

(a) Represents the daily average balance (July 1, 2019 - June 30, 2020. The balance at June 30, 2020 was $1,655,007.

Pike County Light And Power Company

Long Term Debt
At June 30, 2020 (Actual)

Pike County Light & Power Company	Company Accounts	Issue Date	Maturity Date	Original Issue Amount	Amount Outstanding	Unamortized Expense of Issue	Net Proceeds	x	Cost of Debt %	=	Effective Annual Cost (a)
M&T Bank Demand Loans											
Loan 1 - 4.92%	224600	8/31/16	6/30/28	$ 12,000,000	$ 9,304,334	$ 69,434	$ 9,234,900		5.14%		$ 474,462
Loan 2 - 4.89%	224620	12/5/18	12/31/29	510,000	442,894	10,313	432,581		5.29%		22,875.89
Loan 3 - 5.83%	224630	11/30/18	11/30/21	150,000	74,141	-	74,141		5.83%		4,322.42
Loan 4 - 1.00% (PPP) (b)	224640	4/22/20	6/18/22	137,200	137,200	-	137,200		-		-
Loan 5 - 3.86%	224660	10/31/19	11/30/22	150,000	93,820	5,566	88,254		4.80%		4,239.81
Loan 6 - 3.53%	224670	10/27/19	12/27/29	2,072,000	1,999,589	14,338	1,985,251		3.64%		72,323.45
Total				**$ 15,019,200**	**$ 12,051,978**	**$ 99,650**	**$ 11,952,328**		4.84%		**$ 578,224**

(a) The effective annual cost of debt represents the annualized interest expense (June 30th debt balance x coupon interest rate) plus the annual amortization of debt issuance costs
(b) Loan 4 was received as part of the Payroll Protection Act under the Corona Virus Aid Relief and Economic Security Act (CARES). The proceeds were used to cover qualifying expenses and the Company anticipates that it will not be required to repay this debt under the guidelines established under the CARES Act. If a determination is made that all or a portion of the loan will not be forgiven, then the amount not forgiven would be paid back starting in October 2020, with interest accruing on the monthly outstanding balance at 1%.

Pike County Light And Power Company

Long Term Debt
At June 30, 2021 (Forecast)

Pike County Light & Power Company	Company Accounts	Issue Date	Maturity Date	Original Issue Amount	Amount Outstanding	Unamortized Expense of Issue	Net Proceeds	x	Cost of Debt %	=	Effective Annual Cost (a)
M&T Bank Demand Loans											
Loan 1 - 4.92%	224600	8/31/16	6/30/28	$ 12,000,000	$ 8,314,841	$ 36,056	$ 8,278,785		5.14%		$ 425,779
Loan 2 - 4.89%	224620	12/5/18	12/31/29	510,000	395,957	7,876	388,080		5.30%		20,580.64
Loan 3 - 5.83%	224630	11/30/18	11/30/21	150,000	22,435	-	22,435		5.83%		1,307.98
Loan 5 - 3.86%	224660	10/31/19	11/30/22	150,000	56,026	4,329	51,697		5.38%		2,780.96
Loan 6 - 3.53%	224670	10/27/19	12/27/29	2,072,000	1,820,459	10,862	1,809,597		3.65%		66,000.16
Loan 7 - 3.60%	224680	10/30/20	10/30/30	1,315,000	1,315,000	15,000	1,300,000		3.76%		48,840.00
Total				**$ 16,197,000**	**$ 11,924,718**	**$ 74,123**	**$ 11,850,595**		4.77%		**$ 565,289**

(a) The effective annual cost of debt represents the annualized interest expense (June 30th debt balance x coupon interest rate) plus the annual amortization of debt issuance costs

Exhibit E-2
Schedule 3

Pike County Light And Power Company
Consolidated Cost of Money

Forecast at June 30, 2021

	Percent of Capital	Cost of Component		Weighted Cost
Long Term Debt	46.54%	4.77%		2.22%
Short Term Debt	5.14%	3.10%	(a)	0.16%
Common Stock Equity	48.32%	9.75%		4.71%
Total Capitalization	100.00%			7.09%

(a) Based on short-term line of Credit Rate currently in effect

Pike County Light And Power Company
Index of Schedules
Electric Rate Base

Exhibit E-3

Schedule	Title of Schedule	Witness
Summary	Electric Rate Base	Accounting Panel
(1)	Electric Plant - Additions & Retirements	Accounting Panel
(2)	Electric Depreciation Reserve - Depreciation Rates	Accounting Panel
(3)	Electric Working Capital Requirements	Accounting Panel
(4)	Change in Material and Supplies	Accounting Panel
(5)	Change in Working Capital Prepayments	Accounting Panel
(6)	Changes to Rate Base for Regulatory Assets	Accounting Panel
(7)	Changes to Rate Base for Regulatory Liabilities	Accounting Panel
(8)	Changes in Customer Deposits	Accounting Panel
(9)	Changes in Deferred Income Taxes	Accounting Panel
(10)	Electric Capital Expenditures	Steven Grandineli
(11)	Electric Plant Additions	Steven Grandineli

Pike County Light And Power Company
Electric Rate Base
At June 30, 2020 And 2021

Description	Actual Per Books at 06/30/20	Difference Between Historical and Future Years Reference	Amount	Future Year at 06/30/21	Schedule No.
	(a)	(b)	(c)	(d)=(a)+(c)	
Utility Plant:					
Electric Plant in Service	$ 19,367,500	(1a), (1d)	$ 4,464,700	$ 23,832,200	1
Common Plant in Service (Allocated)	1,663,600	(1b), (1d)	407,400	2,071,000	1
General Plant allocated from Corning Gas (Net)	-	(1c)	173,700	173,700	1
CWIP not taking interest	1,490,200	(1d)	(1,490,200)	-	1
Total Utility Plant	22,521,300		3,555,600	26,076,900	
Utility Plant Reserves:					
Accumulated Provision For Depreciation of Electric Plant in Service	1,484,800	(2a)	547,000	2,031,800	2
Accumulated Provision For Depreciation of Common Plant in Service (Allocated)	610,900	(2b)	95,800	706,700	2
Retirement W.I.P	(11,200)	(2c)	11,200	-	2
Total Utility Plant Reserves	2,084,500		654,000	2,738,500	
Net Plant	20,436,800		2,901,600	23,338,400	
Additions to Net Plant					
Working Capital Requirements:					
Cash Working Capital	607,900	(3)	(165,500)	442,400	3
Materials and Supplies	834,200	(4)	37,700	871,900	4
Prepayments	190,900	(5)	(5,400)	185,500	5
Deferred Debits (Net of Tax)	798,100	(6)	(12,300)	785,800	6
Total Additions	2,431,100		(145,500)	2,285,600	
Deductions to Net Plant:					
Deferred Credits (Net of Tax)	241,500	(7)	16,700	258,200	7
Customer Deposits	123,100	(8)	3,900	127,000	8
Accumulated Deferred Income Taxes	469,900	(9)	199,100	669,000	9
Total Deductions	834,500		219,700	1,054,200	
Electric Rate Base	$ 22,033,400		$ 2,536,400	$ 24,569,800	

Pike County Light And Power Company
Changes in Electric Rate Base
For the 12 Months Ended June 30, 2021

Adjustment Number	Description	Amount
(1a)	Changes in Electric Plant in Service - Additions & Retirements	$ 4,464,700
(1b)	Changes in Common Plant in Service - Additions & Retirements	407,400
(1c)	Allocation of Intercompany Plant	173,700
(1d)	Changes to Construction Work In Progress	(1,490,200)
(2a)	Changes to Electric Depreciation Reserve	547,000
(2b)	Changes to Common Plant - Depreciation	95,800
(2c)	Changes to retirement work in progress	11,200
(3)	Changes in Working Capital Requirements (O&M)	(165,500)
(4)	Change in Materials and Supplies	37,700
(5)	Change in Working Capital Prepayments	(5,400)
(6)	Changes to Rate Base for Deferred Debits	(12,300)
(7)	Changes to Rate Base for Deferred Credits	16,700
(8)	Changes in Customer Deposits	3,900
(9)	Changes in Deferred Income Taxes	199,100

Statement in Support of Change No. (1) & (2c)
To Electric Plant in Service
For the Twelve Months Ended June 30, 2021

Electric Plant in Service			Amount
Electric Plant Balance at June 30, 2020			**$ 19,367,500**
Additions - Completed CWIP at June 30, 2020 (Change 1d)	*	**$ 1,400,900**	
Additions - July 1, 2020 thru June 30, 2021		2,200,000	
Additions - July 1, 2021 thru December 31, 2021		1,100,000	
Total Additions			4,700,900
Electric Retirement Work In Progress at June 30, 2020 (Change No. 2c)		**(11,200)**	
Retirements - July 1, 2020 thru June 30, 2021		(150,000)	
Retirements - July 1, 2021 thru December 31, 2021		(75,000)	
Total Retirements			(236,200)
Net Additions (Change No. 1)			**4,464,700**
Ending Balance at December 31, 2021			**$ 23,832,200**

***** See E-3, Schedule 1, Page 4 of 4

Pike County Light And Power Company
Statement in Support of Change No. (1b)
To Electric Plant in Service
For the Twelve Months Ended June 30, 2021

Common Plant in Service			Total Amount	Electric Allocation 85%
Balance at June 30, 2020			$ 1,957,164	**$ 1,663,600**
Additions - Completed CWIP at June 30, 2020 (Change 1d)	*	**$ 89,300**		
Additions - July 1, 2020 thru June 30, 2021		$ 400,000		
Additions - July 1, 2021 thru December 31, 2021		300,000		
Total Additions			789,300	670,900
Retirements - July 1, 2020 thru June 30, 2021		(10,000)		
Retirements - July 1, 2021 thru December 31, 2021	**	(300,000)		
Total Retirements			(310,000)	(263,500)
Net Additions (Change No. 1b)			479,300	**407,400**
Ending Balance at December 31, 2021			$ 2,436,464	**$ 2,071,000**

***** See E-3, Schedule 1, Page 4 of 4

Pike County Light And Power Company
Statement in Support of Change No. (1c)
To Electric Plant in Service
For the Twelve Months Ended June 30, 2021

Intercompany Plant Allocated from Corning Gas (Net)	At June 30, 2020						
Shared Corning Facilities	Original Cost	Depreciation Reserve	Net Plant		% Allocated To Pike Electric		Electric Allocation
Land Williams Street	$ 155,733	$ -	$ 155,733				
West William Street Office	2,126,398	(918,823)	1,207,576				
Land Riverside	233,732		233,732				
Riverside Operations Facility	2,894,082	(1,250,541)	1,643,541				
Total	$ 5,409,946	$ (2,169,364)	$ 3,240,581	x	1.73%	=	$ 56,072
Shared Corning Office Furniture & Equipment							
Office Furniture & Equipment - Furniture	$ 337,150	$ (333,299)	$ 3,851				
Office Furniture & Equipment - Machines	299,108	(356,557)	(57,449)				
Office Furniture & Equipment - Computers	2,428,272	(467,946)	1,960,326				
Total	$ 3,064,530	$ (1,157,802)	$ 1,906,728	x	6.17%	=	117,645
(Change No. 1c)							**$ 173,718**

Pike County Light And Power Company
Statement in Support of Change No. (1d)
To Electric Plant in Service
For the Twelve Months Ended June 30, 2021

CWIP Projects Completed At June 30, 2020		Total Amount (A)	Electric Allocation (B)	Electric Plant In-Service (C) = (A) x (B)
Electric Distribution Plant Additions (Change No 1d)	*	$1,400,901	100%	**$ 1,400,900**
General Plant Additions (Change No 1d)	**	105,084	85%	**89,300**
Net Transfers to Plant In-Service (Change No. 1d)				**$ 1,490,200**

***** See E-3, Schedule 1, Page 1 of 4

****** See E-3, Schedule 1, Page 2 of 4

Pike County Light And Power Company
Statement in Support of Change No. (2a) & (2c)
To Electric Depreciation Reserve
For the Twelve Months Ended June 30, 2021

Accumulated Provision for Depreciation of Electric Plant		Amount
Electric Reserve Balance at June 30, 2020		**$ 1,484,800**
Additions - July 1, 2020 thru June 30, 2021	$ 509,500	
Additions - July 1, 2021 thru December 31, 2021	273,700	
Total Additions		783,200
Electric Retirement Work In Progress at June 30, 2020 (Change No. 2c)	**(11,200)**	
Retirements - July 1, 2020 thru June 30, 2021	(150,000)	
Retirements - July 1, 2021 thru December 31, 2021	(75,000)	
Total Retirements		(236,200)
Net Additions (Change No. 2a)		**547,000**
Ending Reserve Balance at December 31, 2021		**$ 2,031,800**

Pike County Light And Power Company
Statement in Support of Change No. (2b)
To General Plant Depreciation Reserve
For the Twelve Months Ended June 30, 2021

Accumulated Provision for Depreciation on Common Plant		Total Amount	Electric Allocation 85%
General Plant Reserve Balance at June 30, 2020		$ 718,684	**610,900**
Additions - July 1, 2020 thru June 30, 2021	272,700		
Additions - July 1, 2021 thru December 31, 2021	150,000		
Total Additions		422,700	359,300
Retirements - July 1, 2020 thru June 30, 2021	(10,000)		
Retirements - July 1, 2021 thru December 31, 2021	* (300,000)		
Total Retirements		(310,000)	(263,500)
Net Additions (Change No. 2b)		112,700	**95,800**
Ending Reserve Balance at December 31, 2021		$ 831,384	**$ 706,700**

* General Plant, excluding structures, is amortized over 5 - 10 years. Plant of approximately $300,000 will be fully amortized and retired in September 2021.

Pike County Light And Power Company
Statement In Support of Change No. (3)
Electric Working Capital
Twelve Months Ended June 30, 2020

	Test Year Amount	(Lead) / Lag Days	Dollar Days
Revenue Recovery	$ 6,350,236	33.8	$ 214,637,990
Pennsylvania Gross Receipts Tax	411,764	33.8	13,917,610
	6,762,000	33.8	228,555,600
Purchased Power Expenses	2,718,077	30.2	82,085,936
Deferred Purchased Power Expense	(615,561)	192.2	(118,310,891)
SBC Expense	(2,273)	33.8	(76,818)
Salaries & Wages	513,736	11.0	5,651,096
401K Pension Match	32,767	11.0	360,438
Employee Welfare Expenses	329,580	30.2	9,953,318
Intercompany Charges	356,776	30.2	10,774,646
Uncollectible Accounts Accrual	(79,050)	33.8	(2,671,906)
Other O&M	1,112,976	22.0	24,496,660
Amortizations:			-
Storm Reserve	142,639	-	-
Rate Case Costs	-	-	-
PUC Assessment	28,655	-	-
OPEB	24,965	-	-
Insurance	25,023	-	-
Depreciation & Amortization	616,700	-	-
Taxes Other - Payroll	40,422	11.0	444,643
- Property Tax	17,303	-	-
Pennsylvania Gross Receipts Tax	411,764	-	-
Income Taxes:			-
Federal Income Tax	(109,683)	38.5	(4,222,808)
Deferred Federal Income Tax	204,683	-	-
Corporate Business Tax (State)	(47,171)	38.5	(1,816,075)
Deferred State Income Tax	97,371	-	-
Return on Invested Capital	942,300	-	-
Total Requirement	6,762,000	1.0	6,668,238
Net Lag (a) - (b)		32.8	$ 221,887,362
Net Requirement (Net Lag / 365)			$ 607,911
Rounded			$ 607,900

Pike County Light And Power Company
Statement in Support of Change No. (3)
Electric Working Capital
For The Twelve Months Ending June 30, 2021

Exhibit E-3
Schedule 3
Page 2 of 2

	Rate Year Amount	(Lead) / Lag Days	Dollar Days
Revenue Recovery	8,737,826	33.8	$ 295,338,522
Pennsylvania Gross Receipts Tax	547,874	33.8	18,518,138
	9,285,700	33.8	313,856,660
Purchased Power Expenses	2,553,500	30.2	77,115,700
SBC Expense	2,800	33.8	94,640
Salaries & Wages	605,736	11.0	6,663,096
401K Pension Match	37,847	11.0	416,320
Employee Welfare Expenses	366,847	30.2	11,078,791
Intercompany Charges	360,376	30.2	10,883,366
Uncollectible Accounts Accrual	139,509	33.8	4,715,407
Other O&M	1,171,938	22.0	25,794,421
Amortizations:			-
Storm Reserve	280,067	-	-
Rate Case Costs	31,900	-	-
PUC Assessment	28,655	-	-
Insurance	25,023	-	-
Depreciation & Amortization	900,500	-	-
Taxes Other - Payroll	46,338	11.0	509,721
- Property Tax	17,355	-	-
Pennsylvania Gross Receipts Tax	547,907	-	-
Income Taxes:			-
Federal Income Tax	255,708	38.5	9,844,755
Deferred Federal Income Tax	19,492	-	-
Corporate Business Tax (State)	136,828	38.5	5,267,875
Deferred State Income Tax	15,372	-	-
Return on Invested Capital	1,742,000	-	-
Total Requirement	9,285,700	16.4	152,384,093
Net Lag		17.4	$ 161,472,567
Net Requirement (Net Lag / 365)			$ 442,391
Historical Cash Working Capital			607,900
Net Change			$ (165,509)
Rounded			$ (165,500)

Pike County Light & Power Company
Statement in Support of Change No. (4)
Electric Working Capital Materials and Supplies

Exhibit E-3
Schedule 4

Month		Materials & Supplies Inventory Acct 150010 (1)	Electric Allocatoin (2)
July 31, 2019	Actual	827,764	$ 703,599
August 31, 2019	Actual	852,120	724,302
September 30, 2019	Actual	869,945	739,453
October 31, 2019	Actual	910,663	774,064
November 30, 2019	Actual	926,171	787,245
December 31, 2019	Actual	958,224	814,490
January 31, 2020	Actual	1,008,674	857,373
February 29, 2020	Actual	1,039,427	883,513
March 31, 2020	Actual	1,064,219	904,586
April 30, 2020	Actual	1,101,579	936,342
May 31, 2020	Actual	1,114,539	947,358
June 30, 2020	Actual	1,103,406	937,895
July 31, 2020	Actual	1,095,003	930,753
August 31, 2020	Actual	1,117,178	949,601
July 2019 - June 30, 2020 Total		$ 11,776,729	$ 10,010,220
June 30, 2020 - Twelve Month Average		$ 981,394	$ 834,185
Rounded			$ 834,200
September 2019 - August 2020 Total		$ 12,309,026	$ 10,462,672
Twelve Month Average		$ 1,025,752	$ 871,889
Rounded			$ 871,900
Net Changes (Change No. 4)			37,700
Twelve Month Average June 30, 2021			$ 871,900

Pike County Light And Power Company
Statement in Support of Change (5)
Electric Working Capital Prepayments

Exhibit E-3
Schedule 5

Month		Electric Gross Earnings & Penn Corp Net Inc, Acct. 05 165180	Electric PaPUC Assessment Acct. 05 165201	Common Property Tax Acct. 05 165110	Common Property Insurance Acct. 05 165030	Total
July 31, 2019	Actual	252,403	4,895	4,016	3,225	264,538
August 31, 2019	Actual	203,492	2,447	14,486	2,867	223,292
September 30, 2019	Actual	168,315	28,655	13,127	2,508	212,605
October 31, 2019	Actual	140,566	26,267	11,767	2,150	180,749
November 30, 2019	Actual	110,863	23,879	10,407	1,792	146,941
December 31, 2019	Actual	74,399	21,491	9,047	1,433	106,371
January 31, 2019	Actual	28,848	19,103	7,687	1,075	56,713
February 29, 2020	Actual	(1,564)	16,715	6,327	1,075	22,554
March 31, 2020	Actual	314,024	14,327	9,417	717	338,484
April 30, 2020	Actual	288,653	11,940	8,052	358	309,003
May 31, 2020	Actual	263,417	9,552	6,688	358	280,016
June 30, 2020	Actual	227,972	7,164	5,324	358	240,818
July 31, 2020	Actual	182,413	4,776	3,960	-	191,148
August 31, 2020	Actual	141,503	2,388	14,517	-	158,408
July 2019 - June 30, 2020 Total		$ 2,001,398	$ 186,317	$ 106,288	$ 14,692	$ 2,308,695
June 30, 2020 - Twelve Month Average		$ 166,783	$ 15,526	$ 8,857	$ 1,224	$ 192,391
x Electric Allocation		100%	100%	85%	85%	-
Electric Twelve Month Average		$ 166,783	$ 15,526	$ 7,528	$ 1,040	$ 190,878
Rounded						$ 190,900
September 2019 - August 2020 Total		$ 1,939,409	$ 186,257	$ 106,319	$ 11,826	$ 2,243,811
Twelve Month Average		$ 161,617	$ 15,521	$ 8,860	$ 985	$ 186,984
x Electric Allocation		100%	100%	85%	85%	-
Electric Twelve Month Average		$ 161,617	$ 15,521	$ 7,531	$ 838	$ 185,507
Rounded						$ 185,500
Net Changes (Change No. 5)						(5,400)
Twelve Month Average June 30, 2021						$ 185,500

Pike County Light And Power Company
Statement in Support of Change (6)
For the Twelve Months Ended June 30, 2021

Exhibit E-3
Schedule 6

Deferred Debit Items	Hurricane Riley Acct 05 186025	Rate Case (a) Acct 186035	Total	Total After Tax (b)	Rounded
Deferred Debit Balance as of June 30, 2020	$ 1,122,410	$ -	$ 1,122,410	$ 798,122	$ 798,100
Deferred Charges 7/1/2020 - 6/30/2021	-	127,500	127,500	90,663	90,700
Less: Amortization of Deferred Charges 7/1/20 - 6/30/21	(144,780)	-	(144,780)	(102,950)	(103,000)
Deferred Debit Balance as of June 30, 2021	977,630	127,500	1,105,130	785,835	785,800
Net Change 7/1/2020 - 6/30/2021					$ (12,300)

(a) See Exhibit E-4, Schedule 8 for estimated rate case expenditures

(b) Calculation of After Tax Factor:

SIT Rate =	9.9900%
+ FIT Rate =	21.0000%
+ SIT Rate Net of FIT Rate [9.99% x (1-21%)] =	7.8921%
= Effective Net FIT / SIT Rate =	28.8921%
Net of SIT & FIT Multiplier (1/1-28.8921%)	71.1079%

Pike County Light And Power Company
Statement in Support of Change (7)
For the Twelve Months Ended June 30, 2021

Exhibit E-3
Schedule 7

Deferred Credit Items	FIT Tax Benefits Currently Accruing to Customers Acct. 186150	FIT Tax Rate Change Accts. 253911 & 253921	FIT Tax Rate Change Accts. 253911 & 253921	After Tax *	Rounded
Deferred Credit Balance as of June 30, 2020	$ 57,173	$ 282,404	$ 339,577	$ 241,466	$ 241,500
Deferred Credits 7/1/2020 - 6/30/2021	23,591	-	23,591	16,775	16,800
Less: Amortization of Deferred Charges 7/1/20 - 6/30/21	-	-	-	-	-
Negative Deferred Credit Balance as of June 30, 2021	$ 80,764	$ 282,404	$ 363,168	$ 258,241	$ 258,200
Net Change					$ 16,700

* Calculation of After Tax Factor:

	SIT Rate =	9.9900%
+	FIT Rate =	21.0000%
+	SIT Rate Net of FIT Rate [9.99% x (1-21%)] =	7.8921%
=	Effective Net FIT / SIT Rate =	28.8921%
	Net of SIT & FIT Multiplier (1/1-28.8921%)	71.1079%

Pike County Light And Power Company
Statement in Support of Change No. (8)
To Customer Deposits
For the Twelve Months Ended June 30, 2021

Exhibit E-3
Schedule 8

Month		Customer Deposits Acct 235000 (1)	Electric Allocation (2)
July 31, 2019	Actual	$ 129,886	$ 110,403
August 31, 2019	Actual	133,719	113,661
September 30, 2019	Actual	135,553	115,220
October 31, 2019	Actual	141,354	120,151
November 30, 2019	Actual	144,120	122,502
December 31, 2019	Actual	146,706	124,700
January 31, 2020	Actual	148,127	125,908
February 29, 2020	Actual	150,164	127,639
March 31, 2020	Actual	150,984	128,336
April 30, 2020	Actual	151,976	129,180
May 31, 2020	Actual	151,863	129,084
June 30, 2020	Actual	153,263	130,274
July 31, 2020	Actual	157,599	133,959
August 31, 2020	Actual	161,017	136,864
July 2019 - June 30, 2020 Total		$ 1,737,715	$ 1,477,058
June 30, 2020 - Twelve Month Average		$ 144,810	$ 123,088
Rounded			$ 123,100
September 2019 - August 2020 Total		$ 1,792,726	$ 1,523,817
Twelve Month Average		$ 149,394	$ 126,985
Rounded			$ 127,000
Net Changes (Change No. 4)			3,900
Twelve Month Average June 30, 2021			$ 127,000

Pike County Light And Power Company
Statement in Support of Change No. (9)
To Accumulated Deferred Income Taxes
For the Twelve Months Ended June 30, 2021

Exhibit E-3
Schedule 9

Accumulated Deferred Income Taxes		Balance Accounts 282012 / 282082
Balance at June 30, 2020		$ 469,900
Additions - July 1, 2020 thru June 30, 2021		
Tax Depreciation - Normalized	1,221,012	
Less: Book Depreciation	741,295	
Net Schedule M Tax Deduction	479,717	
x Effective SIT / FIT Tax Rate	28.8921%	
Net Additions July 1, 2020 thru June 30,2021		138,600
Additions - July 1, 2021 thru December 31, 2021		
Tax Depreciation - Normalized	610,506	
Less: Book Depreciation	401,200	
Net Schedule M Tax Deduction	209,306	
x Effective SIT / FIT Tax Rate	28.8921%	
Net Additions July 1, 2021 thru Dec. 31,2021		60,500
Net Additions (Change No. 7)		$ 199,100
Ending Balance at June 30, 2021		$ 669,000

Pike County Light And Power Company
Electrical Capital Expenditures
For the Twelve Months Ended June 30, 2021
$000's

Exhibit E-3
Schedule 10

Electric Plant Account	Close Out To Plant In Service	Annual Spending January 2020 - December 2020	Annual Spending January 2021 - December 2021	Total
LTIIP Program:				
Additional Defective Pole Replacement and Storm Hardening	Monthly	$ -	$ 600	$ 600
Phase Three, Capital-Reliability Project, Old Milford Road to Rt 209	Monthly	-	500	500
Installation of Civil portion 34.5 Underground Rt 209 1500 feet	Monthly	-	450	450
Subtotal LTIP		**$ -**	**$ 1,550**	**$ 1,550**
Recurring Capital Budget Upgrades / Replacements				
Structure & Improvements	Monthly	$ 1,700	$ 225	$ 1,925
Station Equipment	Monthly	50	50	100
O/H Conductors & Devices	Monthly	175	175	350
U/G Conduit	Monthly	50	50	100
Services-O/H	Monthly	75	75	150
Meters-EM Purchases	Monthly	75	75	150
				-
Subtotal Recurring Upgrades / Replacements		**$ 2,125**	**$ 650**	**$ 2,775**
Total Electric Plant Construction Spending		**$ 2,125**	**$ 2,200**	**$ 4,325**
General Plant Account				
Office Furniture	Monthly	$ -	$ -	$ -
Computers / Printers	Monthly	53	55	108
Cayenta Work Management System	Monthly	100	103	203
Advanced Utility Systems Upgrade Version 4 with Mobile	Monthly	-	400	400
Meter Testing Software	12/31/2020	50	-	50
Tools, Shop and Garage Equipment	Monthly	12	12	24
Total General Plant Construction Spending		**$ 215**	**$ 570**	**$ 785**

Pike County Light And Power Company
Electric Plant Additions
For the Twelve Months Ended June 30, 2021
$ 000's

Exhibit E-3
Schedule 11

Electric Plant Account	In Service Date	July 2020 through June 30, 2021	July 2021 through December 2021	Total
LTIIP Program:				
Additional Defective Pole Replacement and Storm Hardening	Monthly	$ 300	$ 300	$ 600
Phase Three, Capital-Reliability Project, Old Milford Road to Rt 209	Monthly	250	250	500
Installation of Civil portion 34.5 Underground Rt 209 1500 feet	Monthly	225	225	450
Subtotal LTIP		**$ 775**	**$ 775**	**$ 1,550**
Recurring Capital Budget Upgrades / Replacements				
Structure & Improvements	Monthly	963	113	1,075
Station Equipment	Monthly	50	25	75
O/H Conductors & Devices	Monthly	175	88	263
U/G Conduit	Monthly	50	25	75
Services-O/H	Monthly	75	38	113
Meters-EM Purchases	Monthly	75	38	113
Subtotal Recurring Upgrades / Replacements		**$ 1,388**	**$ 325**	**$ 1,713**
Total Electric Plant Construction Spending		**$ 2,163**	**$ 1,100**	**$ 3,263**
Rounded		**$ 2,200**	**$ 1,100**	**$ 3,300**
General Plant Account				
Office Furniture	Monthly	$ -	$ -	$ -
Computers / Printers	Monthly	54	27	81
Cayenta Work Management System	Monthly	102	52	153
Advanced Utility Systems Upgrade Version 4 with Mobile	Monthly	200	200	400
Meter Testing Software	12/31/2020	50	-	50
Tools, Shop and Garage Equipment	Monthly	12	6	18
Total General Plant In Service		**$ 417**	**$ 285**	**$ 702**
Rounded		**$ 400**	**$ 300**	**$ 700**

Pike County Light And Power Company
Index of Schedules
Electric Cost of Service

Exhibit E-4

Schedule	Title of Schedule	Witness
Summary	Electric Cost of Service	Accounting Panel
(1)	Changes to Adjust for Sales Growth	Accounting Panel
(2)	Changes in Purchased Power Energy Costs	Accounting Panel
(3)	Changes in Purchased Power Supply Expense	Accounting Panel
(4)	Changes to Reflect Increase in Wages & Salaries and for additional employees	Accounting Panel
(5)	Changes to reflect increases in Payroll Ancillary Costs	Accounting Panel
(6)	Changes in Operation and Maintenance Expenses to reflect elimination of the amortization of Deferred Post Retiree Expense Other Than Pension Costs (OPEB)	Accounting Panel
(7)	Changes in Operation and Maintenance Expense to Reflect Amortization of Storm Deferrals	Accounting Panel
(8)	Changes in Operation and Maintenance Expense to Reflect additional O&M expense related to Tree-Trimming	Steven Grandineli
(9)	Changes in Operation and Maintenance Expense to Reflect Recovery of Rate Case Expense	Accounting Panel
(10)	Changes in Operation and Maintenance Expense to Reflect true-up of Joint Use Operating Expense	Accounting Panel
(11)	Changes in Operation and Maintenance Expense to Reflect uncollectible expenses	Accounting Panel
(12)	Changes in Depreciation Expenses - Plant additions at existing and proposed rates and for net salvage	Accounting Panel
(13)	Changes in Taxes Other than income to reflect Changes in Payroll Tax, Gross Earnings Tax and STAS recoveries	Accounting Panel
(14)	Calculation of Income Tax Expense	Accounting Panel

Pike County Light And Power Company
Electric Cost of Service
For the Twelve Months Ended June 30, 2020
and the Twelve Months Ended June 30, 2021

	12 mos. Ended June 30, 2020 (1)	Difference Between Historical and Future Years Reference (2)	Difference Between Historical and Future Years Amount (3)	Future Year 12 mos. Ended June 30, 2021 (4)=(1+3)	Future Year Proposed Rate Change (5)	Future Year As Adjusted for Add'l Revenue (6)
Operating Revenues:						
Sales of Electricity - Retail Sales	$ 6,609,500	(1a)	$ 574,100	$ 7,183,600	$ 1,933,600	$ 9,117,200
- Hedging Gains						
Other Operating Revenues	152,500	(1b)	16,000	168,500	-	168,500
Total Operating Revenues	6,762,000		590,100	7,352,100	1,933,600	9,285,700
Operating Expenses:						
Purchased Electric Power Costs	1,430,300	(2)	428,600	1,858,900	-	1,858,900
Other Power Supply Expenses	672,200	(3)	22,400	694,600		694,600
Other Operation and						
Maintenance Expenses	2,485,800	(1c)	5,100	3,021,100	29,600	3,050,700
		(4a)	19,300			
		(4b)	72,700			
		(5)	42,300			
		(6)	(25,000)			
		(7)	137,400			
		(8)	59,000			
		(9)	31,900			
		(10)	3,600			
		(11)	189,000			
Depreciation Expense	616,700	(12a)	283,800	900,500	-	900,500
		(12b)	-			
Taxes other than Income	469,500	(13)	28,000	497,500	114,100	611,600
Total Operating Expenses	5,674,500		1,298,100	6,972,600	143,700	7,116,300
Operating Income Before Income Taxes:	1,087,500		(708,000)	379,500	1,789,900	2,169,400
State Income Tax	50,200	(14)	(76,800)	(26,600)	178,800	152,200
Federal Income Tax	95,000	(14)	(158,100)	(63,100)	338,300	275,200
Operating Income after Taxes	$ 942,300		$ (473,100)	$ 469,200	$ 1,272,800	$ 1,742,000
Rate Base	$ 22,033,400		$ 2,536,400	$ 24,569,800	$ -	$ 24,569,800
Rate of Return	4.28%			1.91%		7.09%

		Amount
Rate base at 06/30/2021		$ 24,569,800
Rate of Return at 06/30/2021		7.09%
Total Return Required		1,741,999
Total Earned Return (Per Exhibit E-4, Summary, Page 1 of 3)		469,200
Addition Return Required		1,272,799
Multiplied by Retention Factor*		1.5192
Total Revenue Requirement		$ 1,933,622
Rounded		$ 1,933,600

* Retention Factor:

Additional Revenue	100.0000	1,933,600
Less: Revenue Taxes @ 5.9%	5.9000	114,100
Less: Uncollectibles	1.5300	29,600
	92.5700	1,789,900
Less: State Income Tax @ 9.99%	9.2477	178,800
	83.3223	1,611,100
Less: Federal Income Tax @ 21%	17.4977	338,300
Retention Factor	65.8246	1,272,800
	1.0000	
	0.6582	
	1.5192	

Pike County Light And Power Company
Changes in Electric Cost of Service
For the Year Ended June 30,2020

Exhibit E-4
Summary

Adjustment Number	Description	Amount
(1a)	Change in forecast Billed Revenues	$ 574,100
(1b)	Change in forecast Other Operating Revenues	16,000
(1c)	Change In SBC expense	5,100
(2)	Change in Purchased Power Supply Expense	428,600
(3)	Change in Power Supply Expense	22,400
(4a)	Changes in Operations and Maintenance Expenses to Reflect Increase in Wages and Salaries	19,300
(4b)	Changes in Operations and Maintenance Expenses to Reflect Additional Employee Positions	72,700
(5)	Changes in Operation and Maintenance Expense to Reflect Estimated Payroll Ancillary Costs -- Health Insurance, Workers Comp, 401K Match	42,300
(6)	Changes in Operation and Maintenance Expense to Reflect Elimination of Deferred Premerger Pension /OPEB costs from rates	(25,000)
(7)	Changes in Operation and Maintenance Expense to Reflect Amortization of Storm Deferrals	137,400
(8)	Changes in Operation and Maintenance Expense to Reflect additional O&M expense related to Tree-Trimming	59,000
(9)	Changes in Operation and Maintenance Expense to Reflect Recovery of Rate Case Expense	31,900
(10)	Changes in Operation and Maintenance Expense - Intercompany Administrative & Operating Charges	3,600
(11)	Change in Uncollectible Expense	189,000
(12a)	Changes in Depreciation Expense -- At Existing & Proposed Rates	283,800
(12b)	Changes in Depreciation Expense -- Annual allowance for Net Salvage / Amortization of Reserve Excess Case R-2008-2046518	-
(13a)	Changes in Taxes Other than income to reflect Changes in Payroll Tax, Gross Earnings Tax and STAS recoveries	28,000
(14)	Calculation of Income Tax Expense for the Twelve Months Ended June 30, 2020	
	State Income Tax Adjustment	(76,800)
	Federal Income Tax Adjustment	(158,100)

Pike County Light And Power Company
Statement in Support of Change No. (1a)
To Adjust For Sales Growth
For the Twelve Months Ended June 30, 2021

12 Months Ended June 30,2021		Revenues	KWHR Sales	Average cents / per kWHR
Delivery Revenue -- Retail Customers		4,898,100	72,993,100	0.0671
Recovery of Purchased Power Costs		1,858,900		
SBC Recoveries		2,800		
Tax Cuts & Jobs Act (TCJA) Credit	(a)	-		
Gross Receipts Tax		423,800		
Total		$ 7,183,600	72,993,100	
12 Months Ending June 30, 2020				
Delivery Revenue -- Retail Customers		4,822,643	72,583,273	0.0664
Recovery of Purchased Power Costs		1,430,316		
SBC Passback		(2,273)		
Tax Cuts & Jobs Act (TCJA) Credit		(31,115)		
Gross Receipts Tax		389,963		
Total	(b)	$ 6,609,534	72,583,273	
Increase / (Decrease) in Revenues / Sales		$ 574,066	409,827	
Rounded		$ 574,100		
Percentage Increase / (Decrease) Sales			0.6%	

-

(a) The TCJA negative surcharges were set at zero for The Twelve Months ended June 30, 2021 in order to eliminate their impact on revenues. See Exhibit E-4, Schedule 1, page 2 for the pass back of additional TCJA credits over and above the amounts to be passed back through June 30, 2021

(b) Rounded = $6.609,500 shown on Exhibit E-4 Summary

Pike County Light And Power Company
Statement in Support of Change No. (1b)
To Adjust For Other Operating Revenue
For the Twelve Months Ended June 30, 2021

Other Operating Revenues	Twelve Months Ended June 30, 2020	June 30, 2021	Net Change
Late Payment Charge-Electric	$ 7,531	$ 8,261	$ 730
Rent from Electric Property	185,497	139,710	(45,787)
Other Electric Revenues			
- Provision for FIT Refund (a)	(40,507)	20,548	61,055
- Other Miscellaneous Sales Adjustments	(17)	-	17
Total Other Electric Revenues	152,504	168,519	$ 16,015
Rounded (Change 1b)	$ 152,500	$ 168,500	**$ 16,000**

(a) Assumes Deferred FIT Refund will be Passed Back to Customers Over Three Years

Deferred FIT Refund:(Acct. 186150)	
Balance As of June 30, 2019	$ (16,666)
Actual Amount Deferred July 1, 2019 - June 30, 2020	(40,507)
Estimated Amount Deferred July 1, 2019 - June 30, 2021	(25,019)
Total To Be Passed Back	(82,192)
Amortization Period	4
Annual Amortization	$ 20,548

Amount to Be Refunded To Customers 7/1/20 - 6/30/2020	
Forecast Refunds	(73,925)
Estimated Amount to deferred	48,905
	$ (25,019)

SBC Expense (Sched 1, Page 1)	
Twelve Months Ended June 30, 2021	$ 2,800
Twelve Months Ended June 30, 2020	(2,273)
Net Change	$ 5,073
Rounded (Change 1c)	$ 5,100

Pike County Light And Power Company
Statement in Support of Change No. (2)
To Power Supply Expense
For the Twelve Months Ended June 30, 2021

Exhibit E-4
Schedule 2

Power Supply Expense	June 30, 2020	June 30, 2021	Net Change
Power Supply Expense - Energy & Capacity	$ 1,785,735	$ 1,596,200	$ (189,535)
Service Fee	30,897	32,100	1,203
Met-Ed	72,509	72,600	91
Hedging Cost	74,438	110,000	35,562
DSP - Legal Fees	34,298	-	(34,298)
DSP - Consultant Fees	48,000	48,000	-
Total Recoverable Fuel	2,045,877	1,858,900	(186,977)
Deferred Purchased Power Expense	(615,561)	-	615,561
Net Purchased Power Expense	$ 1,430,316	$ 1,858,900	$ 428,584
Change in Purchased Power Expense (3) Rounded	$ 1,430,300	$ 1,858,900	$ 428,600

		June 30, 2020
Purchased Elect Commodity	555000	1,937,707.05
Purchased Power	555020	108,170.30
Subtotal		2,045,877.35
Purchased Power-Fuel Recov	555030	(615,561.35)
Purchased Power Expense per books		$ 1,430,316.00

Pike County Light And Power Company
Statement in Support of Change No. (3)
To Power Supply Expense
For the Twelve Months Ended June 30, 2021

Exhibit E-4
Schedule 3

Other Power Supply Expense - Twelve Months Ended June 30, 2020 Account 05 555010	672,207	
Other Power Supply Expense - Twelve Months Ended June 30, 2019 Account 05 555010	649,788	
Annual Increase in Other Power Supply Expense		$ 22,419
Rounded		$ 22,400

Pike County Light And Power Company
Statement in Support of Change No. (4a)
To Operation and Maintenance Expense
For the Twelve Months Ended June 30, 2021

Wage and Salary Increases

- Pike Electric Payroll Expense for Twelve Months Ended June 30, 2020	$276,265	
- Administrative Payroll allocated from Corning Gas Corporation	237,471	
- Total Electric Payroll Expense	$513,736	
- Electric Payroll excluding October 2019 Wage Increase	$502,434	
- Annualization of October 2019 Wage & Salary Increases (3% x 3 month / 12 months)		3,768
- Total Electric Payroll Expense (see above	$513,736	
- Plus annualization of October 2019 Wage Increases (3% x 3 month / 12 months)	3,768	
Annualized Test Year Wages	$517,504	
- October 2020 Wage Increase (3%)		15,525
Wage & Salary Wage Increases		$19,293
Rounded		$19,300

Pike County Light And Power Company
Statement in Support of Change No. (4b)
To Operation and Maintenance Expense
For the Twelve Months Ended June 30, 2021

Material Management Position	
Annual Salary for New Positions	$ 205,000
Additional employee positions applicable to electric operation and maintenance expense	35.4%
Total Additional Employees Applicable to Pike Gas O&M Expense	$ 72,650
Rounded Total	$ 72,700

Job Title Description	Hire Date	Estimated Salary	Cost Allocated To Pike Elect O&M	Cost Allocated To Electric Salary
Pike - Materials & Facilities Management - Customer Service Rep.	Jan-21	$ 60,000	80.0% a)	$ 48,000
CNG - Accounting Manager	Feb-21	95,000	17.0% b)	16,150
CNG - Staff Accountant	Feb-21	50,000	17.0% b)	8,500
		$ 205,000	35.4%	$ 72,650

(a) Allocated on ratio of electric customer / total customers (4,800 / 6.000)
(b) It is anticipated that 20% of the time for these employees would be allocated to Pike. Electric and gas split 85/15 (20% x 85% = 17%)

Pike County Light And Power Company
Statement in Support of Change No. (5)
To Operations and Maintenance Expense
For the Twelve Months Ended June 30, 2021

Exhibit E-4
Schedule 5

Change in Payroll Ancillary Costs (Health Insurance & Workers Compensation)				
Wage Increase and Annualization [1]	$	19,300		
Additional Staffing		72,650		
Total Increases in Wage and Salaries	$	91,950		
x Test Year 401K Pension Match Rate		5.52%	$	5,080
x Test Year Health & Life Insurance Rate		38.27%		35,191
s Test Year Workers Compensation Rate		2.26%		2,076
Total Benefit Costs			$	42,348
Rounded Total			$	42,300

[1] Per Exhibit E-4, Schedule 4, page 1

Pike County Light And Power Company
Statement in Support of Change No. (6)
To Eliminate The Amortization of OPEB Expense
For the Twelve Months Ended June 30, 2021

Exhibit E-4
Schedule 6

Change in Amortization of OPEB Costs		
Annual amortization of OPEB Costs - Twelve Months Ended June 30, 2020		$ 24,965
Annual amortization of OPEB Costs - Twelve Months Ended June 30, 2021	(a)	-
Change No. (6)		$ (24,965)
Rounded Total		$ (25,000)

(a) Deferred balance of $4,192.04 (Acct. 186030) at June 30, 2020 will be recovered by September 2020, as a result amortization can be eliminated rates.

Pike County Light And Power Company
Statement in Support of Change No. (7)
To Reflect Amortization of Storm Deferrals
For the Twelve Months Ended June 30, 2021

Exhibit E-4
Schedule 7

	$ Amount		
Amortization of Storm Deferral Balances	Balance At 6/30/2019	Amortization 7/1/19 - 6/30/20	Balance At 6/30/2020
Deferred Storm Balance			
- Riley	$ 1,194,800	(72,390)	$ 1,122,410
- Sandy	70,249	(70,249)	-
Deferred Storm Charges 7/1/2020 - 6/30/2021	-	-	-
Total	$ 1,265,049	$ (142,639)	1,265,049
Amortization 7/1/2020 - 6/30/2021			(144,780)
Unrecovered Balance at 6/30/2021			1,120,269
Recovery Period (Years)			4
Annual Amount to be Amortized			$ 280,067
Less: Annual amortization of Deferred Storm Charges In Twelve Months Ended June 30, 2020			(142,639)
Net Increase			$ 137,428
Rounded			$ 137,400

Pike County Light And Power Company
Statement in Support of Change No. (8)
To Reflect Additional Expense Related to Tree-Trimming
For the Twelve Months Ended June 30, 2021

Exhibit E-4
Schedule 8

	Tree-Trimming	
Actual Spending -Fiscal Year Ended 9/30/2018	$ 161,046	
Actual Spending -Fiscal Year Ended 9/30/2019	247,661	
Total	$ 408,707	
Average Annual Tree Trimming Expenditures		$ 204,353
Actual Tree-Trimming Charges for Twelve Months Ended June 30, 2020		145,347
Net Adjustment		$ 59,006
Increase (rounded)		$ 59,000

Pike County Light And Power Company
Statement in Support of Change No. (9)
Rate Case Costs
For the Twelve Months Ended June 30, 2020

Exhibit E-4
Schedule 9

Adjustment to Other Operations & Maintenance Expense to Reflect Rate Case Costs		
Estimated Rate Case Costs	$	150,000
2020 Percentage Applicable to Electric		85.00%
Estimated Rate Case Costs applicable to Electric	$	127,500
/ Amortization Period - Years		4
Annual Rate Case Expense	$	31,875
Rounded	$	31,900

Pike County Light And Power Company
Statement in Support of Change No. (10)
To Electric Operation and Maintenance Expense
For the Twelve Months Ended June 30, 2021

Exhibit E-4
Schedule 10

Intercompany Administrative & Operating Charges		
Intercompany allocations (excl. Payroll, Benefits, & Workers' Comp.) charged to O&M Expense for the Twelve Months Ended June 30, 2020	$	356,776
x CPI General Inflation Factor		1.00%
Net Change in Intercompany Expense	$	3,568
Rounded Total	$	3,600

Pike County Light And Power Company
Statement in Support of Change No. (11)
To Uncollectible Operation and Maintenance Expense
For the Twelve Months Ended June 30, 2021

Exhibit E-4
Schedule 11

Uncollectible Accounts Expense		
Operating Revenues Before Rate Change -- Twelve Months Ended June 30, 2021	$	7,183,600
Uncollectible write-offs / revenues percentage-- Twelve Months Ended June 30, 2020		1.53%
Uncollectible Expense for Twelve Months Ending June 30, 2021	$	109,909
Less: Negative Uncollectible Expense reflected in Operation And Maintenance Expense for the Twelve Months Ended June 30, 2020 (FERC 9040)		(79,050)
Net Change in Uncollectable Expense	$	188,960
Rounded Total	$	189,000

Pike County Light And Power
Statement in Support of Change No. (12a)
To Depreciation Expense
For the Twelve Months Ended June 30, 2021

	Amount			
	Electric Dist. Plant	Common Gen'l Plant Allocated	Total Electric	Adjustment
Electric Distribution Plant in Service				
At June 30, 2020 Per Exhibit E-3, Schedule 1	$ 24,711,057	$ 1,691,686	$ 26,402,743	
Less: Acquisition Adjustment	(5,343,516)	(28,097)	(5,371,613)	
Electric Plant at June 30, 2020	$ 19,367,541	$ 1,663,590	$ 21,031,130	
Less: Non-Depreciable Plant	(1,087,646)	(264,350)	(1,351,996)	
Depreciable Plant at June 20, 2020	18,279,895	1,399,240	19,679,134	
Additions - July 1, 2020 thru June 30, 2021				
Transfer of June 30, 2020 CWIP to Plant In Service	1,400,901	89,321	1,490,223	
Plant Additions	2,200,000	340,000	2,540,000	
Additions - July 1, 2021 thru December 31, 2021				
Plant Additions	1,100,000	255,000	1,355,000	
Total Additions	4,700,901	684,321	5,385,223	
Retirements - July 1, 2020 thru June 30, 2021				
Retirement Work In Progress at June 30, 2020	(11,241)		(11,241)	
Retirements	(150,000)	(8,500)	(158,500)	
Retirements - July 1, 2021 thru December 31, 2020				
Retirements	(75,000)	(255,000)	(330,000)	
Total Retirements	(236,241)	(263,500)	(499,741)	
Electric Depreciable Plant at June 30, 2021	23,217,037	2,347,061	25,564,098	
x Book Basis Average Composite Depreciation Rate	2.462%	14.013%	3.523%	
Calculated Accruals to Depreciation Expense				
For The Twelve Months Ended June 30, 2021	571,600	328,900	900,500	
Total Depreciation Expense				
Less Depreciation on Common General Plant				
Less: Depreciation Expense as of June 30, 2020	441,294	175,378	616,700	
Increase In Depreciation Expense	130,306	153,522		$ 283,800
Change No. (12a) Rounded				$ 283,800

Increase in Annual Depreciation Reserve Calculation	Electric	100% Common	Electric Common
June 30, 2020 Plant	$ 19,669,555	$ 1,751,248	$ 1,488,561
Plus 50% of Additions / Retirements 7/20 - 6/21	1,025,000	195,000	165,750
Depreciable Plant	$ 20,694,555	$ 1,946,248	$ 1,654,311
x Composite Depreciation Rate	2.462%	14.013%	14.013%
July 1 2020 - June 30, 2021 Depreciation Accrual	$ 509,500	$ 272,728	$ 231,819
Rounded	$ 509,500	$ 272,700	$ 231,800
June 30, 2020 Plant	$ 19,669,555	$ 1,751,248	$ 1,488,561
Plus 100% of Additions / Retirements 7/20 - 6/21	2,050,000	390,000	331,500
50% of Additions / Retirements 7/21 - 12/21	512,500	-	-
Depreciable Plant	$ 22,232,055	$ 2,141,248	$ 1,820,061
x Composite Depreciation Rate	2.462%	14.013%	14.013%
July 1 2021 - June 30, 2022 Depreciation Accrual	$ 547,353	$ 300,053	$ 255,045
	50%	50%	50%
July 1 2021 - December 31, 2021 Depreciation Accrual	$ 273,677	$ 150,027	$ 127,523
Rounded	$ 273,700	$ 150,000	$ 127,500

Pike County Light And Power
Statement in Support of Change No. (12a)
To Depreciation Expense
Calculation of Electric Composite Book Depreciation Rate
For the Twelve Months Ended June 30, 2021

Electric- Distribution	June 30, 2020 Book Costs	Acquisition Adjustment	June 30, 2020 Plant Balance	Average Service Life	Annual Rate	COR & Salvage Adj.	Annual Accrual with Salvage	COMPOSITE RATES Annual	Monthly
PK - E- 360000 - LAND-EASEMENTS	22,560.78	(19,954.78)	2,606.00	50	2.00%	-	52.12	2.00%	0.167%
PK - E- 360100 - LAND & LR FEE	1,087,646.08	(0.08)	1,087,646.00	-	-	-	-		
PK - E- 361000 - STRUCTURES & IMPRO	2,831.71	-	2,831.71	50	2.00%	-	56.63	2.00%	0.167%
PK - E- 362000 - STATION EQUIPMENT	1,513,672.49	(320,002.49)	1,193,670.00	40	2.50%	(1.00)	29,840.75	2.50%	0.208%
PK - E- 364000 - POLES, TOWRS & FIX	6,476,423.35	(869,385.27)	5,607,038.08	45	2.22%	16,348.00	140,824.25	2.51%	0.209%
PK - E- 365500 - OH CONDUCTOR & DEV	5,203,797.31	(580,927.68)	4,622,869.63	50	2.00%	12,783.00	105,240.39	2.28%	0.190%
PK - E- 365600 - O/H CONDUCT CAPACI	50,784.86	(27,084.86)	23,700.00	30	3.33%	89.00	878.21	3.71%	0.309%
PK - E- 366000 - UG CONDUIT	362,124.16	(249,864.16)	112,260.00	65	1.54%	143.00	1,871.80	1.67%	0.139%
PK - E- 367000 - UG CONDUCT & DEVI	945,119.88	(514,889.88)	430,230.00	50	2.00%	147.00	8,751.60	2.03%	0.170%
PK - E- 368100 - LINE TRANSFORM OH	1,472,385.34	(823,883.92)	648,501.42	35	2.86%	2,144.00	20,691.14	3.19%	0.266%
PK - E- 368200 - L TRANS OH INSTALL	790,875.21	(345,359.69)	445,515.52	35	2.86%	2,348.00	15,089.74	3.39%	0.282%
PK - E- 368300 - LINE TRANSFORM -UG	678,190.38	(291,220.38)	386,970.00	35	2.86%	(1,474.00)	9,593.34	2.48%	0.207%
PK - E- 368400 - L TRANS UG INSTALL	255,557.00	(56,954.04)	198,602.96	35	2.86%	1,507.00	7,187.04	3.62%	0.302%
PK - E- 369100 - SERVICES-OVERHEAD	1,665,121.14	(519,708.65)	1,145,412.49	55	1.82%	3,581.00	24,427.51	2.13%	0.178%
PK - E- 369200 - SERVICES-UG	963,518.73	(224,423.42)	739,095.31	55	1.82%	316.00	13,767.53	1.86%	0.155%
PK - E- 370100 - METERS	115,494.54	(95,994.54)	19,500.00	20	5.00%	(201.00)	774.00	3.97%	0.331%
PK - E- 370110 - METERS SS	271,845.83	(64,025.83)	207,820.00	20	5.00%	(3,414.00)	6,977.00	3.36%	0.280%
PK - E- 370200 - METER INSTALLS	14,202.57	(7,606.91)	6,595.66	20	5.00%	-	329.78	5.00%	0.417%
PK - E- 370210 - METER INSTALLS-SS	369,856.78	(81,266.92)	288,589.86	20	5.00%	-	14,429.49	5.00%	0.417%
PK - E- 373100 - STREET LIGHTS -OH	214,426.41	(102,694.21)	111,732.20	35	2.86%	832.00	4,027.54	3.60%	0.300%
Electric- Distribution Total	**22,476,434.55**	**(5,195,247.71)**	**17,281,186.84**			**35,148.00**	**404,809.89**		
Depreciable Electric- Distribution Total	**21,388,788.47**	**(5,195,247.63)**	**16,193,540.84**			**35,148.00**	**404,809.89**	2.500%	**0.208%**
Electric- General Plant Total									
PK - E- 390000 - STRUCTURES & IMPRO	2,147,571.59	(145,593.63)	2,001,977.96	45	2.22%	-	44,443.91	2.22%	0.185%
PK - E- 394001 - TOOLS & EQUIPMENT	84,375.89	-	84,375.89	5	20.00%	-	16,875.18	20.00%	1.667%
Electric- General Plant Total	**2,231,947.48**	**(145,593.63)**	**2,086,353.85**			**-**	**61,319.09**		
Depreciable Electric- General Plant Total	**2,231,947.48**	**(145,593.63)**	**2,086,353.85**			**-**	**61,319.09**	**2.939%**	**0.245%**
Electric-Other Intangible Plant									
PK - E- 301000 - ORGANIZATION	2,675.00	(2,675.00)	-	-	-		-		
Electric-Other Intangible Plant Total	**2,675.00**	**(2,675.00)**	**-**			**-**	**-**		
Depreciable Elec.-Other Intang. Plant	**2,675.00**	**(2,675.00)**	**-**			**-**	**-**		
Amortization of Unallocated Reserve						(16,000.00)	(16,000.00)		
Total Electric	**24,711,057.03**	**(5,343,516.34)**	**19,367,540.69**			**19,148.00**	**450,128.97**		
Total Depreciable Electric	**23,620,735.95**	**(5,340,841.26)**	**18,279,894.69**			**19,148.00**	**450,128.97**	**2.462%**	**0.205%**

Pike County Light And Power
Statement in Support of Change No. (12a)
To Depreciation Expense
Calculation of Common Plant Composite Book Depreciation Rate
For the Twelve Months Ended June 30, 2021

Account	Common General Plant	June 30, 2020 Plant Balance	Average Service Life	Annual Rate	COR & Salvage Adj.	Annual Accrual with Salvage	COMPOSITE RATES Annual	Monthly
303000	Intangible Asset - Trade Name (a)	311,000.00		(a)		-	-	-
391101	Office Furniture & Equipment	15,846.20	5	20.00%	-	3,169.24	20.00%	1.667%
391115	Office Furniture & Equipment	115,250.07	5	20.00%	-	23,050.01	20.00%	1.667%
391215	Office Furniture & Equipment - Miscellaneous	78,998.46	5	20.00%	-	15,799.69	20.00%	1.667%
391315	Office Furniture & Equipment - Computers	985,593.50	10	10.00%	-	98,559.35	10.00%	0.833%
392015	Transportation	214,416.03	5	20.00%	-	42,883.21	20.00%	1.667%
397101	Communication Equipment - Telephone	144,620.00	5	20.00%		28,924.00	20.00%	1.667%
398901	Miscellaneous Equipment	91,439.96	5	20.00%	-	18,287.99	20.00%	1.667%
	Common General Total	**1,957,164.22**				**230,673.49**		
	Common Depreciable General Total (excl 303000)	**1,646,164.22**				**230,673.49**	**14.013%**	**1.168%**
	Total Electric Common	**1,663,589.59**				**196,072.47**		
	Total Electric Depreciable Common	**1,399,239.59**				**196,072.47**	**14.013%**	**1.168%**
	Total Gas Common	**293,574.63**				**34,601.02**		
	Total Gas Depreciable Common	**246,924.63**				**34,601.02**	**14.013%**	**1.168%**

(a) **This asset is being amortized over 15 years. The annual depreciation expense of $20,733 is charged below the line to FERC account 425.**

Pike County Light & Power Company
Statement in Support of Change No. (12b)
To Depreciation Expense
For the Twelve Months Ended June 30, 2021

Electric Plant	Proposed Annual Net Salvage	Current Net Salvage Allowed	Net Change In Expense
361000 STRUCTURES AND IMPROVEMENTS	-	$ -	$ -
362000 STATION EQUIPMENT	(1)	(1)	-
364000 POLES, TOWERS AND FIXTURES	16,348	16,348	-
365000 OH CONDUCTORS & DEVICES	12,783	12,783	-
365100 CAPACITORS	89	89	-
366000 UG CONDUIT	143	143	-
367000 UG CONDUCTORS	147	147	-
368100 LINE TRANSFORMER OH PURCHASE	2,144	2,144	-
368200 LINE TRANSFORMER OH INSTALLS	2,348	2,348	-
368300 LINE TRANSFORMER UG PURCHASE	(1,474)	(1,474)	-
368400 LINE TRANSFORMER UG INSTALLS	1,507	1,507	-
369100 OH SERVICES	3,581	3,581	-
369200 UG SERVICES	316	316	-
370100 ELECTRIC METERS PURCHASE 2003 & <	(201)	(201)	-
370110 ELECTRIC METERS PURCHASE 2004 & >	(3,414)	(3,414)	-
370200 ELECTRIC METERS INSTALLS 2003 & <	-	-	-
370210 ELECTRIC METERS INSTALLS 2004 & >	-	-	-
373100 STREETLIGHTS OH	832	832	-
TOTAL ELECTRIC	$ 35,148	$ 35,148	$ -
26 Year Amortization of Reserve Excess - Case R-2008-2046518 through March 2035	(16,000)	(16,000)	-
Annual Amount	$ 19,148	$ 19,148	$ -
Rounded			$ -

Pike County Light & Power Company
Statement in Support of Change No. (13a)
To Taxes other than Income
For the Twelve Months Ended September 30, 2021

Exhibit E-4
Schedule 13
Page 1 of 2

Changes in Taxes Other	Actual 12 ms ending 6/30/2020 (1)	Future Year 12 ms ending 6/30/2021 (2)	Change (3)
Payroll Taxes - Base Payroll	$ 40,422	46,338	$ 5,916
Pa. Gross Receipts Tax (5.9%)	411,764	433,774	22,010
Pa. Realty	17,303	17,355	52
Total	$ 469,489	$ 497,467	$ 27,978
Rounded	$ 469,500	$ 497,500	$ 28,000

Change in Taxes Other Than Income to reflect the estimated increase in Payroll Taxes (FICA, Medicare, and Unemployment):

Pike Test Year Payroll	$	276,265
A&G Payroll allocated from Corning Natural Gas Corporation		237,471
Wage Increase and Annualization		19,293
Salary and wages for additional employees		72,700
Total increase in wages	$	605,729
FICA / Medicare Rate		7.65%
Total Payroll Taxes	$	46,338
Rounded Total	$	46,300

Pike County Light And Power Company
Calculation of Electric Income Taxes
For The Twelve Months Ended June 30, 2021

	Per Books 12 Months Ended 6/30/2020	Income Tax Normalizing Adjustments	12 Months Ended 6/30/2020 (1)	Income Adjustments (2)	12 Months Ended 6/30/2021 (3) = (1) + (2)	Proposed Rate Change (4)	As Adjusted For Additional Revenue (5) = (3) + (4)
Operating Income Before Income Taxes	1,087,500	-	$ 1,087,500	$ (708,000)	$ 379,500	$ 1,789,900	$ 2,169,400
Less Interest Expense (incl amort of debt exp)	581,734	3,028	584,761	60,366	645,128	-	645,128
Other Income & Deductions (incl Donations)	22,184	(22,184)	-				
Book Income Before FIT	527,951	(25,212)	502,739	(768,366)	(265,628)	1,789,900	1,524,272
Section I- Permanent Items:							
Add: Negative Provision for Uncollectibles	79,050	(79,050)	-		-		-
Total	79,050	(79,050)	-	-	-	-	-
Pretax Income	448,900	53,839	502,739	(768,366)	(265,628)	1,789,900	1,524,272
Section II - Normalized Items:							
Add: Additional Taxable Income and Unallowable Deductions:							
Book Depreciation	616,700	-	616,700	283,800	900,500	-	900,500
Amortization of Rate Case Expenditures	-	-	-	31,900	31,900	-	31,900
Amortization of Deferred Storm Costs	142,639	-	142,639	137,400	280,039	-	280,039
Deferred FIT Customer Credits (Negative Rev)	40,507	-	40,507	(40,507)	-	-	-
Amort. of Deferred DSP Legal Fees (Expired)	34,298		34,298	(34,298)	-	-	-
Amort. of Deferred OPEB Exp. (Expiring)	25,000	-	25,000	(25,000)	-	-	-
Increase in Deferred Purchased Power Costs	324,557	-	324,557	(324,557)	-	-	-
Total	1,183,702	-	1,183,702	28,737	1,212,439	-	1,212,439
Deduct: Non-Taxable Income and Allowable Deductions							
Tax Depreciation	1,218,266	-	1,218,266	-	1,218,266	-	1,218,266
Deferred Rate Case Expenditures	-	-	-	127,500	127,500	-	127,500
Deferred Storm Costs	-	-	-	-	-	-	-
Amort.- Deferred FIT Cust. Cr (Negative Rev.)	-	-	-	20,548	20,548		20,548
Deferred DSP Legal Fees (Expired)	-	-	-	-	-	-	-
Deferred OPEB Expenditures (Expiring)	-	-	-	-	-	-	-
Recovery of Prior Def. Purchased Power Costs	940,119	-	940,119	(940,119)	-	-	-
Total	2,158,384	-	2,158,384	(792,071)	1,366,314	-	1,366,314
Federal NOL	-	-	-		-		-
Taxable Income	(525,782)	53,839	(471,944)	52,442	(419,502)	1,789,900	1,370,398
State Tax Adjustments	(254,531)	254,531	-	-	-	-	-
Adjusted Taxable Income	(780,313)	308,369	(471,944)	52,442	(419,502)	1,789,900	1,370,398
x State Income Tax @ 9.99%	9.99%	9.99%	9.99%	9.99%	9.99%	9.99%	9.99%
Current Tax Provision	(77,953)	30,806	(47,147)	5,239	(41,908)	178,800	136,892
Deferred Income Tax Dr.- Account 410	215,623	-	215,623	(79,128)	136,495	-	136,495
Deferred Income Tax Cr.- Account 411	(118,252)	-	(118,252)	(2,871)	(121,123)	-	(121,123)
	19,418	30,806	50,224	(76,760)	(26,536)	178,800	152,264
Rounded	$ 19,400	$ 30,800	$ 50,200	$ (76,800)	$ (26,500)	$ 178,800	$ 152,300

Pike County Light And Power Company
Calculation of Electric Income Taxes
For the Twelve Months Ended June 30, 2021

	Per Books 12 Months Ended 6/30/2020	Income Tax Normalizing Adjustments	12 Months Ended 6/30/2020 (1)	Income Adjustments (2)	12 Months Ended 6/30/2021 (3) = (1) + (2)	Proposed Rate Change (4)	As Adjusted For Additional Revenue (5) = (3) + (4)
State Taxable Income (E-4, Sched 14, Pg 1)	$ (780,313)	$ 308,369	$ (471,944)	$ 52,442	$ (419,502)	$ 1,789,900	$ 1,370,398
Less: State Income Tax	(19,418)	(30,806)	(50,224)	76,760	26,536	(178,800)	(152,264)
Federal Tax Adjustments	(64,398)	64,398	-	-	-	-	-
Adjusted Taxable Income	(864,129)	341,961	(522,167)	129,201	(392,966)	1,611,100	1,218,134
* Federal Income Tax Rate	21%	21%	21%	21%	21%	21%	21%
Current Federal Income Tax	$ (181,467)	$ 71,812	$ (109,655)	$ 27,132	$ (82,523)	$ 338,300	$ 255,777
Deferred Federal Income Tax Applicable To:							
Book Depreciation	(129,507)	-	(129,507)	(59,598)	(189,105)	-	(189,105)
Amortization of Rate Case Expenditures	-	-	-	(6,699)	(6,699)	-	(6,699)
Amortization of Deferred Storm Costs	(29,954)	-	(29,954)	(28,854)	(58,808)	-	(58,808)
Deferred FIT Customer Credits (Negative Rev)	(8,506)	-	(8,506)	(4,315)	(12,822)	-	(12,822)
Amort. of Deferred DSP Legal Fees (Expired)	(7,203)	-	(7,203)	7,203	-	-	-
Amort. of Deferred OPEB Exp. (Expiring)	(5,250)	-	(5,250)	5,250	-	-	-
Increase in Deferred Purchased Gas Costs	(68,157)	-	(68,157)	68,157	-	-	-
Tax Depreciation	255,836	-	255,836	-	255,836	-	255,836
Deferred Rate Case Expenditures	-	-	-	26,775	26,775	-	26,775
Deferred Storm Costs	-	-	-	-	-	-	-
Amort.- Deferred FIT Cust. Cr (Negative Rev.)	-	-	-	4,315	4,315	-	4,315
Deferred DSP Legal Fees (Expired)	-	-	-	-	-	-	-
Deferred OPEB Expenditures (Expiring)	-	-	-	-	-	-	-
Recovery of Prior Def. Purchased Power Costs	197,425	-	197,425	(197,425)	-	-	-
Total	204,683	-	204,683	(185,191)	19,492	-	19,492
Summary of Federal Income Taxes:							
Current Federal Income Tax	(181,467)	71,812	(109,655)	27,132	(82,523)	338,300	255,777
Deferred Federal Income Tax	204,683	-	204,683	(185,191)	19,492	-	19,492
Total	$ 23,216	$ 71,812	$ 95,028	$ (158,059)	$ (63,031)	$ 338,300	$ 275,269
Rounded	$ 23,200	$ 71,800	$ 95,000	$ (158,100)	$ (63,000)	$ 338,300	$ 275,300

Pike County Light And Power Company
Calculation of Electric Income Taxes
Interest Synchronization
For The Twelve Months Ended June 30, 2021

	Per Books 12 Months Ended 6/30/2020	Rate Base Adjustments	12 Months Ended 6/30/2021 (1)	Proposed Rate Change (2)	As Adjusted For Additional Revenue (3) = (1) + (2)
Rate Base	$ 22,033,400	$ 2,536,400	$ 24,569,800	$ 2,536,400	$ 27,106,200
Interest Component of Capitalization	2.64%	-0.26%	2.38%	2.38%	2.38%
Interest Expense	581,734	$ 3,028	$ 584,761	$ 60,366	$ 645,128
Rounded	$ 581,700	$ 3,000	$ 584,800	$ 60,400	$ 645,100

Pike County Light And Power Company
Index of Schedules
Electric Sales and Revenues

Exhibit E-5

Schedule	Title of Schedule	Witness
(1)	Historic Electric Sales by Service Classification	Accounting Panel
(2)	Future Electric Sales by Service Classification	Accounting Panel
(3)	Historic Electric Revenue by Service Classification	Accounting Panel
(4)	Future Electric Revenue by Service Classification	Accounting Panel
(5)	Forecasted Electric Sales Volumes	Accounting Panel
(6)	Forecast Electric Sales and Revenues	Accounting Panel

Exhibit E-5
Schedule 1

PIKE COUNTY LIGHT AND POWER COMPANY

Electric Sales (KWH)
For the 12 Months Ended June 30, 2020

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Billed Sales													
SC1	3,317,760	3,004,471	2,086,588	2,178,702	2,212,728	3,092,721	2,894,754	2,307,066	2,354,153	2,343,251	2,142,579	2,635,332	30,570,105
SC2P	1,079,572	1,008,374	908,580	893,310	807,215	904,703	876,681	704,290	765,595	670,672	678,917	831,214	10,129,123
SC2S	3,434,982	3,174,762	2,579,375	2,660,330	2,333,907	2,881,527	2,821,768	2,262,115	2,543,126	2,076,207	2,192,429	2,555,579	31,516,107
SC3	15,593	17,134	20,043	21,188	22,901	22,853	18,644	18,553	15,762	14,427	12,969	12,196	212,263
SC4	11,414	12,408	14,226	15,472	16,812	16,726	13,782	13,553	11,542	10,487	9,259	9,994	155,674
Total	7,859,322	7,217,149	5,608,812	5,769,002	5,393,563	6,918,530	6,625,628	5,305,577	5,690,177	5,115,043	5,036,153	6,044,316	72,583,273

Exhibit E-5
Schedule 2

PIKE COUNTY LIGHT AND POWER COMPANY

Electric Sales (KWH)
For the Future Test Year Ended June 30, 2021

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Billed Sales													
SC1	3,347,900	3,031,700	2,105,500	2,198,500	2,232,800	3,120,800	2,921,000	2,328,000	2,375,500	2,364,500	2,162,000	2,659,200	30,847,400
SC2P	1,079,600	1,008,400	908,600	893,300	807,200	904,700	876,700	704,300	765,600	670,700	678,900	831,300	10,129,300
SC2S	3,449,500	3,188,200	2,590,300	2,671,600	2,343,800	2,893,700	2,833,700	2,271,700	2,553,900	2,085,000	2,201,700	2,566,400	31,649,500
SC3	15,600	17,100	20,000	21,200	22,900	22,900	18,600	18,000	15,800	14,400	13,000	12,200	211,700
SC4	11,400	12,400	14,200	15,500	16,800	16,700	13,800	13,100	11,500	10,500	9,300	10,000	155,200
Total	7,904,000	7,257,800	5,638,600	5,800,100	5,423,500	6,958,800	6,663,800	5,335,100	5,722,300	5,145,100	5,064,900	6,079,100	72,993,100

Exhibit E-5
Schedule 3

PIKE COUNTY LIGHT AND POWER COMPANY

Electric Revenues ($)
For the 12 Months Ended June 30, 2020

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Billed Delivery Revenue													
SC1	$ 378,576	$ 277,606	$ 241,415	$ 240,774	$ 244,871	$ 330,153	$ 311,641	$ 255,411	$ 235,832	$ 235,931	$ 218,293	$ 291,980	$ 3,262,482
SC2P	67,799	62,960	58,022	58,483	44,802	47,637	45,609	39,946	34,998	28,529	34,124	51,745	574,654
SC2S	304,904	283,937	219,007	223,721	202,090	229,311	239,660	191,873	190,137	157,931	168,753	239,186	2,650,508
SC3	6,822	6,865	6,773	6,853	6,917	6,927	7,166	7,155	7,047	6,972	6,943	6,856	83,296
SC4	3,226	3,202	3,089	3,226	3,172	3,166	3,346	3,358	3,260	3,232	3,160	3,157	38,594
Total	$ 761,326	$ 634,569	$ 528,306	$ 533,056	$ 501,852	$ 617,195	$ 607,422	$ 497,743	$ 471,274	$ 432,596	$ 431,272	$ 592,924	$ 6,609,534

Exhibit E-5
Schedule 4

PIKE COUNTY LIGHT AND POWER COMPANY

Electric Revenues ($)
For the Future Test Year Ended June 30, 2021

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Billed Delivery Revenue													
SC1	$398,700	$292,400	$254,300	$253,600	$257,900	$ 347,700	$328,200	$269,000	$248,400	$248,500	$229,900	$307,600	$3,436,200
SC2P	75,400	70,000	64,500	65,000	49,800	53,000	50,700	44,400	38,900	31,900	38,000	57,500	639,100
SC2S	341,300	317,800	245,100	250,400	226,200	256,700	268,300	214,800	212,800	176,900	188,900	267,700	2,966,900
SC3	6,800	6,700	6,600	6,700	6,800	6,800	7,000	7,000	6,900	6,800	6,800	6,800	81,700
SC4	5,000	5,000	4,800	5,000	4,900	4,900	5,200	5,200	5,000	5,000	4,900	4,800	59,700
Total	$827,200	$691,900	$575,300	$580,700	$545,600	$ 669,100	$659,400	$540,400	$512,000	$469,100	$468,500	$644,400	$7,183,600

PIKE COUNTY LIGHT & POWER COMPANY
Electric Sales (KWHR)
For the Twelve Months Ended June 30, 2021

Column No.		1	2	3	4	5	6
Line No.	**Description**	**SC 1 Residential**	**SC 2 Primary Commercial**	**SC 2 Secondary Commercial**	**SC3 Municipal Street Lighting**	**SC4 C&I Private Overhead Lighting**	**Total Billed**
1	Actual billed sales volumes 12 months ended June 30, 2020	30,570,105	10,129,123	31,516,107	212,263	155,674	72,583,273
2	Sales Growth FY June 2020 vs. June 2019	272,428	-	-	-	-	272,428
3	Average Increase in Customers (FY June 2018 - June 2020)	88,446	-	133,260	13,266	973	235,946
4	Conversion to LED Lighting	-	-	-	TBD	TBD	TBD
5	Leap Year Adjustment (Row 1 / 366)	(83,525)	-	-	(580)	(425)	(84,530)
6	**Forecasted Delivery Volumes 12 months ended June 30, 2021**	30,847,454	10,129,123	31,649,367	224,950	156,222	73,007,117
	Rounded	**30,847,500**	**10,129,100**	**31,649,400**	**225,000**	**156,200**	**73,007,200**
	Percentage Change from Test Year	**0.9%**	**0.0%**	**0.4%**	**6.0%**	**0.3%**	**0.6%**

EXHIBIT E-5
Schedule 6

PIKE COUNTY LIGHT & POWER COMPANY

Forecast Electric Sales Revenue
For the Twelve Months Ending June 30, 2021

Column No.			1	2	3	4	5	6	7	8	9	10	11	12
Line No.	Service Classification		Electric Customers	Electric Delivery Volumes KWHR	Sum of Monthly Demand KW	Base Revenue (Customer Charge) ($000)	Delivery Revenue ($000)	Demand Revenues ($000)	Market Price of Energy ($000)	ECR / Surcharge ($000)	SBC Surcharge ($000)	Total Sales Revenue ($000)	GRT Recoveries ($000)	Total Sales Revenue excl.GRT ($000)
	Billed Delivery													
1	SC 1 - Residential	POLR	2,808	22,716,900	-	$ 286,400	$ 1,689,300	$ -	$ 1,204,700	$ (454,300)	$ 2,200	**$ 2,728,300**	$ 161,000	**$ 2,567,300**
		ESCO	1,005	8,130,500	-	102,500	604,600	-	-	-	800	**707,900**	41,800	**666,100**
	Total Residential		3,813	30,847,400	-	388,900	2,293,900	-	1,204,700	(454,300)	3,000	**3,436,200**	202,800	**3,233,400**
2	SC 2 - Primary	POLR	7	8,863,100	16,600	9,300	118,900	137,800	465,700	(177,300)	-	**554,400**	32,700	**521,700**
		ESCO	1	1,266,200	8,000	1,300	17,000	66,400	-	-	-	**84,700**	5,000	**79,700**
	Total SC2 Primary		8	10,129,300	24,600	10,600	135,900	204,200	465,700	(177,300)	-	**639,100**	37,700	**601,400**
3	SC 2 - Secondary	POLR	657	21,888,100	68,000	107,200	1,101,000	195,800	1,148,900	(216,700)	-	**2,336,200**	137,800	**2,198,400**
		ESCO	293	9,761,400	31,900	47,800	491,000	91,900	-	-	-	**630,700**	37,200	**593,500**
	Total SC2 Secondary		950	31,649,500	99,900	155,000	1,592,000	287,700	1,148,900	(216,700)	-	**2,966,900**	175,000	**2,791,900**
4	SC 3 - Municipal Lighting	POLR	5	117,600		-	44,300	-	4,400	(2,400)	-	**46,300**	2,700	**43,600**
		ESCO	4	94,000		-	35,400	-	-	-	-	**35,400**	2,100	**33,300**
	Total SC3 Municipal Lighting		9	211,700		-	79,700	-	4,400	(2,400)	-	**81,700**	4,800	**76,900**
5	SC 4 Private Lighting	POLR	76	147,400		-	55,500	-	5,300	(2,900)	-	**57,900**	3,400	**54,500**
		ESCO	4	7,800		-	1,800	-	-	-	-	**1,800**	100	**1,700**
	Total SC4 Private Lighting		80	155,200		-	57,300	-	5,300	(2,900)	-	**59,700**	3,500	**56,200**
	Total Billed Delivery		**4,860**	**72,993,100**	**124,500**	**$ 554,500**	**$ 4,158,800**	**$ 491,900**	**$ 2,829,000**	**$ (853,600)**	**$ 3,000**	**$ 7,183,600**	**$ 423,800**	**$ 6,759,800**

PIKE COUNTY LIGHT & POWER COMNPANY

LIST OF EXHIBITS

EXHIBIT E-6	Electric Embedded Cost of Service

Exhibit E-6 Schedules	**Description**
ERP-1-E	Qualifications of Electric Rate Panel
ERP-2-E	Company Electric Embedded Cost of Service Summary Results – Existing Rate of Return, Based on 12 Months Ended 06/30/2020 (Exhibit E-6, Summary)
ERP-3-E	Summary of Electric Revenue Requirements at Existing Rate of Return, Equalized Rate of Return, and at Proposed Revenue Levels.
ERP-4-E	Class Electric Embedded Cost of Service Detailed Results Based on 12 Months Ended 06/30/2020 (Exhibit E-6, Detail)
ERP-5-E	Electric Embedded Class Cost of Service – Unbundled Summary of Results – Existing Rate of Return, Based on 12 Months Ended 06/30/2020 – Proposed Equalized ROR, Based on 12 Months Ended 6/30/2021
ERP-6-E	Description of Electric Allocation Factors

EXHIBIT E-7	Electric Embedded Cost of Service Summary Results – Proposed at Equalized ROR, Based on 12 Months Ended 06/30/2021
EXHIBIT E-8	Electric Rate Design and Bill Impact Analysis

Schedule ERP-1-E

Qualifications
of
Paul M. Normand
and
Debbie L. Gajewski

Qualification of Paul M. Normand

Q. Mr. Normand, what is your present position?

A. I am a principal in the consulting firm of Management Applications Consulting, Inc. (MAC). This Company provides consulting services to the utility industry in such fields as loss studies, econometric studies, cost analyses, rate design, expert testimony, and regulatory assistance. The Company is located in Reading, Pennsylvania.

Q. What is your educational background?

A. I graduated from Northeastern University in 1975, with a Bachelor of Science Degree and a Master of Science Degree in Electrical Engineering-Power System Analysis. I have attended various conferences and meetings concerning engineering and cost analysis.

Q. What is your professional background?

A. I was employed by the Massachusetts Electric Company in the Distribution Engineering Department while attending Northeastern University. My principal areas of assignment included new service, voltage conversions, and system planning. Upon graduation from Northeastern University, I joined Westinghouse Electric Corporation Nuclear Division in Pittsburgh, Pennsylvania. In that position, I assisted in the procurement and economic analysis of electrical/electronic control equipment for the nuclear reactor system.

In 1976, I joined Gilbert Associates as an Engineer providing consulting services in the rate and regulatory area to utility companies. I was promoted to Senior Engineer in 1977, Manager of the Austin office 1980, and Director of Rate Regulatory Service in 1981.

In June, 1983, I left Gilbert to form a separate consulting firm and I am now a principal and President of Management Applications Consulting, Inc. My principal areas of concentration have been in loss studies, economic analyses, and pricing.

Q. Have you testified in support of any cost studies that you participated in or performed?

A. Yes, I have testified about such studies before the following regulatory agencies: the Maine Public Utility Commission, the Public Utility Commission of Texas, Illinois Commerce Commission, New Hampshire Public Utilities Commission, New Jersey Board of Public Utilities, New York Public Service Commission, Pennsylvania Public Utility Commission, the Massachusetts Department of Public Utilities, the Kentucky Public Service Commission, the Arkansas Public Service Commission, the Public Service Commission of Louisiana, the Public Utilities Commission of Ohio, the Public Service Commission of Missouri, the Delaware Public Service Commission, the Maryland Public Service Commission, the Indiana Utility Regulatory Commission, the North Carolina Utilities Commission and the Federal Energy Regulatory Commission.

Q. Could you please briefly discuss your technical experience?

A. I have performed numerous embedded and marginal cost of service studies, time differentiated bundled and fully unbundled cost studies for both electric and gas utilities since 1980. I have also used such studies in the design and presentation of detailed rate proposals before regulatory agencies.

My additional experience has been in the area of unaccounted for loss evaluations for electric and gas utilities for over thirty years. These studies include a detailed review of each system and the calculation of appropriate recovery factors.

Qualifications of Debbie L. Gajewski

Q. Ms. Gajewski, what is your present position?

A. I am a Managing Consultant in the consulting firm of Management Applications Consulting, Inc. ("MAC"), 1103 Rocky Drive – Suite 201, Reading, Pennsylvania 19609. This Company provides consulting services to the utility industries provide services in the fields of utility rate and regulatory analysis.

Q. What is your educational background?

A. I received a Bachelor of Science degree in Business Administration from Albright College in 1983. I was enrolled in the Ashford University M.B.A. program in 2009 and completed one year.

Q. What is your professional background?

A. I began as a technical assistant in the Cost and Load Analysis Department of Gilbert Associates in 1980. I was promoted to the position of Management Consultant in 1982. I joined Management Applications Consulting in 1985 as a Consultant and I became a Managing Consultant in 1997. During this time I have been involved with the preparation and presentation of embedded and marginal cost of service studies for both gas and electric utilities.

I have reviewed cost of service and revenue requirement data for over 100 applications on behalf of both investor owned and municipal utilities. In addition to cost of service studies, I have performed rate tariff and pricing, econometric and forecasting analyses, allocation factor development, and other gas and energy related matters. My experience includes gathering, processing, and analyzing engineering, operating, and accounting data necessary for these studies as well as cost of service model development and training.

Q. Have you presented testimony in support of any cost studies that you participated in or performed?

A. Yes, I have presented testimony about these studies before the following regulatory agencies: Massachusetts Department of Public Utilities, Maine Public Utilities Commission, Public Service Commission of Maryland, and the Railroad Commission of Texas.

Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
SUM	1	**SUMMARY AT PRESENT RATES**									
SUM	2										
SUM	3	**DEVELOPMENT OF RETURN**									
SUM	4										
SUM	5	**OPERATING REVENUE**									
SUM	6	Sales of Electricity - Base	SCH REV, LN 4	5,176,658	2,660,970	2,109,324	551,646	2,050,257	350,037	86,228	29,166
SUM	7	Other Operating Revenue	SCH REV, LN 12	152,504	82,616	65,509	17,107	53,050	12,029	3,646	1,163
SUM	8	TOTAL OPERATING REVENUE		5,329,162	2,743,586	2,174,833	568,753	2,103,307	362,066	89,874	30,329
SUM	9										
SUM	10	**OPERATING EXPENSES**									
SUM	11	Other Power Supply Exp	SCH EOM, LN 8	672,207	283,875	222,743	61,131	292,659	91,973	2,303	1,397
SUM	12	Operation and Maintenance Expense	SCH EOM, LN 87	2,485,827	1,175,675	980,344	195,331	1,113,455	143,679	37,605	15,413
SUM	13	Depreciation and Amortization Expense	SCH EDA, LN 25	616,672	308,288	250,158	58,130	250,277	37,953	14,867	5,288
SUM	14	Taxes Other Than Income Taxes	SCH TXO, LN 13	379,800	186,670	150,650	36,021	160,418	24,032	6,248	2,432
SUM	15	State and Federal Income Taxes	SCH TXI, LN 45	170,634	143,501	96,380	47,122	14,391	8,073	4,396	273
SUM	16	TOTAL OPERATING EXPENSES		4,325,141	2,098,009	1,700,274	397,735	1,831,201	305,710	65,419	24,802
SUM	17										
SUM	18	**OPERATING INCOME (RETURN)**		1,004,021	645,577	474,559	171,018	272,106	56,356	24,455	5,527
SUM	19										
SUM	20	**DEVELOPMENT OF RATE BASE**									
SUM	21	Electric Utility Plant in Service	SCH RBP, LN 18	22,521,353	11,256,151	9,124,265	2,131,886	9,168,538	1,394,944	517,220	184,501
SUM	22	Less: Electric Utility Accumulated Depreciation	SCH RBP, LN 46	2,084,440	1,045,770	849,356	196,413	841,886	129,796	49,582	17,407
SUM	23	Plus: Rate Base Additions	SCH RBO, LN 13	2,115,278	1,048,245	852,395	195,851	875,057	130,298	45,246	16,433
SUM	24	Less: Rate Base Deductions	SCH RBO, LN 22	834,499	417,843	324,072	93,771	350,424	44,064	16,339	5,828
SUM	25	**TOTAL RATE BASE**	SCH RBO, LN 25	21,717,692	10,840,783	8,803,232	2,037,551	8,851,285	1,351,381	496,544	177,698
SUM	26										
SUM	27	**RATE OF RETURN (PRESENT)**		4.62%	5.96%	5.39%	8.39%	3.07%	4.17%	4.93%	3.11%
SUM	28	**DISTRIBUTION INDEX RATE OF RETURN (PRESENT)**		1.00	1.29	1.17	1.82	0.66	0.90	1.07	0.67
SUM	29										
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Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
RRW	1	**DISTRIBUTION REVENUE REQUIREMENTS**									
RRW	2										
RRW	3	PRESENT RATE OF RETURN (EXISTING RATES)									
RRW	4	----------									
RRW	5	Rate Base		21,717,692	10,840,783	8,803,232	2,037,551	8,851,285	1,351,381	496,544	177,698
RRW	6	Net Operating Income (Present Rates)		1,004,021	645,577	474,559	171,018	272,106	56,356	24,455	5,527
RRW	7	Rate of Return @ Present Rates		4.62%	5.96%	5.39%	8.39%	3.07%	4.17%	4.93%	3.11%
RRW	8	Relative Rate of Return		1.00	1.29	1.17	1.82	0.66	0.90	1.07	0.67
RRW	9	Sales Revenue at Present Rates		5,176,658	2,660,970	2,109,324	551,646	2,050,257	350,037	86,228	29,166
RRW	10	Revenue Present Rates $/kWh		$0.0709	$0.0863	$0.0871	$0.0830	$0.0648	$0.0346	$0.4073	$0.1879
RRW	11	Revenue Required - $/Month/Customer		$88,063.86	$57,722.94	$54,493.23	$74,637.48	$177,973.66	$3,646,217.37	$937,262.61	$29,883.56
RRW	12	Revenue Present Rates $/kW		$41.75	$0.00	$0.00	$0.00	$20.61	$14.28	$0.00	$0.00
RRW	13										
RRW	14	CLAIMED RATE OF RETURN									
RRW	15	----------									
RRW	16	Claimed Rate of Return		7.09%	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%
RRW	17	Return Required for Claimed Rate of Return		1,739,907	868,436	705,237	163,199	709,249	108,147	39,827	14,247
RRW	18	Sales Revenue Required @ Claimed ROR		7,129,157	3,538,315	2,846,831	691,484	2,960,853	462,542	120,918	46,530
RRW	19	Sales Revenue Deficiency		1,952,500	877,345	737,507	139,838	910,596	112,505	34,690	17,363
RRW	20	Percent Increase Required		37.72%	32.97%	34.96%	25.35%	44.41%	32.14%	40.23%	59.53%
RRW	21	Annual Booked kWh Sales		72,993,100	30,847,400	24,204,510	6,642,890	31,649,500	10,129,300	211,700	155,200
RRW	22	Sales Revenue Required $/kWh		$0.0977	$0.1147	$0.1176	$0.1041	$0.0936	$0.0457	$0.5712	$0.2998
RRW	23	Revenue Deficiency $/kWh		$0.0267	$0.0284	$0.0305	$0.0211	$0.0288	$0.0111	$0.1639	$0.1119
RRW	24										
RRW	25										
RRW	26	PROPOSED RATE OF RETURN									
RRW	27	----------									
RRW	28	Rate Base at Future Test Year 06/30/2021		24,540,592	12,248,902	9,947,051	2,301,851	10,003,642	1,525,368	561,737	200,944
RRW	29	Proposed Base Electric Sales Revenues		7,099,492	3,512,484	2,785,487	726,997	2,965,309	463,442	118,257	40,000
RRW	30	Base Sales Revenue Deficiency		1,922,834	851,515	676,163	175,352	915,052	113,405	32,029	10,834
RRW	31	Return Required for Proposed Revenue		1,725,643	856,017	675,743	180,274	711,392	108,580	38,547	11,107
RRW	32	Percent Increase Required at Proposed Rates		37.14%	32.00%	32.06%	31.79%	44.63%	32.40%	37.14%	37.14%
RRW	33	Proposed Rate of Return		7.03%	6.99%	6.79%	7.83%	7.11%	7.12%	6.86%	5.53%
RRW	34	Relative Rate of Return		1.00	0.99	0.97	1.11	1.01	1.01	0.98	0.79
RRW	35										
RRW	36										
RRW	37										
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Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
SUM	1	**SUMMARY AT PRESENT RATES**									
SUM	2										
SUM	3	**DEVELOPMENT OF RETURN**									
SUM	4										
SUM	5	**OPERATING REVENUE**									
SUM	6	Sales of Electricity - Base	SCH REV, LN 4	5,176,658	2,660,970	2,109,324	551,646	2,050,257	350,037	86,228	29,166
SUM	7	Other Operating Revenue	SCH REV, LN 12	152,504	82,616	65,509	17,107	53,050	12,029	3,646	1,163
SUM	8	TOTAL OPERATING REVENUE		5,329,162	2,743,586	2,174,833	568,753	2,103,307	362,066	89,874	30,329
SUM	9										
SUM	10	**OPERATING EXPENSES**									
SUM	11	Other Power Supply Exp	SCH EOM, LN 8	672,207	283,875	222,743	61,131	292,659	91,973	2,303	1,397
SUM	12	Operation and Maintenance Expense	SCH EOM, LN 87	2,485,827	1,175,675	980,344	195,331	1,113,455	143,679	37,605	15,413
SUM	13	Depreciation and Amortization Expense	SCH EDA, LN 25	616,672	308,288	250,158	58,130	250,277	37,953	14,867	5,288
SUM	14	Taxes Other Than Income Taxes	SCH TXO, LN 13	379,800	186,670	150,650	36,021	160,418	24,032	6,248	2,432
SUM	15	State and Federal Income Taxes	SCH TXI, LN 45	170,634	143,501	96,380	47,122	14,391	8,073	4,396	273
SUM	16	TOTAL OPERATING EXPENSES		4,325,141	2,098,009	1,700,274	397,735	1,831,201	305,710	65,419	24,802
SUM	17										
SUM	18	**OPERATING INCOME (RETURN)**		1,004,021	645,577	474,559	171,018	272,106	56,356	24,455	5,527
SUM	19										
SUM	20	**DEVELOPMENT OF RATE BASE**									
SUM	21	Electric Utility Plant in Service	SCH RBP, LN 18	22,521,353	11,256,151	9,124,265	2,131,886	9,168,538	1,394,944	517,220	184,501
SUM	22	Less: Electric Utility Accumulated Depreciation	SCH RBP, LN 46	2,084,440	1,045,770	849,356	196,413	841,886	129,796	49,582	17,407
SUM	23	Plus: Rate Base Additions	SCH RBO, LN 13	2,115,278	1,048,245	852,395	195,851	875,057	130,298	45,246	16,433
SUM	24	Less: Rate Base Deductions	SCH RBO, LN 22	834,499	417,843	324,072	93,771	350,424	44,064	16,339	5,828
SUM	25	**TOTAL RATE BASE**	SCH RBO, LN 25	21,717,692	10,840,783	8,803,232	2,037,551	8,851,285	1,351,381	496,544	177,698
SUM	26										
SUM	27	**RATE OF RETURN (PRESENT)**		4.62%	5.96%	5.39%	8.39%	3.07%	4.17%	4.93%	3.11%
SUM	28	**DISTRIBUTION INDEX RATE OF RETURN (PRESENT)**		1.00	1.29	1.17	1.82	0.66	0.90	1.07	0.67
SUM	29										
SUM	30										
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Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
SUM	1	**HISTORICAL AND FUTURE YEAR DIFFERENCE ADJUSTMENTS:**									
SUM	2	**(For Future Test Year 12 Months Ended June 30 2021)**									
SUM	3										
SUM	4	**OPERATING INCOME (RETURN) @ PRESENT RATES**		1,004,021	645,577	474,559	171,018	272,106	56,356	24,455	5,527
SUM	5	**LESS Historical and Future Year Differences:**									
SUM	6	Retail Sales Revenue	CLAIMREV	118,700	58,913	47,400	11,513	49,298	7,701	2,013	775
SUM	7	450-Late Payment Charges	EXP_904	730	707	440	267	23	0	0	0
SUM	8	454-Rent from Electric Property	PLT_364	(45,787)	(23,558)	(19,046)	(4,512)	(17,189)	(3,618)	(1,070)	(352)
SUM	9	456-Other Electric Revenues (Prov for FIT Refund)	CLAIMREV	61,072	30,311	24,387	5,924	25,364	3,962	1,036	399
SUM	10	**PLUS Historical and Future Year Differences:**									
SUM	11	Other Power Supply Expenses (Base Rate)	ENERGY1	22,400	9,460	7,422	2,037	9,752	3,065	77	47
SUM	12	O&M Expense - Labor Related	LABOR	174,900	78,634	65,030	13,604	84,842	8,931	1,680	813
SUM	13	O&M Expense - Distribution Plant Related	DISTPLT	112,400	57,300	46,282	11,017	44,015	7,205	2,880	1,000
SUM	14	O&M Expense - 904-Uncollectible Accounts	EXP_904	189,000	182,920	113,722	69,198	6,080	0	0	0
SUM	15	O&M Expense - 928-Regulatory Commission	CLAIMREV	59,000	29,283	23,560	5,723	24,504	3,828	1,001	385
SUM	16	Depreciation Expense	TOTPLT	283,800	141,845	114,980	26,865	115,532	17,579	6,518	2,325
SUM	17	TOIT - Base Payroll Taxes	LABOR	5,916	2,660	2,200	460	2,870	302	57	27
SUM	18	TOIT - PA Property Tax	DGPLT	52	26	21	5	21	3	1	0
SUM	19	TOIT - Gross Receipt Tax	CLAIMREV	(4,859)	(2,411)	(1,940)	(471)	(2,018)	(315)	(82)	(32)
SUM	20	State and Federal Income Taxes	CLAIMREV	(236,700)	(117,478)	(94,520)	(22,958)	(98,305)	(15,357)	(4,015)	(1,545)
SUM	21	**OPERATING INCOME @ PRESENT RATES WITH DIFFERENCES**		532,827	329,712	250,981	78,731	142,309	39,161	18,318	3,327
SUM	22										
SUM	23	**RATE BASE**	SCH SUM, LN 25	21,717,692	10,840,783	8,803,232	2,037,551	8,851,285	1,351,381	496,544	177,698
SUM	24	**Historical and Future Year Difference Adjustments:**									
SUM	25	Gas Utility Plant & Reserves Adjustments	TOTPLT	2,901,600	1,450,241	1,175,566	274,675	1,181,216	179,727	66,644	23,772
SUM	26	Additions:									
SUM	27	Cash Working Capital	OMXPP	121,000	57,018	47,558	9,460	54,414	6,973	1,850	745
SUM	28	Materials and Supplies	TOTPLT	37,700	18,843	15,274	3,569	15,347	2,335	866	309
SUM	29	Prepayments	TOTPLT	(5,400)	(2,699)	(2,188)	(511)	(2,198)	(334)	(124)	(44)
SUM	30	Deferred Debits (Net of Tax)	TOTPLT	(12,300)	(6,148)	(4,983)	(1,164)	(5,007)	(762)	(283)	(101)
SUM	31	Deductions:									
SUM	32	Deferred Credits (Net of Tax)	TOTPLT	16,700	8,347	6,766	1,581	6,798	1,034	384	137
SUM	33	Customer Deposits	CUSTDEP	3,900	1,973	1,136	837	1,927	0	0	0
SUM	34	Deferred Income Taxes and Credits	CLAIMREV	199,100	98,817	79,505	19,311	82,689	12,918	3,377	1,299
SUM	35	**RATE BASE WITH ADJUSTMENTS**		24,540,592	12,248,902	9,947,051	2,301,851	10,003,642	1,525,368	561,737	200,944
SUM	36										
SUM	37	**EQUALIZED RETURN AT PROPOSED ROR OF 7.09%**									
SUM	38	**DEVELOPMENT OF RETURN (RATE BASE * 7.09% ROR)**		1,739,907	868,436	705,237	163,199	709,249	108,147	39,827	14,247
SUM	39	**PLUS OPERATING EXPENSES**									
SUM	40	Other Power Supply Exp		694,607	293,334	230,166	63,169	302,411	95,038	2,380	1,443
SUM	41	Operation and Maintenance Expense		3,049,184	1,536,333	1,239,497	296,836	1,286,074	165,247	43,666	17,865
SUM	42	Depreciation and Amortization Expense		900,472	450,133	365,138	84,995	365,810	55,532	21,385	7,613
SUM	43	Taxes Other Than Income Taxes		489,102	235,232	191,646	43,586	212,108	30,205	8,151	3,406
SUM	44	State and Federal Income Taxes		424,404	244,922	186,437	58,485	146,449	20,747	9,121	3,165
SUM	45	**TOTAL OPERATING EXPENSES**		5,557,770	2,466,620	2,212,884	547,071	2,312,852	366,768	84,703	33,492
SUM	46	**EQUALS TOTAL COST OF SERVICE**		7,297,676	3,628,391	2,918,121	710,270	3,022,101	474,916	124,530	47,739
SUM	47	**LESS: Other Operating Revenues**		168,519	90,076	71,290	18,786	61,249	12,374	3,612	1,209
SUM	48	**BASE RATE SALES @ EQUALIZED ROR 7.09%**		7,129,157	3,538,315	2,846,831	691,484	2,960,853	462,542	120,918	46,530
SUM	49	**BASE RATE SALES REVENUE INCREASE**		1,952,500	877,345	737,507	139,838	910,596	112,505	34,690	17,363
SUM	50										

Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
RBP	1	**DEVELOPMENT OF RATE BASE**									
RBP	2	**ELECTRIC PLANT IN SERVICE**									
RBP	3	INTANGIBLE PLANT									
RBP	4	301 - Organization	DISTPLT	0	0	0	0	0	0	0	0
RBP	5	303-Miscellaneous Intangible Plant 85%	DISTPLT	264,350	134,761	108,850	25,911	103,518	16,945	6,773	2,352
RBP	6	TOTAL INTANGIBLE PLANT		264,350	134,761	108,850	25,911	103,518	16,945	6,773	2,352
RBP	7										
RBP	8	DISTRIBUTION PLANT									
RBP	9	360-Land & Land Rights - HT	DDISPHT	1,090,252	458,481	359,749	98,732	501,723	123,882	3,838	2,327
RBP	10	361-Structures & Improvements - HT	DDISPHT	2,832	1,191	934	256	1,303	322	10	6
RBP	11	362-Station Equipment - HT	DDISPHT	1,193,670	501,971	393,873	108,098	549,315	135,634	4,203	2,548
RBP	12	364-Poles,Towers & Fixtures									
RBP	13	Primary HT	DDISPHT	3,672,421	1,544,355	1,211,783	332,572	1,690,010	417,287	12,930	7,839
RBP	14	Secondary Demand	DDISTPOL	227,057	95,484	74,922	20,562	104,489	25,800	799	485
RBP	15	Secondary Customer	CDISTSOLC	1,707,560	1,245,039	1,045,604	199,436	310,455	0	117,243	34,823
RBP	16	Total Account 364		5,607,038	2,884,878	2,332,308	552,570	2,104,954	443,087	130,972	43,147
RBP	17	365-Overhead Conductors & Devices									
RBP	18	Primary HT	DDISPHT	3,043,347	1,279,811	1,004,208	275,603	1,400,517	345,807	10,715	6,496
RBP	19	Secondary Demand	DDISTPOL	188,163	79,128	62,088	17,040	86,591	21,380	662	402
RBP	20	Secondary Customer	CDISTSOLC	1,415,060	1,031,768	866,495	165,273	257,275	0	97,159	28,858
RBP	21	Total Account 365		4,646,570	2,390,707	1,932,791	457,916	1,744,382	367,188	108,537	35,756
RBP	22	366-Underground Conduit									
RBP	23	Primary HT	DDISPHT	3,051	1,283	1,007	276	1,404	347	11	7
RBP	24	Secondary Demand	DDISTPUL	24,883	10,464	8,211	2,253	11,451	2,827	88	53
RBP	25	Secondary Customer	CDISTSULC	84,326	61,485	51,636	9,849	15,331	0	5,790	1,720
RBP	26	Total Account 366		112,260	73,232	60,853	12,379	28,186	3,174	5,888	1,779
RBP	27	367-Underground Conductors & Devices									
RBP	28	Primary HT	DDISPHT	11,693	4,917	3,858	1,059	5,381	1,329	41	25
RBP	29	Secondary Demand	DDISTPUL	95,362	40,102	31,466	8,636	43,885	10,836	336	204
RBP	30	Secondary Customer	CDISTSULC	323,175	235,638	197,892	37,745	58,757	0	22,190	6,591
RBP	31	Total Account 367		430,230	280,657	233,217	47,440	108,023	12,164	22,566	6,819
RBP	32	368-Line Transformers									
RBP	33	Secondary Demand	DDISTSLT	398,084	207,610	162,901	44,708	188,187	0	1,424	863
RBP	34	Secondary Customer	CDISTSLT	1,281,506	934,389	784,714	149,674	232,993	0	87,989	26,135
RBP	35	Total Account 368		1,679,590	1,141,998	947,616	194,382	421,180	0	89,413	26,998
RBP	36	369-Services	CUSTSERV	1,884,508	899,821	706,047	193,774	984,687	0	0	0
RBP	37	370-Meters	CUSTMTR	522,506	176,711	148,405	28,306	323,495	22,299	0	0
RBP	38	373-Street Lighting & Signal Systems	CUSTLTG	111,732	0	0	0	0	0	77,356	34,376
RBP	39	TOTAL DISTRIBUTION PLANT		17,281,187	8,809,647	7,115,794	1,693,854	6,767,248	1,107,751	442,784	153,757
RBP	40										
RBP	41										
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RBP	50										

Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
RBP	1	**ELECTRIC PLANT IN SERVICE CONTINUED**									
RBP	2	GENERAL PLANT									
RBP	3	389-Land and Land Rights	LABOR	2,001,978	900,080	744,363	155,717	971,136	102,226	19,233	9,302
RBP	4	390-Structures and Improvements 100%	LABOR	1,016,335	456,940	377,887	79,052	493,012	51,897	9,764	4,722
RBP	5	391-Office Furniture & Equipment 85%	LABOR	182,254	81,940	67,764	14,176	88,409	9,306	1,751	847
RBP	6	392- Transportation 85%	LABOR	0	0	0	0	0	0	0	0
RBP	7	393-Store Equipment	LABOR	84,376	37,935	31,372	6,563	40,930	4,308	811	392
RBP	8	394-Tools, Shop & Garage Equip.100%	LABOR	0	0	0	0	0	0	0	0
RBP	9	395-Laboratory Equipment	LABOR	122,927	55,267	45,706	9,561	59,630	6,277	1,181	571
RBP	10	397-Communication Equipment 85%	LABOR	77,724	34,944	28,899	6,045	37,703	3,969	747	361
RBP	11	398-Miscellaneous Equipment / ARO 85%	LABOR	0	0	0	0	0	0	0	0
RBP	12	TOTAL GENERAL PLANT		3,485,593	1,567,107	1,295,992	271,115	1,690,821	177,984	33,486	16,196
RBP	13										
RBP	14	**TOTAL ELECTRIC PLANT IN SERVICE (Includes Common)**		21,031,130	10,511,516	8,520,636	1,990,880	8,561,587	1,302,680	483,043	172,305
RBP	15										
RBP	16	PLUS: Non Interest Bearing CWIP	DGPLT	1,490,223	744,635	603,629	141,006	606,951	92,264	34,177	12,196
RBP	17										
RBP	18	**TOTAL ELECTRIC UTILITY PLANT IN SERVICE**		22,521,353	11,256,151	9,124,265	2,131,886	9,168,538	1,394,944	517,220	184,501
RBP	19										
RBP	20	**LESS: ACCUMULATED DEPRECIATION**									
RBP	21										
RBP	22	INTANGIBLE PLANT ACCUMULATED DEPRECIATION	INTPLT	0	0	0	0	0	0	0	0
RBP	23										
RBP	24	DISTRIBUTION PLANT ACCUMULATED DEPRECIATION									
RBP	25	360-Land & Land Rights	PLT_360	60,020	25,240	19,805	5,435	27,621	6,820	211	128
RBP	26	361-Structures & Improvements	PLT_361	871	366	287	79	401	99	3	2
RBP	27	362-Station Equipment	PLT_362	114,393	48,106	37,746	10,359	52,643	12,998	403	244
RBP	28	364-Poles,Towers & Fixtures	PLT_364	374,144	192,501	155,629	36,872	140,459	29,566	8,739	2,879
RBP	29	365-Overhead Conductors & Devices	PLT_365	355,672	182,997	147,946	35,051	133,524	28,106	8,308	2,737
RBP	30	366-Underground Conduit	PLT_366	6,606	4,309	3,581	728	1,659	187	346	105
RBP	31	367-Underground Conductors & Devices	PLT_367	32,984	21,517	17,880	3,637	8,282	933	1,730	523
RBP	32	368-Line Transformers	PLT_368	176,141	119,763	99,378	20,385	44,170	0	9,377	2,831
RBP	33	369-Services	PLT_369	67,489	32,225	25,285	6,940	35,264	0	0	0
RBP	34	370-Meters	PLT_370	99,588	33,681	28,286	5,395	61,657	4,250	0	0
RBP	35	373-Street Lighting & Signal Systems	PLT_373	7,030	0	0	0	0	0	4,867	2,163
RBP	36	TOTAL DISTRIBUTION PLANT ACCUM DEPRECIATION		1,294,938	660,704	535,822	124,882	505,678	82,959	33,985	11,612
RBP	37										
RBP	38	GENERAL PLANT ACCUM DEPRECIATION	GENLPLT	189,861	85,361	70,593	14,768	92,100	9,695	1,824	882
RBP	39										
RBP	40	**TOTAL ELECTRIC ACCUMULATED DEPRECIATION**		1,484,800	746,065	606,416	139,649	597,777	92,654	35,809	12,494
RBP	41										
RBP	42	Accum Prov Common Plant in Service 85%	TOTPLT	610,881	305,323	247,495	57,828	248,684	37,838	14,031	5,005
RBP	43	Accum Prov Retirement Work in Progress	TOTPLT	(11,241)	(5,618)	(4,554)	(1,064)	(4,576)	(696)	(258)	(92)
RBP	44										
RBP	45	**TOTAL ELECTRIC UTILITY ACCUMULATED DEPRECIATION**		2,084,440	1,045,770	849,356	196,413	841,886	129,796	49,582	17,407
RBP	46										
RBP	47	**NET ELECTRIC PLANT IN SERVICE**		20,436,913	10,210,381	8,274,909	1,935,472	8,326,652	1,265,148	467,638	167,094
RBP	48										
RBP	49										
RBD	50										

Pike County Light & Power Company
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12 Months Ended June 30, 2020

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		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
RBO	1	**ADDITIONS AND DEDUCTIONS TO RATE BASE**									
RBO	2										
RBO	3	**PLUS: ADDITIONS TO RATE BASE**									
RBO	4										
RBO	5	**WORKING CAPITAL**									
RBO	6	Distribution									
RBO	7	Cash Working Capital	OMXPP	292,100	137,644	114,806	22,837	131,358	16,833	4,466	1,799
RBO	8	Materials and Supplies	TOTPLT	834,200	416,939	337,971	78,968	339,595	51,671	19,160	6,834
RBO	9	Prepayments - Revenue Related	CLAIMREV	182,309	90,483	72,800	17,683	75,716	11,828	3,092	1,190
RBO	10	Prepayments - Plant Related	TOTPLT	8,569	4,283	3,472	811	3,488	531	197	70
RBO	11	Deferred Debits (Net of Tax)	TOTPLT	798,100	398,896	323,345	75,551	324,899	49,435	18,331	6,539
RBO	12	Total Distribution Working Capital		2,115,278	1,048,245	852,395	195,851	875,057	130,298	45,246	16,433
RBO	13	TOTAL ADDITIONS TO RATE BASE		2,115,278	1,048,245	852,395	195,851	875,057	130,298	45,246	16,433
RBO	14										
RBO	15	**LESS: DEDUCTIONS TO RATE BASE**									
RBO	16	Customer Deposits	CUSTDEP	123,100	62,281	35,853	26,428	60,819	0	0	0
RBO	17	Deferred Credits (Net of Tax)	TOTPLT	241,500	120,703	97,842	22,861	98,313	14,959	5,547	1,979
RBO	18	Deferred Income Taxes and Credits									
RBO	19	Plant	TOTPLT	0	0	0	0	0	0	0	0
RBO	20	Common Plant	TOTPLT	469,899	234,859	190,377	44,482	191,292	29,106	10,793	3,850
RBO	21	Total Deferred Income Taxes and Credits		469,899	234,859	190,377	44,482	191,292	29,106	10,793	3,850
RBO	22	TOTAL DEDUCTIONS TO RATE BASE		834,499	417,843	324,072	93,771	350,424	44,064	16,339	5,828
RBO	23										
RBO	24										
RBO	25	**TOTAL RATE BASE**		21,717,692	10,840,783	8,803,232	2,037,551	8,851,285	1,351,381	496,544	177,698
RBO	26										
RBO	27										
RBO	28										
RBO	29										
RBO	30										
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RBO	50										

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		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
REV	1	**OPERATING REVENUES**									
REV	2										
REV	3	**SALES REVENUES**									
REV	4	Sales of Electricity Revenues - Base		5,176,658	2,660,970	2,109,324	551,646	2,050,257	350,037	86,228	29,166
REV	5	Purchased Electric Revenues	ENERGY1	0	0	0	0	0	0	0	0
REV	6	TOTAL SALES OF ELECTRICITY		5,176,658	2,660,970	2,109,324	551,646	2,050,257	350,037	86,228	29,166
REV	7										
REV	8	**OTHER OPERATING REVENUES**									
REV	9	450-Late Payment Charges	EXP_904	7,531	7,288	4,531	2,757	242	0	0	0
REV	10	454-Rent from Electric Property	PLT_364	185,497	95,440	77,160	18,281	69,638	14,659	4,333	1,427
REV	11	456-Other Electric Revenues	CLAIMREV	(40,524)	(20,113)	(16,182)	(3,931)	(16,830)	(2,629)	(687)	(264)
REV	12	TOTAL OTHER OPERATING REV		152,504	82,616	65,509	17,107	53,050	12,029	3,646	1,163
REV	13										
REV	14	**TOTAL OPERATING REVENUES**		5,329,162	2,743,586	2,174,833	568,753	2,103,307	362,066	89,874	30,329
REV	15										
REV	16										
REV	17										
REV	18										
REV	19										
REV	20										
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REV	50										

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		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
EOM	1	**OPERATION & MAINTENANCE EXPENSE**									
EOM	2										
EOM	3	PRODUCTION EXPENSE									
EOM	4	Other Power Supply									
EOM	5	555 - Purchased Power - Energy	ENERGY1	0	0	0	0	0	0	0	0
EOM	6	Other Power Supply Expenses (Base Rate)	ENERGY1	672,207	283,875	222,743	61,131	292,659	91,973	2,303	1,397
EOM	7	Total Other Power Supply		672,207	283,875	222,743	61,131	292,659	91,973	2,303	1,397
EOM	8	TOTAL PRODUCTION EXPENSE		672,207	283,875	222,743	61,131	292,659	91,973	2,303	1,397
EOM	9										
EOM	10	DISTRIBUTION EXPENSES									
EOM	11	Operation									
EOM	12	580-Supervision	LABORDO	0	0	0	0	0	0	0	0
EOM	13	581-Load Dispatch	DISTPLT	0	0	0	0	0	0	0	0
EOM	14	582-Station Equipment	PLT_362	0	0	0	0	0	0	0	0
EOM	15	583-Overhead Lines	OHDIST	0	0	0	0	0	0	0	0
EOM	16	584-Underground Lines	UGDIST	0	0	0	0	0	0	0	0
EOM	17	585-Street Lighting	PLT_373	0	0	0	0	0	0	0	0
EOM	18	586-Metering	CUSTMTR	0	0	0	0	0	0	0	0
EOM	19	587-Customer Installations	CUST	0	0	0	0	0	0	0	0
EOM	20	588-Miscellaneous	DISTPLT	5,096	2,598	2,098	500	1,996	327	131	45
EOM	21	589-Rents	DISTPLT	0	0	0	0	0	0	0	0
EOM	22	Total Distribution Operation		5,096	2,598	2,098	500	1,996	327	131	45
EOM	23										
EOM	24	Maintenance									
EOM	25	590-Supervision	LABORDM	0	0	0	0	0	0	0	0
EOM	26	591-Structures	PLT_361	0	0	0	0	0	0	0	0
EOM	27	592-Station Equipment	PLT_362	0	0	0	0	0	0	0	0
EOM	28	593-Overhead Lines	OHDIST	607,763	312,700	252,806	59,895	228,162	48,027	14,196	4,677
EOM	29	594-Underground Lines	UGDIST	90,889	59,290	49,268	10,022	22,820	2,570	4,767	1,441
EOM	30	595-Transformers	PLT_368	0	0	0	0	0	0	0	0
EOM	31	596-Street Lighting	PLT_373	0	0	0	0	0	0	0	0
EOM	32	597-Metering	CUSTMTR	0	0	0	0	0	0	0	0
EOM	33	598-Miscellaneous	DISTPLT	3,186	1,624	1,312	312	1,248	204	82	28
EOM	34	Total Distribution Maintenance		701,837	373,615	303,386	70,229	252,230	50,802	19,045	6,146
EOM	35										
EOM	36	TOTAL DISTRIBUTION PLANT O&M EXPENSES		706,934	376,213	305,484	70,728	254,226	51,128	19,176	6,191
EOM	37										
EOM	38	TOTAL OPER & MAINT EXP (PROD & DIST)		1,379,141	660,087	528,227	131,860	546,885	143,102	21,479	7,588
EOM	39										
EOM	40										
EOM	41										
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		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
EOM	51	**OPERATION & MAINTENANCE EXPENSE CONTINUED**									
EOM	52										
EOM	53	CUSTOMER ACCOUNTS EXPENSES									
EOM	54	901-Supervision	LABORCA	0	0	0	0	0	0	0	0
EOM	55	902-Meter Reading	CUSTMTRDG	103,512	58,648	49,253	9,394	44,436	428	0	0
EOM	56	903-Customer Records and Collection Expense	CUSTREC	32,436	25,437	21,359	4,078	6,357	53	51	539
EOM	57	904-Uncollectible Accounts	EXP_904	(78,425)	(75,903)	(47,189)	(28,714)	(2,523)	0	0	0
EOM	58	TOTAL CUSTOMER ACCTS EXPENSE		57,522	8,182	23,423	(15,241)	48,270	481	51	539
EOM	59										
EOM	60										
EOM	61	CUSTOMER SERVICE EXPENSES									
EOM	62	907-Supervision	LABORCS	0	0	0	0	0	0	0	0
EOM	63	908-Customer Assistance	CUSTASST	800	482	396	87	252	56	2	7
EOM	64	909-Informational Advertisement	CUSTADVT	0	0	0	0	0	0	0	0
EOM	65	TOTAL CUSTOMER SERVICE EXPENSE		800	482	396	87	252	56	2	7
EOM	66										
EOM	67	SALES EXPENSES TOTAL (ACCT 917)	CUSTSALES	32,774	19,743	16,200	3,543	10,315	2,313	100	303
EOM	68										
EOM	69	TOTAL OPER & MAINT EXCL A&G		1,470,237	688,494	568,246	120,249	605,722	145,952	21,632	8,437
EOM	70										
EOM	71										
EOM	72	ADMINISTRATIVE & GENERAL EXPENSE									
EOM	73	920-Administrative Salaries	LABOR	391,292	175,923	145,488	30,435	189,811	19,980	3,759	1,818
EOM	74	921-Office Supplies & Expense	LABOR	296,635	133,366	110,293	23,073	143,894	15,147	2,850	1,378
EOM	75	922-Admin Exp Transferred Credit	LABOR	295	133	110	23	143	15	3	1
EOM	76	923-Outside Service Employed	LABOR	355,060	159,633	132,016	27,617	172,236	18,130	3,411	1,650
EOM	77	924-Property Insurance	TOTPLT	25,023	12,507	10,138	2,369	10,187	1,550	575	205
EOM	78	925-Injuries and Damages	LABOR	18,752	8,431	6,972	1,459	9,097	958	180	87
EOM	79	926-Employee Pensions & Benefits	LABOR	343,595	154,479	127,753	26,725	166,674	17,545	3,301	1,597
EOM	80	928-Regulatory Commission	CLAIMREV	234,862	116,566	93,786	22,780	97,542	15,238	3,984	1,533
EOM	81	929-Duplicate Charges-Credit	LABOR	0	0	0	0	0	0	0	0
EOM	82	930.2-Miscellaneous General	LABOR	2,635	1,185	980	205	1,278	135	25	12
EOM	83	932-Maintenance of General Plant	GENLPLT	19,647	8,833	7,305	1,528	9,531	1,003	189	91
EOM	84	TOTAL A&G EXPENSE		1,687,797	771,055	634,841	136,214	800,392	89,701	18,276	8,373
EOM	85										
EOM	86	**TOTAL OTHER POWER SUPPLY O&M EXPENSES**		672,207	283,875	222,743	61,131	292,659	91,973	2,303	1,397
EOM	87	**TOTAL DISTIBUTION OPERATION & MAINTENANCE EXPENSES**		2,485,827	1,175,675	980,344	195,331	1,113,455	143,679	37,605	15,413
EOM	88										
EOM	89	**TOTAL OPERATION & MAINTENANCE EXPENSES**		3,158,034	1,459,550	1,203,087	256,463	1,406,114	235,653	39,908	16,810
EOM	90										
EOM	91										
EOM	92										
EOM	93										
EOM	94										
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EOM	97										
EOM	98										
EOM	99										
EOM	100										

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		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
EDA	1	**DEPRECIATION / AMORTIZATION EXPENSE**									
EDA	2										
EDA	3	INTANGIBLE PLANT EXPENSE	INTPLT	0	0	0	0	0	0	0	0
EDA	4										
EDA	5	DISTRIBUTION PLANT EXPENSE									
EDA	6	360-Land & Land Rights	PLT_360	21,805	9,170	7,195	1,975	10,034	2,478	77	47
EDA	7	361-Structures & Improvements	PLT_361	63	26	21	6	29	7	0	0
EDA	8	362-Station Equipment	PLT_362	29,842	12,549	9,847	2,702	13,733	3,391	105	64
EDA	9	364-Poles,Towers & Fixtures	PLT_364	116,924	60,159	48,636	11,523	43,895	9,240	2,731	900
EDA	10	365-Overhead Conductors & Devices	PLT_365	93,247	47,976	38,787	9,189	35,006	7,369	2,178	718
EDA	11	366-Underground Conduit	PLT_366	1,729	1,128	937	191	434	49	91	27
EDA	12	367-Underground Conductors & Devices	PLT_367	8,605	5,613	4,664	949	2,160	243	451	136
EDA	13	368-Line Transformers	PLT_368	48,027	32,655	27,097	5,558	12,043	0	2,557	772
EDA	14	369-Services	PLT_369	30,591	14,607	11,461	3,146	15,984	0	0	0
EDA	15	370-Meters	PLT_370	26,112	8,831	7,416	1,415	16,166	1,114	0	0
EDA	16	373-Street Lighting & Signal Systems	PLT_373	2,867	0	0	0	0	0	1,985	882
EDA	17	374-Asset Retirement Costs for Distribution Plant	DISTPLTXAR	4,580	2,335	1,886	449	1,794	294	117	41
EDA	18	TOTAL DISTRIBUTION PLANT EXPENSE		384,391	195,049	157,947	37,102	151,280	24,184	10,292	3,586
EDA	19										
EDA	20	GENERAL PLANT DEPREC & AMORT EXP	GENLPLT	56,903	25,583	21,157	4,426	27,603	2,906	547	264
EDA	21										
EDA	22	COMMON PLANT DEPREC & AMORT EXP	TOTPLT	175,378	87,655	71,053	16,602	71,395	10,863	4,028	1,437
EDA	23										
EDA	24										
EDA	25	**TOTAL DEPRECIATION / AMORTIZATION EXPENSE**		616,672	308,288	250,158	58,130	250,277	37,953	14,867	5,288
EDA	26										
EDA	27										
EDA	28										
EDA	29										
EDA	30										
EDA	31										
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Pike County Light & Power Company
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12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
TXO	1	**OTHER OPERATING EXPENSES**									
TXO	2										
TXO	3										
TXO	4	**TAXES OTHER THAN INCOME TAXES**									
TXO	5										
TXO	6	**General Taxes**									
TXO	7	Payroll Related	LABOR	40,422	18,174	15,029	3,144	19,608	2,064	388	188
TXO	8	PA Property Tax	DGPLT	17,303	8,646	7,009	1,637	7,047	1,071	397	142
TXO	9	Total General Taxes		57,725	26,820	22,038	4,781	26,656	3,135	785	329
TXO	10										
TXO	11	**Gross Receipt Tax**	CLAIMREV	322,075	159,851	128,612	31,239	133,763	20,896	5,463	2,102
TXO	12										
TXO	13	**TOTAL TAXES OTHER THAN INCOME**		379,800	186,670	150,650	36,021	160,418	24,032	6,248	2,432
TXO	14										
TXO	15										
TXO	16										
TXO	17										
TXO	18										
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
TXI	1	**DEVELOPMENT OF DISTRIBUTION INCOME TAXES**									
TXI	2										
TXI	3	TOTAL DISTRIBUTION OPERATING REVENUES	SCH REV, LN 14	5,329,162	2,743,586	2,174,833	568,753	2,103,307	362,066	89,874	30,329
TXI	4	LESS:									
TXI	5	OPERATION & MAINTAINENCE EXPENSE	SCH EOM, LN 89	3,158,034	1,459,550	1,203,087	256,463	1,406,114	235,653	39,908	16,810
TXI	6	DEPRECIATION & AMORTIZATION EXPENSE	SCH EDA, LN 25	616,672	308,288	250,158	58,130	250,277	37,953	14,867	5,288
TXI	7	TAXES OTHER THAN INCOME TAXES	SCH TXO, LN 13	379,800	186,670	150,650	36,021	160,418	24,032	6,248	2,432
TXI	8	**NET OPERATING INCOME BEFORE TAXES**		1,174,655	789,078	570,938	218,140	286,497	64,429	28,851	5,801
TXI	9	LESS:									
TXI	10	Interest Expense (incl amort of debt exp)	RATEBASE	584,064	291,546	236,749	54,797	238,042	36,343	13,354	4,779
TXI	11	**BASE TAXABLE INCOME**		590,591	497,532	334,189	163,343	48,455	28,086	15,497	1,022
TXI	12										
TXI	13	**CALCULATION OF PA STATE INCOME TAXES**									
TXI	14	BASE TAXABLE INCOME	SCH TXI, LN 11	590,591	497,532	334,189	163,343	48,455	28,086	15,497	1,022
TXI	15	PLUS: Unallowable Deductions									
TXI	16	Book Depreciation	TOTPLT	616,700	308,231	249,852	58,379	251,053	38,199	14,164	5,053
TXI	17	Other Adjustment - Plant Related	TOTPLT	142,639	71,292	57,789	13,503	58,067	8,835	3,276	1,169
TXI	18	Other Adjustment - Labor Related	LABOR	59,298	26,660	22,048	4,612	28,765	3,028	570	276
TXI	19	Other Adjustment - Revenue Related	CLAIMREV	40,507	20,104	16,175	3,929	16,823	2,628	687	264
TXI	20	LESS: Allowable Deductions									
TXI	21	State Tax Depreciation (Over) Under Book	TOTPLT	1,218,266	608,898	493,573	115,325	495,945	75,460	27,981	9,981
TXI	22	PA STATE TAXABLE INCOME		231,470	314,921	186,481	128,441	(92,782)	5,316	6,213	(2,198)
TXI	23	**PA STATE INCOME TAXES @ Tax Rate 9.99%**		23,124	31,461	18,629	12,831	(9,269)	531	621	(220)
TXI	24	Deferred State Income Tax	TOTPLT	35,876	17,931	14,535	3,396	14,605	2,222	824	294
TXI	25	**TOTAL PA INCOME TAX EXPENSE**		59,000	49,392	33,164	16,227	5,336	2,753	1,445	74
TXI	26										
TXI	27										
TXI	28	**CALCULATION OF FEDERAL INCOME TAXES**									
TXI	29	PA STATE TAXABLE INCOME	SCH TXI, LN 22	231,470	314,921	186,481	128,441	(92,782)	5,316	6,213	(2,198)
TXI	30	LESS:									
TXI	31	PA State Income Taxes		59,000	49,392	33,164	16,227	5,336	2,753	1,445	74
TXI	32	FEDERAL TAXABLE DISTRIBUTION INCOME		172,470	265,530	153,316	112,213	(98,118)	2,562	4,768	(2,273)
TXI	33	**FEDERAL INCOME TAXES @ Tax Rate 21.00%**		36,219	55,761	32,196	23,565	(20,605)	538	1,001	(477)
TXI	34	PLUS:									
TXI	35	Book Depreciation	TOTPLT	(129,507)	(64,729)	(52,469)	(12,260)	(52,721)	(8,022)	(2,975)	(1,061)
TXI	36	Other Adjustment - Plant Related	TOTPLT	(29,954)	(14,971)	(12,136)	(2,836)	(12,194)	(1,855)	(688)	(245)
TXI	37	Other Adjustment - Labor Related	LABOR	(12,453)	(5,599)	(4,630)	(969)	(6,041)	(636)	(120)	(58)
TXI	38	Other Adjustment - Revenue Related	CLAIMREV	(8,506)	(4,222)	(3,397)	(825)	(3,533)	(552)	(144)	(56)
TXI	39	Tax Depreciation	TOTPLT	255,836	127,869	103,650	24,218	104,149	15,847	5,876	2,096
TXI	40	**TOTAL FEDERAL INCOME TAX EXPENSE**		111,634	94,109	63,215	30,894	9,055	5,320	2,951	199
TXI	41										
TXI	42										
TXI	43	**TOTAL PA INCOME TAX EXPENSE**		59,000	49,392	33,164	16,227	5,336	2,753	1,445	74
TXI	44	**TOTAL FEDERAL INCOME TAX EXPENSE**		111,634	94,109	63,215	30,894	9,055	5,320	2,951	199
TXI	45	**TOTAL INCOME TAX EXPENSE**		170,634	143,501	96,380	47,122	14,391	8,073	4,396	273
TXI	46										
TXI	47										
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TXI	50										

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
TXI	51	**DEVELOPMENT OF INCOME TAXES**									
TXI	52										
TXI	53										
TXI	54										
TXI	55										
TXI	56	**TAX RATES & FACTORS**									
TXI	57	GROSS RECEIPTS TAX RATE	0.05900								
TXI	58	STATE TAX RATE	0.09990								
TXI	59	EFFECTIVE STATE TAX RATE	0.09247								
TXI	60	FEDERAL TAX RATE - CURRENT	0.21000								
TXI	61	1 - EFFECTIVE TAX RATE	0.71108								
TXI	62	EFFECTIVE TAX RATE	0.28892								
TXI	63	EFFECTIVE FEDERAL RATE	0.17499								
TXI	64	RETENTION FACTOR	1.51919								
TXI	65	UNCOLLECTIBLES EXPENSE FACTOR	0.01530								
TXI	66										
TXI	67										
TXI	68										
TXI	69										
TXI	70										
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Electric Class Cost of Service Study
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
LAB	1	**DEVELOPMENT OF LABOR ALLOCATION FACTOR**									
LAB	2										
LAB	3	**PRODUCTION OTHER LABOR EXPENSE**									
LAB	4	555-Purchased Power	OX_PROD	0	0	0	0	0	0	0	0
LAB	5	TOTAL PRODUCTION OTHER LABOR EXP		0	0	0	0	0	0	0	0
LAB	6										
LAB	7	**DISTRIBUTION LABOR EXPENSE**									
LAB	8	Operation									
LAB	9	583-Overhead Lines	OX_583	0	0	0	0	0	0	0	0
LAB	10	584-Underground Lines	OX_584	0	0	0	0	0	0	0	0
LAB	11	586-Metering	OX_586	0	0	0	0	0	0	0	0
LAB	12	587-Customer Installations	OX_587	0	0	0	0	0	0	0	0
LAB	13	588-Miscellaneous	OX_588	0	0	0	0	0	0	0	0
LAB	14	Total Operation		0	0	0	0	0	0	0	0
LAB	15	Maintenance									
LAB	16	591-Structures	MX_591	0	0	0	0	0	0	0	0
LAB	17	592-Station Equipment	MX_592	0	0	0	0	0	0	0	0
LAB	18	593-Overhead Lines	MX_593	43,637	22,452	18,151	4,300	16,382	3,448	1,019	336
LAB	19	594-Underground Lines	MX_594	3,218	2,099	1,744	355	808	91	169	51
LAB	20	595-Transformers	MX_595	0	0	0	0	0	0	0	0
LAB	21	596-Street Lighting	MX_596	0	0	0	0	0	0	0	0
LAB	22	598-Miscellaneous	MX_598	0	0	0	0	0	0	0	0
LAB	23	Total Maintenance		46,855	24,551	19,896	4,655	17,190	3,539	1,188	387
LAB	24	TOTAL DISTRIBUTION		46,855	24,551	19,896	4,655	17,190	3,539	1,188	387
LAB	25										
LAB	26	**CUSTOMER ACCOUNTS LABOR EXPENSE**									
LAB	27	902-Customer Meter Reading	CUSTMTR	66,893	22,623	18,999	3,624	41,415	2,855	0	0
LAB	28	903-Customer Records and Collection Expense	CUSTREC	11,853	9,296	7,805	1,490	2,323	19	19	197
LAB	29	**TOTAL CUSTOMER ACCOUNTS LABOR EXP**		78,747	31,919	26,805	5,114	43,738	2,874	19	197
LAB	30										
LAB	31	**CUSTOMER SERVICE LABOR EXP**									
LAB	32	908-Customer Assistance	CUSTASST	0	0	0	0	0	0	0	0
LAB	33	909-Advertisement	CUSTADVT	0	0	0	0	0	0	0	0
LAB	34	910-Miscellaneous CS	CUSTCSM	0	0	0	0	0	0	0	0
LAB	35	TOTAL CUSTOMER SERVICE LABOR EXP		0	0	0	0	0	0	0	0
LAB	36										
LAB	37	**SALES LABOR EXPENSE (ACCT 917)**	OX_CS	0	0	0	0	0	0	0	0
LAB	38										
LAB	39	ADMINISTRATIVE & GENERAL EXPENSE									
LAB	40	920-Administrative Salaries	LABORXAG	376,281	169,174	139,906	29,268	182,529	19,214	3,615	1,748
LAB	41	921-Office Supplies & Expense	LABORXAG	11,853	5,329	4,407	922	5,750	605	114	55
LAB	42	**ADMIN & GENERAL LABOR EXP**		388,134	174,503	144,314	30,190	188,279	19,819	3,729	1,803
LAB	43	**TOT OPER & MAINTENANCE LABOR**		513,736	230,973	191,014	39,959	249,207	26,233	4,935	2,387
LAB	44										
LAB	45										
LAB	46										
LAB	47										
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LAB	49										
LAB	50										

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
AF	1	**ALLOCATION FACTOR TABLE**									
AF	2	**EXTERNALLY DEVELOPED ALLOCATION FACTORS**									
AF	3										
AF	4	**DEMAND**									
AF	5	DEMAND - TRANSMISSION RELATED									
AF	6										
AF	7										
AF	8										
AF	9										
AF	10										
AF	11										
AF	12										
AF	13	DEMAND - DISTRIBUTION RELATED (Non-Coincident Peak Demand)									
AF	14	Demand Distribution Primary High Tension	DDISPHT	17,134	7,205	5,654	1,552	7,885	1,947	60	37
AF	15	Demand Distribution Primary Overhead Lines	DDISTPOL	17,134	7,205	5,654	1,552	7,885	1,947	60	37
AF	16	Demand Distribution Primary Underground Lines	DDISTPUL	17,134	7,205	5,654	1,552	7,885	1,947	60	37
AF	17										
AF	18										
AF	19										
AF	20	Demand Distribution Line Transformers	DDISTSLT	16,864	8,795	6,901	1,894	7,972	0	60	37
AF	21										
AF	22										
AF	23										
AF	24										
AF	25	**ENERGY**									
AF	26	Energy @ Delivery kWh	ENERGY1	77,688,030	32,807,837	25,742,774	7,065,063	33,823,086	10,629,502	266,206	161,400
AF	27	Energy @ Meter kWh Sales	ENERGY2	72,613,775	30,570,105	23,986,930	6,583,175	31,516,107	10,129,123	248,049	150,391
AF	28										
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
AF	51	**ALLOCATION FACTOR TABLE CONTINUED**									
AF	52	**EXTERNALLY DEVELOPED ALLOCATION FACTORS**									
AF	53										
AF	54	**CUSTOMER**									
AF	55										
AF	56										
AF	57	364 & 366 - Cust. Dist. Sec Poles, Towers, Fixtures & Cond	CDISTSOLC	62,554	45,610	38,304	7,306	11,373	0	4,295	1,276
AF	58	365 & 367 - Cust. Dist. Sec Conductors & Devices	CDISTSULC	62,554	45,610	38,304	7,306	11,373	0	4,295	1,276
AF	59	368 - Cust Dist Secondary Line Transformers	CDISTSLT	62,554	45,610	38,304	7,306	11,373	0	4,295	1,276
AF	60										
AF	61	369-Services	CUSTSERV	1,153,905	550,970	432,321	118,650	602,935	0	0	0
AF	62	370-Meters	CUSTMTR	771,400	260,887	219,097	41,790	477,591	32,922	0	0
AF	63										
AF	64	373-Street Lighting & Signal Systems	CUSTLTG	214,426	0	0	0	0	0	148,455	65,972
AF	65										
AF	66	Customer Deposits	CUSTDEP	22,075	11,169	6,429	4,739	10,907	0	0	0
AF	67										
AF	68	902-Meter Reading Expense	CUSTMTRDG	10,365	5,873	4,932	941	4,450	43	0	0
AF	69	903-Customer Records and Collections	CUSTREC	58,783	46,099	38,708	7,391	11,520	96	92	976
AF	70										
AF	71	908-Customer Assistance	CUSTASST	1.0000	0.6024	0.4943	0.1081	0.3147	0.0706	0.0030	0.0093
AF	72	909-Informational Advertising	CUSTADVT	1.0000	0.6024	0.4943	0.1081	0.3147	0.0706	0.0030	0.0093
AF	73	910-Miscellaneous Customer Service	CUSTCSM	1.0000	0.6024	0.4943	0.1081	0.3147	0.0706	0.0030	0.0093
AF	74	917- Sales Expense	CUSTSALES	1.0000	0.6024	0.4943	0.1081	0.3147	0.0706	0.0030	0.0093
AF	75										
AF	76	Number of Bills	CUSTBILLS	58,783	46,099	38,708	7,391	11,520	96	92	976
AF	77	Number of Customers	CUST	58,191	45,610	38,304	7,306	11,373	96	155	957
AF	78	Number of Residential Customers	CUSTRES	45,610	45,610	38,304	7,306	0	0	0	0
AF	79	Number of Lights (Annual)	CUSTLTGS	5,571	0	0	0	0	0	4,295	1,276
AF	80										
AF	81										
AF	82										
AF	83										
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		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
AF	101	**ALLOCATION FACTOR TABLE CONTINUED**									
AF	102	**INTERNALLY DEVELOPED ALLOCATION FACTORS**									
AF	103										
AF	104	**Plant Related**									
AF	105	Intangible Plant	INTPLT	264,350	134,761	108,850	25,911	103,518	16,945	6,773	2,352
AF	106	Distribution Plant in Service	DISTPLT	17,281,187	8,809,647	7,115,794	1,693,854	6,767,248	1,107,751	442,784	153,757
AF	107	General Plant in Service	GENLPLT	3,485,593	1,567,107	1,295,992	271,115	1,690,821	177,984	33,486	16,196
AF	108	Total Electric Plant In Service	TOTPLT	21,031,130	10,511,516	8,520,636	1,990,880	8,561,587	1,302,680	483,043	172,305
AF	109										
AF	110	Distribution Plant Excl Asset Retirement	DISTPLTXAR	17,281,187	8,809,647	7,115,794	1,693,854	6,767,248	1,107,751	442,784	153,757
AF	111	Total Distribution and General Plant	DGPLT	20,766,780	10,376,755	8,411,786	1,964,969	8,458,069	1,285,735	476,269	169,953
AF	112	Rate Base	RATEBASE	21,717,692	10,840,783	8,803,232	2,037,551	8,851,285	1,351,381	496,544	177,698
AF	113										
AF	114	Account 360	PLT_360	1,090,252	458,481	359,749	98,732	501,723	123,882	3,838	2,327
AF	115	Account 361	PLT_361	2,832	1,191	934	256	1,303	322	10	6
AF	116	Account 362	PLT_362	1,193,670	501,971	393,873	108,098	549,315	135,634	4,203	2,548
AF	117	Account 364	PLT_364	5,607,038	2,884,878	2,332,308	552,570	2,104,954	443,087	130,972	43,147
AF	118	Account 365	PLT_365	4,646,570	2,390,707	1,932,791	457,916	1,744,382	367,188	108,537	35,756
AF	119	Account 366	PLT_366	112,260	73,232	60,853	12,379	28,186	3,174	5,888	1,779
AF	120	Account 367	PLT_367	430,230	280,657	233,217	47,440	108,023	12,164	22,566	6,819
AF	121	Account 368	PLT_368	1,679,590	1,141,998	947,616	194,382	421,180	0	89,413	26,998
AF	122	Account 369	PLT_369	1,884,508	899,821	706,047	193,774	984,687	0	0	0
AF	123	Account 370	PLT_370	522,506	176,711	148,405	28,306	323,495	22,299	0	0
AF	124	Account 373	PLT_373	111,732	0	0	0	0	0	77,356	34,376
AF	125	Distribution Overhead Plant in Service	OHDIST	10,253,608	5,275,584	4,265,099	1,010,486	3,849,336	810,275	239,508	78,903
AF	126	Distribution Underground Plant in Service	UGDIST	542,490	353,889	294,070	59,819	136,209	15,338	28,455	8,599
AF	127	Accounts 360 & 361	PLT_3601	1,093,084	459,672	360,683	98,989	503,026	124,204	3,848	2,333
AF	128										
AF	129										
AF	130										
AF	131	Residential	DPLTRES	0	0	0	0	0	0	0	0
AF	132	Residential Heating	DPLTRH	4,559,169	4,559,169	4,559,169	0	0	0	0	0
AF	133	General Service	DPLTGS	1,070,304	1,070,304	0	1,070,304	0	0	0	0
AF	134	Primary Distribution	DPLTPRID	3,985,545	0	0	0	3,985,545	0	0	0
AF	135	High Tension	DPLTHT	825,614	0	0	0	0	825,614	0	0
AF	136	Electric Propulsion	DPLTEP	267,963	0	0	0	0	0	267,963	0
AF	137	Lighting	DPLTLCUST	87,502	0	0	0	0	0	0	87,502
AF	138										
AF	139										
AF	140										
AF	141										
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Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
AF	151	**ALLOCATION FACTOR TABLE CONTINUED**									
AF	152	**INTERNALLY DEVELOPED ALLOCATION FACTORS**									
AF	153										
AF	154	**Production Expense Related**									
AF	155	Account 555	OX_555	672,207	283,875	222,743	61,131	292,659	91,973	2,303	1,397
AF	156	O&M Expense Production Other	OX_PROD	0	0	0	0	0	0	0	0
AF	157	Labor Production Operation	LABORPO	0	0	0	0	0	0	0	0
AF	158										
AF	159										
AF	160	**Distribution Expense Related**									
AF	161	Account 580	OX_580	0	0	0	0	0	0	0	0
AF	162	Account 581	OX_581	0	0	0	0	0	0	0	0
AF	163	Account 582	OX_582	0	0	0	0	0	0	0	0
AF	164	Account 583	OX_583	0	0	0	0	0	0	0	0
AF	165	Account 584	OX_584	0	0	0	0	0	0	0	0
AF	166	Account 585	OX_585	0	0	0	0	0	0	0	0
AF	167	Account 586	OX_586	0	0	0	0	0	0	0	0
AF	168	Account 587	OX_587	0	0	0	0	0	0	0	0
AF	169	Account 588	OX_588	5,096	2,598	2,098	500	1,996	327	131	45
AF	170	Account 589	OX_589	0	0	0	0	0	0	0	0
AF	171	Account 591	MX_591	0	0	0	0	0	0	0	0
AF	172	Account 592	MX_592	0	0	0	0	0	0	0	0
AF	173	Account 593	MX_593	607,763	312,700	252,806	59,895	228,162	48,027	14,196	4,677
AF	174	Account 594	MX_594	90,889	59,290	49,268	10,022	22,820	2,570	4,767	1,441
AF	175	Account 595	MX_595	0	0	0	0	0	0	0	0
AF	176	Account 596	MX_596	0	0	0	0	0	0	0	0
AF	177	Account 597	MX_597	0	0	0	0	0	0	0	0
AF	178	Account 598	MX_598	3,186	1,624	1,312	312	1,248	204	82	28
AF	179	O&M Accounts 581-589	OX_DIST	5,096	2,598	2,098	500	1,996	327	131	45
AF	180	O&M Accounts 591-598	MX_DIST	701,837	373,615	303,386	70,229	252,230	50,802	19,045	6,146
AF	181										
AF	182										
AF	183										
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AF	200										

Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
AF	201	**ALLOCATION FACTOR TABLE CONTINUED**									
AF	202	**INTERNALLY DEVELOPED ALLOCATION FACTORS**									
AF	203										
AF	204	**Customer Distribution Expense Related**									
AF	205	Account 902	OX_902	103,512	58,648	49,253	9,394	44,436	428	0	0
AF	206	Account 903	OX_903	32,436	25,437	21,359	4,078	6,357	53	51	539
AF	207	Account 904	OX_904	(78,425)	(75,903)	(47,189)	(28,714)	(2,523)	0	0	0
AF	208	O&M Accounts 902-905	OX_CA	57,522	8,182	23,423	(15,241)	48,270	481	51	539
AF	209										
AF	210	Account908	OX_908	800	482	396	87	252	56	2	7
AF	211	Account909	OX_909	0	0	0	0	0	0	0	0
AF	212	O&M Accounts 908-910	OX_CS	800	482	396	87	252	56	2	7
AF	213	Accounts 901-910	X_CACS	58,323	8,664	23,818	(15,154)	48,522	537	53	546
AF	214										
AF	215	Total O&M less Purchased Power	OMXPP	2,453,053	1,155,932	964,144	191,788	1,103,140	141,367	37,505	15,110
AF	216	Total O&M less PP less Payroll less Pension	OMXPPPP	1,595,722	770,480	645,376	125,104	687,258	97,589	29,269	11,126
AF	217										
AF	218	**Salaries and Wages Expense Related**									
AF	219	Labor Accounts 581-589	LABORDO	0	0	0	0	0	0	0	0
AF	220	Labor Accounts 591-598	LABORDM	46,855	24,551	19,896	4,655	17,190	3,539	1,188	387
AF	221	Labor Accounts 902-905	LABORCA	78,747	31,919	26,805	5,114	43,738	2,874	19	197
AF	222	Labor Accounts 908-910	LABORCS	0	0	0	0	0	0	0	0
AF	223	Labor Excluding Admin & Gen	LABORXAG	125,602	56,470	46,701	9,770	60,928	6,414	1,207	584
AF	224	Total Labor Expense	LABOR	513,736	230,973	191,014	39,959	249,207	26,233	4,935	2,387
AF	225										
AF	226										
AF	227										
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Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
AF	251	**REVENUES AND BILLING DETERMINANTS**									
AF	252										
AF	253	Base Rate Sales Revenue	SALESREV	5,176,658	2,660,970	2,109,324	551,646	2,050,257	350,037	86,228	29,166
AF	254										
AF	255	Residential	SREVRES	2,109,324	2,109,324	2,109,324	0	0	0	0	0
AF	256	Residential Heating	SREVRH	551,646	551,646	0	551,646	0	0	0	0
AF	257	Small Commercial & Industrial	SREVGS	2,050,257	0	0	0	2,050,257	0	0	0
AF	258	Large Commercial & Industrial	SREVPRID	350,037	0	0	0	0	350,037	0	0
AF	259	Municipal Street Lighting	SREVHT	86,228	0	0	0	0	0	86,228	0
AF	260	Lighting	SREVLCUST	29,166	0	0	0	0	0	0	29,166
AF	261										
AF	262										
AF	263										
AF	264										
AF	265	Claimed Rate Sales Revenue	CLAIMREV	7,129,157	3,538,315	2,846,831	691,484	2,960,853	462,542	120,918	46,530
AF	266										
AF	267										
AF	268										
AF	269										
AF	270										
AF	271	**PRESENT REVENUES/EXPENSES FROM SALES INPUT**									
AF	272										
AF	273	Total Sales of Electricity Revenues		5,176,658	2,660,970	2,109,324	551,646	2,050,257	350,037	86,228	29,166
AF	274	Sales of Electricity Revenues - Distribution		5,176,658	2,660,970	2,109,324	551,646	2,050,257	350,037	86,228	29,166
AF	275										
AF	276										
AF	277										
AF	278										
AF	279	**12 Months Ended June 30, 2020**									
AF	280	**BILLING DETERMINATE INPUTS**									
AF	281	Annual kWh Sales @ Meter	SCH AF, LN 27	72,613,775	30,570,105	23,986,930	6,583,175	31,516,107	10,129,123	248,049	150,391
AF	282	Annual kW - Billed		124,001	0	0	0	99,483	24,518	0	0
AF	283	Number of Customer Bills	SCH AF, LN 76	58,783	46,099	38,708	7,391	11,520	96	92	976
AF	284										
AF	285										
AF	286	**RATE OF RETURN**									
AF	287	Rate of Return (Equalized)	SCH AF, LN 287	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%
AF	288										
AF	289										
AF	290										
AF	291										
AF	292										
AF	293	**12 Months Ended June 30, 2021**									
AF	294	**BILLING DETERMINATE INPUTS**									
AF	295	Annual kWh Sales @ Meter		72,993,100	30,847,400	24,204,510	6,642,890	31,649,500	10,129,300	211,700	155,200
AF	296	Annual kW - Billed		124,500	0	0	0	99,900	24,600	0	0
AF	297	Number of Customer Bills		58,320	45,756	38,427	7,329	11,400	96	108	960
AF	298										
AF	299										
AF	300										

Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
AP	1	**ALLOCATION PROPORTIONS TABLE**									
AP	2	**EXTERNALLY DEVELOPED ALLOCATION FACTORS**									
AP	3										
AP	4										
AP	5	DEMAND - TRANSMISSION RELATED									
AP	6										
AP	7										
AP	8										
AP	9										
AP	10										
AP	11										
AP	12										
AP	13	DEMAND - DISTRIBUTION RELATED (Non-Coincident Peak Demand)									
AP	14	Demand Distribution Primary High Tension	DDISPHT	1.00000	0.42053	0.32997	0.09056	0.46019	0.11363	0.00352	0.00213
AP	15	Demand Distribution Primary Overhead Lines	DDISTPOL	1.00000	0.42053	0.32997	0.09056	0.46019	0.11363	0.00352	0.00213
AP	16	Demand Distribution Primary Underground Lines	DDISTPUL	1.00000	0.42053	0.32997	0.09056	0.46019	0.11363	0.00352	0.00213
AP	17										
AP	18			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	19			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	20	Demand Distribution Line Transformers	DDISTSLT	1.00000	0.52152	0.40921	0.11231	0.47273	0.00000	0.00358	0.00217
AP	21										
AP	22										
AP	23										
AP	24										
AP	25	**ENERGY**									
AP	26	Energy @ Delivery kWh	ENERGY1	1.00000	0.42230	0.33136	0.09094	0.43537	0.13682	0.00343	0.00208
AP	27	Energy @ Meter kWh Sales	ENERGY2	1.00000	0.42100	0.33034	0.09066	0.43402	0.13949	0.00342	0.00207
AP	28										
AP	29										
AP	30										
AP	31										
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Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
AP	51	**ALLOCATION PROPORTIONS TABLE CONTINUED**									
AP	52	**EXTERNALLY DEVELOPED ALLOCATION FACTORS**									
AP	53										
AP	54	**CUSTOMER**									
AP	55										
AP	56										
AP	57	364 & 366 - Cust. Dist. Sec Poles, Towers, Fixtures & Cond	CDISTSOLC	1.00000	0.72913	0.61234	0.11680	0.18181	0.00000	0.06866	0.02039
AP	58	365 & 367 - Cust. Dist. Sec Conductors & Devices	CDISTSULC	1.00000	0.72913	0.61234	0.11680	0.18181	0.00000	0.06866	0.02039
AP	59	368 - Cust Dist Secondary Line Transformers	CDISTSLT	1.00000	0.72913	0.61234	0.11680	0.18181	0.00000	0.06866	0.02039
AP	60										
AP	61	369-Services	CUSTSERV	1.00000	0.47748	0.37466	0.10282	0.52252	0.00000	0.00000	0.00000
AP	62	370-Meters	CUSTMTR	1.00000	0.33820	0.28403	0.05417	0.61912	0.04268	0.00000	0.00000
AP	63										
AP	64	373-Street Lighting & Signal Systems	CUSTLTG	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.69233	0.30767
AP	65										
AP	66	Customer Deposits	CUSTDEP	1.00000	0.50594	0.29125	0.21469	0.49406	0.00000	0.00000	0.00000
AP	67										
AP	68	902-Meter Reading Expense	CUSTMTRDG	1.00000	0.56658	0.47582	0.09076	0.42929	0.00413	0.00000	0.00000
AP	69	903-Customer Records and Collections	CUSTREC	1.00000	0.78422	0.65849	0.12573	0.19598	0.00163	0.00157	0.01660
AP	70										
AP	71	908-Customer Assistance	CUSTASST	1.00000	0.60240	0.49429	0.10811	0.31473	0.07057	0.00304	0.00926
AP	72	909-Informational Advertising	CUSTADVT	1.00000	0.60240	0.49429	0.10811	0.31473	0.07057	0.00304	0.00926
AP	73	910-Miscellaneous Customer Service	CUSTCSM	1.00000	0.60240	0.49429	0.10811	0.31473	0.07057	0.00304	0.00926
AP	74	917- Sales Expense	CUSTSALES	1.00000	0.60240	0.49429	0.10811	0.31473	0.07057	0.00304	0.00926
AP	75										
AP	76	Number of Bills	CUSTBILLS	1.00000	0.78422	0.65849	0.12573	0.19598	0.00163	0.00157	0.01660
AP	77	Number of Customers	CUST	1.00000	0.78380	0.65825	0.12555	0.19544	0.00165	0.00266	0.01645
AP	78	Number of Residential Customers	CUSTRES	1.00000	1.00000	0.83982	0.16018	0.00000	0.00000	0.00000	0.00000
AP	79	Number of Lights (Annual)	CUSTLTGS	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.77100	0.22900
AP	80										
AP	81										
AP	82										
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Pike County Light & Power Company
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
AP	101	**ALLOCATION PROPORTIONS TABLE CONTINUED**									
AP	102	**INTERNALLY DEVELOPED ALLOCATION FACTORS**									
AP	103										
AP	104	**Plant Related**									
AP	105	Intangible Plant	INTPLT	1.00000	0.50978	0.41177	0.09802	0.39160	0.06410	0.02562	0.00890
AP	106	Distribution Plant in Service	DISTPLT	1.00000	0.50978	0.41177	0.09802	0.39160	0.06410	0.02562	0.00890
AP	107	General Plant in Service	GENLPLT	1.00000	0.44960	0.37181	0.07778	0.48509	0.05106	0.00961	0.00465
AP	108	Total Electric Plant In Service	TOTPLT	1.00000	0.49981	0.40514	0.09466	0.40709	0.06194	0.02297	0.00819
AP	109										
AP	110	Distribution Plant Excl Asset Retirement	DISTPLTXAR	1.00000	0.50978	0.41177	0.09802	0.39160	0.06410	0.02562	0.00890
AP	111	Total Distribution and General Plant	DGPLT	1.00000	0.49968	0.40506	0.09462	0.40729	0.06191	0.02293	0.00818
AP	112	Rate Base	RATEBASE	1.00000	0.49917	0.40535	0.09382	0.40756	0.06222	0.02286	0.00818
AP	113										
AP	114	Account 360	PLT_360	1.00000	0.42053	0.32997	0.09056	0.46019	0.11363	0.00352	0.00213
AP	115	Account 361	PLT_361	1.00000	0.42053	0.32997	0.09056	0.46019	0.11363	0.00352	0.00213
AP	116	Account 362	PLT_362	1.00000	0.42053	0.32997	0.09056	0.46019	0.11363	0.00352	0.00213
AP	117	Account 364	PLT_364	1.00000	0.51451	0.41596	0.09855	0.37541	0.07902	0.02336	0.00770
AP	118	Account 365	PLT_365	1.00000	0.51451	0.41596	0.09855	0.37541	0.07902	0.02336	0.00770
AP	119	Account 366	PLT_366	1.00000	0.65234	0.54208	0.11027	0.25108	0.02827	0.05245	0.01585
AP	120	Account 367	PLT_367	1.00000	0.65234	0.54208	0.11027	0.25108	0.02827	0.05245	0.01585
AP	121	Account 368	PLT_368	1.00000	0.67993	0.56419	0.11573	0.25076	0.00000	0.05324	0.01607
AP	122	Account 369	PLT_369	1.00000	0.47748	0.37466	0.10282	0.52252	0.00000	0.00000	0.00000
AP	123	Account 370	PLT_370	1.00000	0.33820	0.28403	0.05417	0.61912	0.04268	0.00000	0.00000
AP	124	Account 373	PLT_373	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.69233	0.30767
AP	125	Distribution Overhead Plant in Service	OHDIST	1.00000	0.51451	0.41596	0.09855	0.37541	0.07902	0.02336	0.00770
AP	126	Distribution Underground Plant in Service	UGDIST	1.00000	0.65234	0.54208	0.11027	0.25108	0.02827	0.05245	0.01585
AP	127	Accounts 360 & 361	PLT_3601	1.00000	0.42053	0.32997	0.09056	0.46019	0.11363	0.00352	0.00213
AP	128										
AP	129										
AP	130										
AP	131	Residential	DPLTRES	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	132	Residential Heating	DPLTRH	1.00000	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	133	General Service	DPLTGS	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP	134	Primary Distribution	DPLTPRID	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP	135	High Tension	DPLTHT	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP	136	Electric Propulsion	DPLTEP	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	137	Lighting	DPLTLCUST	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000
AP	138										
AP	139										
AP	140										
AP	141										
AP	142										
AP	143										
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
AP	151	**ALLOCATION PROPORTIONS TABLE CONTINUED**									
AP	152	**INTERNALLY DEVELOPED ALLOCATION FACTORS**									
AP	153										
AP	154	**Production Expense Related**									
AP	155	Account 555	OX_555	1.00000	0.42230	0.33136	0.09094	0.43537	0.13682	0.00343	0.00208
AP	156	O&M Expense Production Other	OX_PROD	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	157	Labor Production Operation	LABORPO	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	158			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	159										
AP	160	**Distribution Expense Related**									
AP	161	Account 580	OX_580	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	162	Account 581	OX_581	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	163	Account 582	OX_582	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	164	Account 583	OX_583	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	165	Account 584	OX_584	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	166	Account 585	OX_585	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	167	Account 586	OX_586	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	168	Account 587	OX_587	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	169	Account 588	OX_588	1.00000	0.50978	0.41177	0.09802	0.39160	0.06410	0.02562	0.00890
AP	170	Account 589	OX_589	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	171	Account 591	MX_591	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	172	Account 592	MX_592	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	173	Account 593	MX_593	1.00000	0.51451	0.41596	0.09855	0.37541	0.07902	0.02336	0.00770
AP	174	Account 594	MX_594	1.00000	0.65234	0.54208	0.11027	0.25108	0.02827	0.05245	0.01585
AP	175	Account 595	MX_595	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	176	Account 596	MX_596	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	177	Account 597	MX_597	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	178	Account 598	MX_598	1.00000	0.50978	0.41177	0.09802	0.39160	0.06410	0.02562	0.00890
AP	179	O&M Accounts 581-589	OX_DIST	1.00000	0.50978	0.41177	0.09802	0.39160	0.06410	0.02562	0.00890
AP	180	O&M Accounts 591-598	MX_DIST	1.00000	0.53234	0.43227	0.10006	0.35939	0.07238	0.02714	0.00876
AP	181										
AP	182										
AP	183										
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
AP	201	**ALLOCATION PROPORTIONS TABLE CONTINUED**									
AP	202	**INTERNALLY DEVELOPED ALLOCATION FACTORS**									
AP	203										
AP	204	**Customer Distribution Expense Related**									
AP	205	Account 902	OX_902	1.00000	0.56658	0.47582	0.09076	0.42929	0.00413	0.00000	0.00000
AP	206	Account 903	OX_903	1.00000	0.78422	0.65849	0.12573	0.19598	0.00163	0.00157	0.01660
AP	207	Account 904	OX_904	1.00000	0.96783	0.60170	0.36613	0.03217	0.00000	0.00000	0.00000
AP	208	O&M Accounts 902-905	OX_CA	1.00000	0.14224	0.40720	-0.26495	0.83915	0.00836	0.00088	0.00936
AP	209										
AP	210	Account908	OX_908	1.00000	0.60240	0.49429	0.10811	0.31473	0.07057	0.00304	0.00926
AP	211	Account909	OX_909	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	212	O&M Accounts 908-910	OX_CS	1.00000	0.60240	0.49429	0.10811	0.31473	0.07057	0.00304	0.00926
AP	213	Accounts 901-910	X_CACS	1.00000	0.14856	0.40839	-0.25984	0.83196	0.00922	0.00091	0.00936
AP	214										
AP	215	Total O&M less Purchased Power	OMXPP	1.00000	0.47122	0.39304	0.07818	0.44970	0.05763	0.01529	0.00616
AP	216	Total O&M less PP less Payroll less Pension	OMXPPPP	1.00000	0.48284	0.40444	0.07840	0.43069	0.06116	0.01834	0.00697
AP	217										
AP	218	**Salaries and Wages Expense Related**									
AP	219	Labor Accounts 581-589	LABORDO	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	220	Labor Accounts 591-598	LABORDM	1.00000	0.52398	0.42462	0.09935	0.36687	0.07554	0.02536	0.00826
AP	221	Labor Accounts 902-905	LABORCA	1.00000	0.40534	0.34039	0.06495	0.55543	0.03650	0.00024	0.00250
AP	222	Labor Accounts 908-910	LABORCS	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	223	Labor Excluding Admin & Gen	LABORXAG	1.00000	0.44960	0.37181	0.07778	0.48509	0.05106	0.00961	0.00465
AP	224	Total Labor Expense	LABOR	1.00000	0.44960	0.37181	0.07778	0.48509	0.05106	0.00961	0.00465
AP	225										
AP	226										
AP	227										
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		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
AP	251	**REVENUES AND BILLING DETERMINANTS**									
AP	252										
AP	253	Base Rate Sales Revenue	SALESREV	1.00000	0.51403	0.40747	0.10656	0.39606	0.06762	0.01666	0.00563
AP	254										
AP	255	Residential	SREVRES	1.00000	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	256	Residential Heating	SREVRH	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP	257	Small Commercial & Industrial	SREVGS	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP	258	Large Commercial & Industrial	SREVPRID	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP	259	Municipal Street Lighting	SREVHT	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	260	Lighting	SREVLCUST	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000
AP	261										
AP	262										
AP	263										
AP	264										
AP	265	Claimed Rate Sales Revenue	CLAIMREV	1.00000	0.49632	0.39932	0.09699	0.41532	0.06488	0.01696	0.00653
AP	266										
AP	267										
AP	268										
AP	269										
AP	270										
AP	271	**PRESENT REVENUES/EXPENSES FROM SALES INPUT**									
AP	272										
AP	273	Total Sales of Electricity Revenues		1.00000	0.51403	0.40747	0.10656	0.39606	0.06762	0.01666	0.00563
AP	274	Sales of Electricity Revenues - Distribution		1.00000	0.51403	0.40747	0.10656	0.39606	0.06762	0.01666	0.00563
AP	275										
AP	276										
AP	277										
AP	278										
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AP	281										
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		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
ADA	1	**ALLOCATED DIRECT ASSIGNMENTS**									
ADA	2	**DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS**									
ADA	3										
ADA	4	**904-Uncollectible Accounts Expense**									
ADA	5	Residential	SREVRES	20,263	20,263	20,263	0	0	0	0	0
ADA	6	Residential Heating	SREVRH	12,330	12,330	0	12,330	0	0	0	0
ADA	7	Small Commercial & Industrial	SREVGS	1,083	0	0	0	1,083	0	0	0
ADA	8	Large Commercial & Industrial	SREVPRID	0	0	0	0	0	0	0	0
ADA	9	Municipal Street Lighting	SREVHT	0	0	0	0	0	0	0	0
ADA	10	Lighting	SREVLCUST	0	0	0	0	0	0	0	0
ADA	11										
ADA	12										
ADA	13	Total Uncollectible Accounts Expense	EXP_904	33,676	32,593	20,263	12,330	1,083	0	0	0
ADA	14										
ADA	15	Total Uncollectible Accounts Expense	EXP_904	1.00000	0.96783	0.60170	0.36613	0.03217	0.00000	0.00000	0.00000
ADA	16										
ADA	17										
ADA	18										
ADA	19										
ADA	20										
ADA	21	**450-Late Payment Charges**									
ADA	22	Residential	SREVRES	4,141	4,141	4,141	0	0	0	0	0
ADA	23	Residential Heating	SREVRH	2,046	2,046	0	2,046	0	0	0	0
ADA	24	Small Commercial & Industrial	SREVGS	1,149	0	0	0	1,149	0	0	0
ADA	25	Large Commercial & Industrial	SREVPRID	214	0	0	0	0	214	0	0
ADA	26	Municipal Street Lighting	SREVHT	0	0	0	0	0	0	0	0
ADA	27	Lighting	SREVLCUST	559	0	0	0	0	0	0	559
ADA	28										
ADA	29										
ADA	30	Late Payment Charges	REV_450	8,109	6,187	4,141	2,046	1,149	214	0	559
ADA	31										
ADA	32	Late Payment Charges	REV_450	1.00000	0.76298	0.51065	0.25233	0.14167	0.02644	0.00000	0.06891
ADA	33										
ADA	34										
ADA	35										
ADA	36										
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ADA	50										

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		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
RRW	1	**DISTRIBUTION REVENUE REQUIREMENTS**									
RRW	2										
RRW	3	PRESENT RATE OF RETURN (EXISTING RATES)									
RRW	4	----------									
RRW	5	Rate Base		21,717,692	10,840,783	8,803,232	2,037,551	8,851,285	1,351,381	496,544	177,698
RRW	6	Net Operating Income (Present Rates)		1,004,021	645,577	474,559	171,018	272,106	56,356	24,455	5,527
RRW	7	Rate of Return @ Present Rates		4.62%	5.96%	5.39%	8.39%	3.07%	4.17%	4.93%	3.11%
RRW	8	Relative Rate of Return		1.00	1.29	1.17	1.82	0.66	0.90	1.07	0.67
RRW	9	Sales Revenue at Present Rates		5,176,658	2,660,970	2,109,324	551,646	2,050,257	350,037	86,228	29,166
RRW	10	Revenue Present Rates $/kWh		$0.0709	$0.0863	$0.0871	$0.0830	$0.0648	$0.0346	$0.4073	$0.1879
RRW	11	Revenue Required - $/Month/Customer		$88,063.86	$57,722.94	$54,493.23	$74,637.48	$177,973.66	$3,646,217.37	$937,262.61	$29,883.56
RRW	12	Revenue Present Rates $/kW		$41.75	$0.00	$0.00	$0.00	$20.61	$14.28	$0.00	$0.00
RRW	13										
RRW	14	CLAIMED RATE OF RETURN									
RRW	15	----------									
RRW	16	Claimed Rate of Return		7.09%	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%
RRW	17	Return Required for Claimed Rate of Return		1,739,907	868,436	705,237	163,199	709,249	108,147	39,827	14,247
RRW	18	Sales Revenue Required @ Claimed ROR		7,129,157	3,538,315	2,846,831	691,484	2,960,853	462,542	120,918	46,530
RRW	19	Sales Revenue Deficiency		1,952,500	877,345	737,507	139,838	910,596	112,505	34,690	17,363
RRW	20	Percent Increase Required		37.72%	32.97%	34.96%	25.35%	44.41%	32.14%	40.23%	59.53%
RRW	21	Annual Booked kWh Sales		72,993,100	30,847,400	24,204,510	6,642,890	31,649,500	10,129,300	211,700	155,200
RRW	22	Sales Revenue Required $/kWh		$0.0977	$0.1147	$0.1176	$0.1041	$0.0936	$0.0457	$0.5712	$0.2998
RRW	23	Revenue Deficiency $/kWh		$0.0267	$0.0284	$0.0305	$0.0211	$0.0288	$0.0111	$0.1639	$0.1119
RRW	24										
RRW	25										
RRW	26	PROPOSED RATE OF RETURN									
RRW	27	----------									
RRW	28	Rate Base at Future Test Year 06/30/2021		24,540,592	12,248,902	9,947,051	2,301,851	10,003,642	1,525,368	561,737	200,944
RRW	29	Proposed Base Electric Sales Revenues		7,099,492	3,512,484	2,785,487	726,997	2,965,309	463,442	118,257	40,000
RRW	30	Base Sales Revenue Deficiency		1,922,834	851,515	676,163	175,352	915,052	113,405	32,029	10,834
RRW	31	Return Required for Proposed Revenue		1,725,643	856,017	675,743	180,274	711,392	108,580	38,547	11,107
RRW	32	Percent Increase Required at Proposed Rates		37.14%	32.00%	32.06%	31.79%	44.63%	32.40%	37.14%	37.14%
RRW	33	Proposed Rate of Return		7.03%	6.99%	6.79%	7.83%	7.11%	7.12%	6.86%	5.53%
RRW	34	Relative Rate of Return		1.00	0.99	0.97	1.11	1.01	1.01	0.98	0.79
RRW	35										
RRW	36										
RRW	37										
RRW	38										
RRW	39										
RRW	40										
RRW	41										
RRW	42										
RRW	43										
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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	**PRESENT RATE OF RETURN SUMMARY SCHEDULE - REVENUE REQUIREMENTS**									
2										
3	**RATE OF RETURN**		4.62%	5.96%	5.39%	8.39%	3.07%	4.17%	4.93%	3.11%
4										
5	**REVENUES REQUIRED**									
6	**DEMAND COMPONENTS**	1,815,409	1,815,409	860,802	646,428	214,374	745,257	199,142	6,736	3,472
7	AVAILABLE COMPONENT		0	0	0	(0)	0	0	(0)	(0)
8	AVAILABLE COMPONENT		0	0	0	0	0	0	0	0
9	DEMAND DISTRIBUTION COMPONENT	1,815,409	1,815,409	860,802	646,428	214,374	745,257	199,142	6,736	3,472
10	DEMAND DISTRIBUTION HT		1,641,314	774,447	581,546	192,901	673,333	184,304	6,092	3,138
11	DEMAND DISTRIBUTION PRIMARY		131,451	60,333	45,771	14,561	55,540	14,837	483	259
12	DEMAND DISTRIBUTION SECONDARY		0	0	0	(0)	0	(0)	(0)	(0)
13	DEMAND DISTRIBUTION TRANSFORMERS		42,644	26,023	19,111	6,912	16,384	(0)	161	76
14	**ENERGY COMPONENTS**	726,424	726,424	302,703	238,744	63,959	319,209	100,470	2,517	1,525
15	ENERGY OTHER & PUR PWR		726,424	302,703	238,744	63,959	319,209	100,470	2,517	1,525
16	**CUSTOMER COMPONENTS**	2,634,824	2,634,824	1,497,464	1,224,153	273,312	985,790	50,425	76,975	24,169
17	AVAILABLE COMPONENT		0	0	(0)	0	(0)	(0)	(0)	(0)
18	CUSTOMER DISTR SECONDARY COMPONENT		992,909	754,116	614,301	139,814	153,682	(0)	67,797	17,314
19	AVAILABLE COMPONENT		0	0	0	(0)	0	0	(0)	(0)
20	CUSTOMER SERVICES INVESTMENT		181,189	105,933	76,999	28,933	75,256	0	0	(0)
21	CUSTOMER METER INVESTMENT		1,088,138	383,652	318,871	64,781	657,466	47,020	0	0
22	CUSTOMER ACCOUNT EXPENSE		332,864	237,749	198,836	38,912	90,383	827	350	3,555
23	CUSTOMER SERVICE EXPENSES		36,009	21,501	17,718	3,783	11,480	2,578	111	338
24	CUSTOMER OTHER		3,717	(5,486)	(2,574)	(2,912)	(2,477)	0	8,717	2,963
25	**TOTAL COMPANY**	5,176,658	5,176,658	2,660,970	2,109,324	551,646	2,050,257	350,037	86,228	29,166
26										
27										
28										
29										
30	Annual kWh Sales @ Meter		72,613,775	30,570,105	23,986,930	6,583,175	31,516,107	10,129,123	248,049	150,391
31	Annual kW - Billed		124,001	0	0	0	99,483	24,518	0	0
32	Number of Customer Bills		58,783	46,099	38,708	7,391	11,520	96	92	976
33										
34	kWh Use per Month per Customer		1,235.29	663.14	619.69	890.70	2,735.77	105,511.70	2,696.18	154.09
35										
36										
37										
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Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

LINE NO.	DESCRIPTION		TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	**PRESENT RATE OF RETURN SUMMARY SCHEDULE - UNIT COST**									
2										
3	**RATE OF RETURN**		4.62%	5.96%	5.39%	8.39%	3.07%	4.17%	4.93%	3.11%
4										
5	**$/KWH**									
6	**DEMAND COMPONENTS**	$0.0249	$0.0249	$0.0279	$0.0267	$0.0323	$0.0235	$0.0197	$0.0318	$0.0224
7	AVAILABLE COMPONENT		$0.0000	$0.0000	$0.0000	($0.0000)	$0.0000	$0.0000	($0.0000)	($0.0000)
8	AVAILABLE COMPONENT		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
9	DEMAND DISTRIBUTION COMPONENT		$0.0249	$0.0279	$0.0267	$0.0323	$0.0235	$0.0197	$0.0318	$0.0224
10	DEMAND DISTRIBUTION HT		$0.0225	$0.0251	$0.0240	$0.0290	$0.0213	$0.0182	$0.0288	$0.0202
11	DEMAND DISTRIBUTION PRIMARY		$0.0018	$0.0020	$0.0019	$0.0022	$0.0018	$0.0015	$0.0023	$0.0017
12	DEMAND DISTRIBUTION SECONDARY		$0.0000	$0.0000	$0.0000	($0.0000)	$0.0000	($0.0000)	($0.0000)	($0.0000)
14	DEMAND DISTRIBUTION TRANSFORMERS		$0.0006	$0.0008	$0.0008	$0.0010	$0.0005	$0.0000	$0.0008	$0.0005
13	**ENERGY COMPONENTS**	$0.0100	$0.0100	$0.0098	$0.0099	$0.0096	$0.0101	$0.0099	$0.0119	$0.0098
15	ENERGY OTHER & PUR PWR		$0.0100	$0.0098	$0.0099	$0.0096	$0.0101	$0.0099	$0.0119	$0.0098
16	**CUSTOMER COMPONENTS**	$0.0361	$0.0361	$0.0485	$0.0506	$0.0411	$0.0311	$0.0050	$0.3636	$0.1557
17	AVAILABLE COMPONENT		$0.0000	$0.0000	($0.0000)	$0.0000	($0.0000)	($0.0000)	($0.0000)	($0.0000)
18	CUSTOMER DISTR SECONDARY COMPONENT		$0.0136	$0.0244	$0.0254	$0.0210	$0.0049	$0.0000	$0.3203	$0.1116
19	AVAILABLE COMPONENT		$0.0000	$0.0000	$0.0000	($0.0000)	$0.0000	$0.0000	($0.0000)	($0.0000)
20	CUSTOMER SERVICES INVESTMENT		$0.0025	$0.0034	$0.0032	$0.0044	$0.0024	$0.0000	$0.0000	$0.0000
21	CUSTOMER METER INVESTMENT		$0.0149	$0.0124	$0.0132	$0.0098	$0.0208	$0.0046	$0.0000	$0.0000
22	CUSTOMER ACCOUNT EXPENSE		$0.0046	$0.0077	$0.0082	$0.0059	$0.0029	$0.0001	$0.0017	$0.0229
23	CUSTOMER SERVICE EXPENSES		$0.0005	$0.0007	$0.0007	$0.0006	$0.0004	$0.0003	$0.0005	$0.0022
24	CUSTOMER OTHER		$0.0001	($0.0002)	($0.0001)	($0.0004)	($0.0001)	$0.0000	$0.0412	$0.0191
25	**TOTAL COMPANY**	$0.0709	$0.0709	$0.0863	$0.0871	$0.0830	$0.0648	$0.0346	$0.4073	$0.1879
26										
27	**$/KW**									
28	**DEMAND COMPONENTS**	$14.64	$14.64	$0.00	$0.00	$0.00	$7.49	$8.12	$0.00	$0.00
29	AVAILABLE COMPONENT		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
30	AVAILABLE COMPONENT		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
31	DEMAND DISTRIBUTION COMPONENT		$14.64	$0.00	$0.00	$0.00	$7.49	$8.12	$0.00	$0.00
32	DEMAND DISTRIBUTION HT		$13.24	$0.00	$0.00	$0.00	$6.77	$7.52	$0.00	$0.00
33	DEMAND DISTRIBUTION PRIMARY		$1.06	$0.00	$0.00	$0.00	$0.56	$0.61	$0.00	$0.00
34	DEMAND DISTRIBUTION SECONDARY		$0.00	$0.00	$0.00	$0.00	$0.00	($0.00)	$0.00	$0.00
35										
36	**$/MONTH/CUSTOMER**									
37	**CUSTOMER COMPONENTS**	$44.82	$44.82	$32.48	$31.63	$36.98	$85.57	$525.26	$836.68	$24.76
38	AVAILABLE COMPONENT		$0.00	$0.00	($0.00)	$0.00	($0.00)	($0.00)	($0.00)	($0.00)
39	CUSTOMER DISTR SECONDARY COMPONENT		$16.89	$16.36	$15.87	$18.92	$13.34	($0.00)	$736.93	$17.74
40	AVAILABLE COMPONENT		$0.00	$0.00	$0.00	($0.00)	$0.00	$0.00	($0.00)	($0.00)
41	CUSTOMER SERVICES INVESTMENT		$3.08	$2.30	$1.99	$3.91	$6.53	$0.00	$0.00	($0.00)
42	CUSTOMER METER INVESTMENT		$18.51	$8.32	$8.24	$8.76	$57.07	$489.79	$0.00	$0.00
43	CUSTOMER ACCOUNT EXPENSE		$5.66	$5.16	$5.14	$5.26	$7.85	$8.62	$3.80	$3.64
44	CUSTOMER SERVICE EXPENSES		$0.61	$0.47	$0.46	$0.51	$1.00	$26.86	$1.21	$0.35
45	CUSTOMER OTHER		$0.06	($0.12)	($0.07)	($0.39)	($0.21)	$0.00	$94.75	$3.04
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Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

LINE NO.	DESCRIPTION		TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	**CLAIMED RATE OF RETURN SUMMARY SCHEDULE - REVENUE REQUIREMENTS**									
2										
3	**RATE OF RETURN**		7.09%	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%
4										
5	**REVENUES REQUIRED**									
6	**DEMAND COMPONENTS**	2,794,475	2,794,475	1,211,216	938,550	272,666	1,265,900	301,923	9,578	5,858
7	AVAILABLE COMPONENT		0	0	0	(0)	0	(0)	(0)	(0)
8	AVAILABLE COMPONENT		(0)	0	0	0	(0)	(0)	(0)	(0)
9	DEMAND DISTRIBUTION COMPONENT		2,794,475	1,211,216	938,550	272,666	1,265,900	301,923	9,578	5,858
10	DEMAND DISTRIBUTION HT		2,532,937	1,091,024	845,427	245,597	1,146,779	281,145	8,680	5,308
11	DEMAND DISTRIBUTION PRIMARY		187,459	80,946	62,700	18,246	84,700	20,778	642	392
12	DEMAND DISTRIBUTION SECONDARY		0	0	0	(0)	0	(0)	(0)	(0)
14	DEMAND DISTRIBUTION TRANSFORMERS		74,080	39,245	30,422	8,823	34,420	0	257	158
13	**ENERGY COMPONENTS**	746,948	746,948	327,996	253,572	74,424	315,989	98,981	2,479	1,503
15	ENERGY OTHER & PUR PWR		746,948	327,996	253,572	74,424	315,989	98,981	2,479	1,503
16	**CUSTOMER COMPONENTS**	3,587,734	3,587,734	1,999,103	1,654,709	344,394	1,378,964	61,638	108,860	39,169
17	AVAILABLE COMPONENT		0	0	(0)	0	(0)	(0)	(0)	(0)
18	CUSTOMER DISTR SECONDARY COMPONENT		1,426,792	1,051,846	875,063	176,782	252,376	0	94,321	28,249
19	AVAILABLE COMPONENT		0	0	0	(0)	0	0	(0)	(0)
20	CUSTOMER SERVICES INVESTMENT		338,052	163,952	127,106	36,846	174,100	0	(0)	0
21	CUSTOMER METER INVESTMENT		1,396,742	487,938	405,791	82,147	850,460	58,343	0	0
22	CUSTOMER ACCOUNT EXPENSE		382,314	279,558	232,320	47,238	97,196	867	403	4,290
23	CUSTOMER SERVICE EXPENSES		35,981	22,264	18,034	4,230	10,865	2,428	105	319
24	CUSTOMER OTHER		7,854	(6,455)	(3,606)	(2,849)	(6,034)	0	14,032	6,311
25	**TOTAL COMPANY**	7,129,157	7,129,157	3,538,315	2,846,831	691,484	2,960,853	462,542	120,918	46,530
26										
27										(0)
28										
29										
30	Annual kWh Sales @ Meter		72,993,100	30,847,400	24,204,510	6,642,890	31,649,500	10,129,300	211,700	155,200
31	Annual kW - Billed		124,500	0	0	0	99,900	24,600	0	0
32	Number of Customer Bills		58,320	45,756	38,427	7,329	11,400	96	108	960
33										
34	kWh Use per Month per Customer		1,251.60	674.17	629.89	906.34	2,776.27	105,513.54	1,960.19	161.67
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Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

LINE NO.	DESCRIPTION		TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	**CLAIMED RATE OF RETURN SUMMARY SCHEDULE - UNIT COSTS**									
2										
3	**RATE OF RETURN**		7.09%	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%
4										
5	**$/KWH**									
6	**DEMAND COMPONENTS**	$0.0383	$0.0383	$0.0393	$0.0388	$0.0410	$0.0400	$0.0298	$0.0452	$0.0377
7	AVAILABLE COMPONENT		$0.0000	$0.0000	$0.0000	($0.0000)	$0.0000	($0.0000)	($0.0000)	($0.0000)
8	AVAILABLE COMPONENT		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
9	DEMAND DISTRIBUTION COMPONENT		$0.0383	$0.0393	$0.0388	$0.0410	$0.0400	$0.0298	$0.0452	$0.0377
10	DEMAND DISTRIBUTION HT		$0.0347	$0.0354	$0.0349	$0.0370	$0.0362	$0.0278	$0.0410	$0.0342
11	DEMAND DISTRIBUTION PRIMARY		$0.0026	$0.0026	$0.0026	$0.0027	$0.0027	$0.0021	$0.0030	$0.0025
12	DEMAND DISTRIBUTION SECONDARY		$0.0000	$0.0000	$0.0000	($0.0000)	$0.0000	($0.0000)	($0.0000)	($0.0000)
14	DEMAND DISTRIBUTION TRANSFORMERS		$0.0010	$0.0013	$0.0013	$0.0013	$0.0011	$0.0000	$0.0012	$0.0010
13	**ENERGY COMPONENTS**	$0.0102	$0.0102	$0.0106	$0.0105	$0.0112	$0.0100	$0.0098	$0.0117	$0.0097
15	ENERGY OTHER & PUR PWR		$0.0102	$0.0106	$0.0105	$0.0112	$0.0100	$0.0098	$0.0117	$0.0097
16	**CUSTOMER COMPONENTS**	$0.0492	$0.0492	$0.0648	$0.0684	$0.0518	$0.0436	$0.0061	$0.5142	$0.2524
17	AVAILABLE COMPONENT		$0.0000	$0.0000	($0.0000)	$0.0000	($0.0000)	($0.0000)	($0.0000)	($0.0000)
18	CUSTOMER DISTR SECONDARY COMPONENT		$0.0195	$0.0341	$0.0362	$0.0266	$0.0080	$0.0000	$0.4455	$0.1820
19	AVAILABLE COMPONENT		$0.0000	$0.0000	$0.0000	($0.0000)	$0.0000	$0.0000	($0.0000)	($0.0000)
20	CUSTOMER SERVICES INVESTMENT		$0.0046	$0.0053	$0.0053	$0.0055	$0.0055	$0.0000	$0.0000	$0.0000
21	CUSTOMER METER INVESTMENT		$0.0191	$0.0158	$0.0168	$0.0124	$0.0269	$0.0058	$0.0000	$0.0000
22	CUSTOMER ACCOUNT EXPENSE		$0.0052	$0.0091	$0.0096	$0.0071	$0.0031	$0.0001	$0.0019	$0.0276
23	CUSTOMER SERVICE EXPENSES		$0.0005	$0.0007	$0.0007	$0.0006	$0.0003	$0.0002	$0.0005	$0.0021
24	CUSTOMER OTHER		$0.0001	($0.0002)	($0.0001)	($0.0004)	($0.0002)	$0.0000	$0.0663	$0.0407
25	**TOTAL COMPANY**	$0.0977	$0.0977	$0.1147	$0.1176	$0.1041	$0.0936	$0.0457	$0.5712	$0.2998
26										
27	**$/KW**									
28	**DEMAND COMPONENTS**	$22.45	$22.45	$0.00	$0.00	$0.00	$12.67	$12.27	$0.00	$0.00
29	AVAILABLE COMPONENT		$0.00	$0.00	$0.00	$0.00	$0.00	($0.00)	$0.00	$0.00
30	AVAILABLE COMPONENT		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
31	DEMAND DISTRIBUTION COMPONENT		$22.45	$0.00	$0.00	$0.00	$12.67	$12.27	$0.00	$0.00
32	DEMAND DISTRIBUTION HT		$20.34	$0.00	$0.00	$0.00	$11.48	$11.43	$0.00	$0.00
33	DEMAND DISTRIBUTION PRIMARY		$1.51	$0.00	$0.00	$0.00	$0.85	$0.84	$0.00	$0.00
34	DEMAND DISTRIBUTION SECONDARY		$0.00	$0.00	$0.00	$0.00	$0.00	($0.00)	$0.00	$0.00
35										
36	**$/MONTH/CUSTOMER**									
37	**CUSTOMER COMPONENTS**	$61.52	$61.52	$43.69	$43.06	$46.99	$120.96	$642.06	$1,007.97	$40.80
38	AVAILABLE COMPONENT		$0.00	$0.00	($0.00)	$0.00	($0.00)	($0.00)	($0.00)	($0.00)
39	CUSTOMER DISTR SECONDARY COMPONENT		$24.46	$22.99	$22.77	$24.12	$22.14	$0.00	$873.34	$29.43
40	AVAILABLE COMPONENT		$0.00	$0.00	$0.00	($0.00)	$0.00	$0.00	($0.00)	($0.00)
41	CUSTOMER SERVICES INVESTMENT		$5.80	$3.58	$3.31	$5.03	$15.27	$0.00	($0.00)	$0.00
42	CUSTOMER METER INVESTMENT		$23.95	$10.66	$10.56	$11.21	$74.60	$607.74	$0.00	$0.00
43	CUSTOMER ACCOUNT EXPENSE		$6.56	$6.11	$6.05	$6.44	$8.53	$9.03	$3.73	$4.47
44	CUSTOMER SERVICE EXPENSES		$0.62	$0.49	$0.47	$0.58	$0.95	$25.29	$0.97	$0.33
45	CUSTOMER OTHER		$0.13	($0.14)	($0.09)	($0.39)	($0.53)	$0.00	$129.92	$6.57
46										
47										
48										
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The listing of all external allocation factors shown are in pages 14 to 15 of the Allocation Factor Table and pages 20 to 21 of the Ratio Table of Exhibit E-6, Schedule ERP-4-E of the Pike County Light & Power Company embedded electric cost of service study.

DESCRIPTION OF ALLOCATION FACTORS

Reference for Internal Allocators Not Shown in Allocation Factor Table

External Allocators – Demand Related, Page 20

1. DDISPHT – Demand Distribution Primary High Tension Allocator. High Tension allocation factor is based on the Non-coincident maximum high tension class demand at generating stations. Allocator Ratio is on Page 20, line 14.

2. DDISTPOL – Demand Distribution Primary Overhead Lines Allocator. Low Tension Overhead allocation factor was based on the associated book costs using the average of non-coincident maximum 60 cycle class demands and individual customer billing demands for summer and winter seasons. Allocator Ratio is on Page 20, line 15.

3. DDISTPUL – Demand Distribution Primary Underground Lines Allocator. Low Tension Underground allocation factor was based on the associated book costs using the average of non-coincident maximum 60 cycle class demands and individual customer billing demands for summer and winter seasons. Allocator Ratio is on Page 20, line 16.

4. DDISTSLT – Demand Distribution Line Transformers. Allocator Ratio is on Page 20, line 20.

External Allocators – Energy Related, Page 20

5. ENERGY1 – Commodity Allocator
Energy at Delivery (kWh). Allocator Ratio is on Page 20, line 26.

6. ENERGY2 – Commodity Allocator
Energy at Meter (kWh Sales). Annual kilowatt-hour sales for Pike's service classes. Allocator Ratio is on Page 20, line 27.

DESCRIPTION OF ALLOCATION FACTORS

Reference for Internal Allocators Not Shown in Allocation Factor Table

External Allocators – Customer Related, Page 21

7. CDISTSOLC – Acct 364 & 366 - Poles, Towers, Fixtures & Conductors – Customer Distribution Secondary Function.
This allocator represents the annual number of customers by rate class. Allocation Ratio is on Page 21, line 57.

8. CDISTSULC – Acct 365 & 367 - Conductors & Devices - Customer Distribution Secondary Function.
This allocator represents the annual number of customers by rate class. Allocation Ratio is on Page 21, line 58.

9. CDISTSLT - Acct 368 – Customer Distribution Secondary Function. Line Transformers. Allocation Ratio is on Page 21, line 59.

10. CUSTSERV – Acct 369 Service Investment – Customer Services Function.
This allocator represents the direct assignment of service plant account to the customer classes. See Workpapers for details. Allocation Ratio is on Page 21, line 61.

11. CUSTMTR – Acct 370 Meter Investment – Customer Meters Function.
This allocator represents the direct assignment of meter plant account to the customer classes. See Workpapers for detail. Allocation Ratio is on Page 21, line 62.

12. CUSTLTG - Acct 373 – Street Lighting & Signal Systems – Customer Other Function.
This allocator represents the assignment of plant to the lighting classes. Allocation Ratio is on Page 21, line 64

13. CUSTDEP - Customer Deposits – Customer Other Function
This allocator represents the assignment of customer deposits to the Residential and Small General customer classes based on the number of customers. See Workpapers for detail. Allocation Ratio is on Page 21, line 66.

14. CUSTMTRDG – Acct 902 Meter Reading Expense – Customer Accounts Expense Function
This allocator was based on the number of meters by rate class with a weighting factor applied to daily read meters. Allocation Ratio is on Page 21, line 68.

15. CUSTREC – Acct 903 Customer Records & Collection Expenses – Customer Accounts Expense Function
This allocator was based on the number of bills by rate class.

DESCRIPTION OF ALLOCATION FACTORS

Reference for Internal Allocators Not Shown in Allocation Factor Table

Allocation Ratio is on Page 21, line 69.

External Allocators – Customer Related, Page 21, continued

16. CUSTASST - Customer Assistance Expense – Customer Services Expense Function. This allocator was developed internally in the cost of service model. Since these costs are not totally related to the total number of customers or the amount of sales, a weighted allocation factor was developed. The allocator is based on a 50% weighting on the annual number of customers (Page 21, line 77) and a 50% weighting on the total annual kWh sales at the meter (Page 20, line 27). Allocation Ratio is on Page 21, line 71.

17. CUSTADVT – Customer Informational Advertising Expenses – Customer Service Expense Function
This allocator was developed in the same manner as the CUSTASST allocator. Allocation Ratio is on Page 21, line 72.

18. CUSTCSM – Miscellaneous Customer Assistance Expenses – Customer Service Expense Function
This allocator was developed in the same manner as the CUSTASST allocator. Allocation Ratio is on Page 21, line 73.

19. CUSTSALES – Demonstrating and Selling Expenses – Sales Expense Function
This allocator was developed in the same manner as the CUSTASST allocator. Allocation Ratio is on Page 21, line 74.

External Allocators – Revenue Related, Page 26

16. EXP_904 – Account 904 – Uncollectible Accounts
This allocator is a direct assignment allocator that was developed using write-offs by class. Allocation Ratio is on Page 26, line 15.

17. REV_487 – Account 487 – Late Payment Charges
This allocator is a direct assignment allocator that was developed using the forfeited discounts by class. Allocation Ratio is on Page 26, line 32.

Pike County Light & Power Company
Electric Class Cost of Service Study
12 Months Ended June 30, 2020

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL ELECTRIC COMPANY	Total Residential	Residential SC1	Residential Space/Water Htg SC1	Small Commercial & Industrial - Sec SC2-S	Large Commercial & Industrial - Pri SC2-P	Municipal Street Lighting SC3	Private Lighting SC4
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
SUM	1	**HISTORICAL AND FUTURE YEAR DIFFERENCE ADJUSTMENTS:**									
SUM	2	**(For Future Test Year 12 Months Ended June 30 2021)**									
SUM	3										
SUM	4	**OPERATING INCOME (RETURN) @ PRESENT RATES**		1,004,021	645,577	474,559	171,018	272,106	56,356	24,455	5,527
SUM	5	**LESS Historical and Future Year Differences:**									
SUM	6	Retail Sales Revenue	CLAIMREV	118,700	58,913	47,400	11,513	49,298	7,701	2,013	775
SUM	7	450-Late Payment Charges	EXP_904	730	707	440	267	23	0	0	0
SUM	8	454-Rent from Electric Property	PLT_364	(45,787)	(23,558)	(19,046)	(4,512)	(17,189)	(3,618)	(1,070)	(352)
SUM	9	456-Other Electric Revenues (Prov for FIT Refund)	CLAIMREV	61,072	30,311	24,387	5,924	25,364	3,962	1,036	399
SUM	10	**PLUS Historical and Future Year Differences:**									
SUM	11	Other Power Supply Expenses (Base Rate)	ENERGY1	22,400	9,460	7,422	2,037	9,752	3,065	77	47
SUM	12	O&M Expense - Labor Related	LABOR	174,900	78,634	65,030	13,604	84,842	8,931	1,680	813
SUM	13	O&M Expense - Distribution Plant Related	DISTPLT	112,400	57,300	46,282	11,017	44,015	7,205	2,880	1,000
SUM	14	O&M Expense - 904-Uncollectible Accounts	EXP_904	189,000	182,920	113,722	69,198	6,080	0	0	0
SUM	15	O&M Expense - 928-Regulatory Commission	CLAIMREV	59,000	29,283	23,560	5,723	24,504	3,828	1,001	385
SUM	16	Depreciation Expense	TOTPLT	283,800	141,845	114,980	26,865	115,532	17,579	6,518	2,325
SUM	17	TOIT - Base Payroll Taxes	LABOR	5,916	2,660	2,200	460	2,870	302	57	27
SUM	18	TOIT - PA Property Tax	DGPLT	52	26	21	5	21	3	1	0
SUM	19	TOIT - Gross Receipt Tax	CLAIMREV	(4,859)	(2,411)	(1,940)	(471)	(2,018)	(315)	(82)	(32)
SUM	20	State and Federal Income Taxes	CLAIMREV	(236,700)	(117,478)	(94,520)	(22,958)	(98,305)	(15,357)	(4,015)	(1,545)
SUM	21	**OPERATING INCOME @ PRESENT RATES WITH DIFFERENCES**		532,827	329,712	250,981	78,731	142,309	39,161	18,318	3,327
SUM	22										
SUM	23	**RATE BASE**	SCH SUM, LN 25	21,717,692	10,840,783	8,803,232	2,037,551	8,851,285	1,351,381	496,544	177,698
SUM	24	**Historical and Future Year Difference Adjustments:**									
SUM	25	Gas Utility Plant & Reserves Adjustments	TOTPLT	2,901,600	1,450,241	1,175,566	274,675	1,181,216	179,727	66,644	23,772
SUM	26	Additions:									
SUM	27	Cash Working Capital	OMXPP	121,000	57,018	47,558	9,460	54,414	6,973	1,850	745
SUM	28	Materials and Supplies	TOTPLT	37,700	18,843	15,274	3,569	15,347	2,335	866	309
SUM	29	Prepayments	TOTPLT	(5,400)	(2,699)	(2,188)	(511)	(2,198)	(334)	(124)	(44)
SUM	30	Deferred Debits (Net of Tax)	TOTPLT	(12,300)	(6,148)	(4,983)	(1,164)	(5,007)	(762)	(283)	(101)
SUM	31	Deductions:									
SUM	32	Deferred Credits (Net of Tax)	TOTPLT	16,700	8,347	6,766	1,581	6,798	1,034	384	137
SUM	33	Customer Deposits	CUSTDEP	3,900	1,973	1,136	837	1,927	0	0	0
SUM	34	Deferred Income Taxes and Credits	CLAIMREV	199,100	98,817	79,505	19,311	82,689	12,918	3,377	1,299
SUM	35	**RATE BASE WITH ADJUSTMENTS**		24,540,592	12,248,902	9,947,051	2,301,851	10,003,642	1,525,368	561,737	200,944
SUM	36										
SUM	37	**EQUALIZED RETURN AT PROPOSED ROR OF 7.09%**									
SUM	38	**DEVELOPMENT OF RETURN (RATE BASE * 7.09% ROR)**		1,739,907	868,436	705,237	163,199	709,249	108,147	39,827	14,247
SUM	39	**PLUS OPERATING EXPENSES**									
SUM	40	Other Power Supply Exp		694,607	293,334	230,166	63,169	302,411	95,038	2,380	1,443
SUM	41	Operation and Maintenance Expense		3,049,184	1,536,333	1,239,497	296,836	1,286,074	165,247	43,666	17,865
SUM	42	Depreciation and Amortization Expense		900,472	450,133	365,138	84,995	365,810	55,532	21,385	7,613
SUM	43	Taxes Other Than Income Taxes		489,102	235,232	191,646	43,586	212,108	30,205	8,151	3,406
SUM	44	State and Federal Income Taxes		424,404	244,922	186,437	58,485	146,449	20,747	9,121	3,165
SUM	45	**TOTAL OPERATING EXPENSES**		5,557,770	2,466,620	2,212,884	547,071	2,312,852	366,768	84,703	33,492
SUM	46	**EQUALS TOTAL COST OF SERVICE**		7,297,676	3,628,391	2,918,121	710,270	3,022,101	474,916	124,530	47,739
SUM	47	**LESS: Other Operating Revenues**		168,519	90,076	71,290	18,786	61,249	12,374	3,612	1,209
SUM	48	**BASE RATE SALES @ EQUALIZED ROR 7.09%**		7,129,157	3,538,315	2,846,831	691,484	2,960,853	462,542	120,918	46,530
SUM	49	**BASE RATE SALES REVENUE INCREASE**		1,952,500	877,345	737,507	139,838	910,596	112,505	34,690	17,363
SUM	50										

Pike County Light & Power
Electric Rate Design
Test Year 12 Months Ended June 30, 2021

Allocation of Proposed Revenue Adjustments to Base Rates

Line No.	Description	Total Current Base Sales Revenue	Future Electric Supply Revenue	Total Sales Revenue	Increase Target Base Revenue Increase @ Uniform ROR 7.09%	Revenue Increase Capped at 1.38% of Uniform ROR 7.09% 9.76%	Capped Revenue	Total To Redistribute	Redistributed Capped Revenue
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
				(col B + col C)	(2)			(total col E - total col G)	
1	**Rate Schedule:**								
2	SC-1 Residential 301 & X3E	$2,109,324	$554,064	$2,663,388	$737,507	$205,870	$674,984		
3	SC-1 Residential Space & Water Heating	$551,646	$152,062	$703,708	$139,838	$53,841	$176,527		
4	SC-2 Small Comm & Ind Secondary	$2,050,257	$877,200	$2,927,457	$910,596	$200,105			$941,181.39
5	SC-2 Large Comm & Ind Primary 502,702,X5D,X7D	$350,037	$271,384	$621,421	$112,505	$34,164			$116,284.11
6	Municipal Street Lighting	$86,228	$1,882	$88,110	$34,690	$8,416	$32,523		
7	Private Lighting	$29,166	$2,258	$31,425	$17,363	$2,847	$11,001		
11	**Total**	$5,176,658	$1,858,851	$7,035,509	**$1,952,500**		$895,034	$1,057,466	$1,057,466
12									
13						37.7%	32.0%	Res Increase	
14						Base Increase	37.7%	Ltg Increase	
15	**Notes**								
16	(1) Source for columns B and C is file								
17	Pike Electric Revenue Proof 6-30-20 Test Year Rev 9-14-20.xlsx								
18	(2) Source for column E is Exhibit E-6, Sch ERP-3-E, line 19.								
19	(3) Overall Increase is based on col D base sales revenue								
20	calculated using historical volumes & demands and col L								
21	proposed base revenues are calculated using test year volumes.								
22	(4) Proposed LED rates are for future installations.								

Pike County Light & Power
Electric Rate Design
Test Year 12 Months Ended June 30, 2021

Allocation of Proposed Revenue Adjustments to Base Rates

Line No.	Description	Target Base Revenue Proposed Increase	Target Proposed Base Revenue	Proposed Total Base Sales Revenue	Base Sales Percent Increase	Overall Increase
	(A)	(J)	(K)	(L)	(M)	(N)
		(col G + col I)	(col B + col J)			
1	**Rate Schedule:**					
2	SC-1 Residential 301 & X3E	$674,984	$2,784,308	$2,785,617	32.1%	25.4%
3	SC-1 Residential Space & Water Heating	$176,527	$728,172	$726,872	31.8%	24.9%
4	SC-2 Small Comm & Ind Secondary	$941,181	$2,991,438	$2,991,432	45.9%	32.1%
5	SC-2 Large Comm & Ind Primary 502,702,X5D,X7D	$116,284	$466,321	$466,317	33.2%	18.7%
6	Municipal Street Lighting	$32,523	$118,751	$118,751	37.7%	36.9%
7	Private Lighting	$11,001	$40,167	$40,167	37.7%	35.0%
11	**Total**	$1,952,500	$7,129,157	$7,129,157	37.7%	27.8%
12				$0 diff		
13						
14						
15	**Notes**					
16	(1) Source for columns B and C is file					
17	Pike Electric Revenue Proof 6-30-20 Test Year Rev 9-14-20.xlsx					
18	(2) Source for column E is Exhibit E-6, Sch ERP-3-E, line 19.					
19	(3) Overall Increase is based on col D base sales revenue					
20	calculated using historical volumes & demands and col L					
21	proposed base revenues are calculated using test year volumes.					
22	(4) Proposed LED rates are for future installations.					

Pike County Light & Power
Electric Rate Design
Test Year 12 Months Ended June 30, 2021

Base Revenues at Present and Proposed Rates

WITHOUT PURCHASED POWER COSTS

		Present Rates				Proposed Rates				
	Schedule & Cost Component	Quantity	Units	Base Margin Rate	Revenue	Quantity	Units	Rate	Base Margin Revenue	Change
1				SC-1 Residential 301 & X3E				SC-1 Residential 301 & X3E		
2	**SC-1 Residential 301 & X3E**									
3	Customer Charge	38,304	Cust	$8.50	$ 325,584	38,427	Cust	$11.70	$ 449,591	
4										
5	Energy Charge - All kWh	23,986,930	kWh	$0.074363	$ 1,783,740	24,204,510	kWh	$0.096512	$ 2,336,026	
6										
7	**Total Revenues**				**$ 2,109,324**				**$ 2,785,617**	**32.1%**
8										
9	**Monthly Use Per Customer (1)**							630	$ 2,784,308	Target
10	**Monthly $ per Customers @ Proposed Equalized ROR (2)**							$43.06		
11										
12										
13										
14										
15				SC-1 Residential Space & Water Heating				SC-1 Residential Space & Water Heating		
16	**SC-1 Residential Space & Water Heating**									
17	**(601,701,801,X6E,X7E,X8E)**									
18	Customer Charge	7,306	Cust	$8.50	$ 62,101	7,329	Cust	$11.70	$ 85,754	
19										
20	Energy Charge - All kWh	6,583,175	kWh	$0.074363	489,545	6,642,890	kWh	$0.096512	$ 641,119	
21										
22	**Total Revenues**				**$ 551,646**				**$ 726,872**	**31.8%**
23										
24	**Monthly Use Per Customer (1)**							906	$ 728,172	Target
25	**Monthly $ per Customers @ Proposed Equalized ROR (2)**							$46.99		
26										
27										
28										
29										

Pike County Light & Power
Electric Rate Design
Test Year 12 Months Ended June 30, 2021

Base Revenues at Present and Proposed Rates

WITHOUT PURCHASED POWER COSTS

		Present Rates				Proposed Rates				
	Schedule & Cost Component	**Quantity**	**Units**	**Base Margin Rate**	**Revenue**	**Quantity**	**Units**	**Rate**	**Base Margin Revenue**	**Change**
30		**SC-2 Small Comm & Ind Secondary**				**SC-2 Small Comm & Ind Secondary**				
31	**SC-2 Small Comm & Ind Secondary**									
32	**(102,402,802,902,X1D,X4D,X8D,X9D)**									
33	Customer Charge (Excl 402 &X4D)	11,251	Cust	$13.60	$ 153,014	11,400	Cust	$18.73	$ 213,522	
34	Customer Charge (402 &X4D) (min charge)		Cust	$60.00	-	0	Cust	$60.00	-	
35		11,251				11,400				
36	kWh Volume Demand Meters									
37	First 100 Hours Use	9,415,524	kWh	$0.057964	545,761	9,455,375	kWh	$0.085328	806,808	
38	Next 100 Hours Use	8,043,799	kWh	$0.047998	386,086	8,077,845	kWh	$0.070657	570,756	
39	Over 200 Hours Use	12,899,746	kWh	$0.047100	607,578	12,954,345	kWh	$0.069335	898,190	
40	Total Hours Use kWh	30,359,069			1,539,426	30,487,565			2,275,754	
41										
42	Ener Spc Htg KWH 402 & X4D	435,534	kWh	$0.048913	21,303	437,377	kWh	$0.072005	31,493	
43										
44	Ener No Demand or Unmetered									
45	Rate Code 802,902,X8D,X9D	721,504	kWh	$0.069431	50,095	724,558	kWh	$0.102203	74,052	
46		31,516,107				31,649,500				
47	Demand Charge All kW									
48	First 5 kW	29,443	kW	$0.95	27,971	29,567	kW	$1.31	38,732	
49	Over 5 kW	70,040	kW	$3.69	258,448	70,333	kW	$5.09	357,878	
50		99,483			286,419	99,900			396,611	
51										
52	**Total Revenues**				**$ 2,050,257**				**$ 2,991,432**	**45.9%**
53										
54	**Monthly Use Per Customer (1)**							2,776	$ 2,991,438	Target
55	**Monthly $ per Customers @ Proposed Equalized ROR (2)**							$120.96		
56										
57										
58										
59		**SC-2 Large Comm & Ind Primary 502,702,X5D,X7D**				**SC-2 Large Comm & Ind Primary 502,702,X5D,X7D**				
60	**SC-2 Large Comm & Ind Primary**									
61	Customer Charge	96	Cust	$110.90	$ 10,646	96	Cust	$152.00	$ 14,592	
62										
63	Energy Charge	24,518	kW	$8.30	203,498	24,600	kW	$11.50	282,900	
64										
65	Demand Charge	10,129,123	kWh	$0.013416	135,892	10,129,300	kWh	$0.016667	168,825	
66										
67	**Total Revenues**				**$ 350,037**				**$ 466,317**	**33.2%**
68										
69	**Monthly Use Per Customer (1)**							1,960	$ 466,321	Target
70	**Monthly $ per Customers @ Proposed Equalized ROR (2)**							$1,007.97		
71										

Pike County Light & Power
Electric Rate Design
Test Year 12 Months Ended June 30, 2021

Base Revenues at Present and Proposed Rates

WITHOUT PURCHASED POWER COSTS

		Present Rates				Proposed Rates				
	Schedule & Cost Component	Quantity	Units	Base Margin Rate	Revenue	Quantity	Units	Rate	Base Margin Revenue	Change
72				Municipal Street Lighting				Municipal Street Lighting		
73	Municipal Street Lighting									
74										
75	L01 - 5800 LUMEN HPSV	1,381	Lumen	$19.26	$26,598.06	1,381	Lumen	$26.52	$36,630.15	
76	L02 - 9500 LUMEN HPSV	427	Lumen	$21.10	9,010	427	Lumen	$29.06	12,408	
77	L03 - 16000 LUMEN HPSV	70	Lumen	$23.96	1,677	70	Lumen	$33.00	2,310	
78	L04 - 27500 LUMEN HPSV	159	Lumen	$30.73	4,886	159	Lumen	$42.32	6,729	
79	L05 - 46000 LUMEN HPSV	87	Lumen	$40.46	3,520	87	Lumen	$55.72	4,848	
80	L11 - 5890 LUMEN LED	279	Lumen	$22.71	6,336	279	Lumen	$31.28	8,726	
81	L12 - 9365 LUMEN LED	120	Lumen	$27.87	3,344	120	Lumen	$38.38	4,606	
82	L13 - 27500 LUMEN HPSV (FLOOD)	50	Lumen	$32.60	1,630	50	Lumen	$44.90	2,245	
83	L14 - 46500 LUMEN HPSV (FLOOD)	72	Lumen	$41.42	2,982	72	Lumen	$57.04	4,107	
84	L15 - 4000 LUMEN MERCURY VAPOR	72	Lumen	$13.74	989	72	Lumen	$18.92	1,362	
85	L16 - 7900 LUMEN MERCURY VAPOR	1,257	Lumen	$17.18	21,595	1,257	Lumen	$23.66	29,740	
86	L18 - 22500 LUMEN MERCURY VAPOR	17	Lumen	$30.73	507	17	Lumen	$42.32	698	
87	L21 - OVERHEAD - 15 FOOT POLE	192	Lumen	$0.60	115	192	Lumen	$0.83	159	
88	L25 - 7900 LUMEN OPEN MERCURY VAPOR	5	Lumen	$15.10	68	5	Lumen	$20.80	94	
89	L26 - 4000 LUMEN CLOSED MERCURY VAPOF	0	Lumen	$13.66	-	0	Lumen	$18.81	-	
90	L27 - 7900 LUMEN CLOSED MERCURY VAPOF	36	Lumen	$16.55	596	36	Lumen	$22.79	821	
91	L28 - 12000 LUMEN CLOSED MERCURY VAPC	0	Lumen	$21.56	-	0	Lumen	$29.69	-	
92	L29 - 22500 LUMEN CLOSED MERCURY VAPC	12	Lumen	$28.02	336	12	Lumen	$38.59	463	
93	L31 - 46000 LUMEN HPSV	60	Lumen	$33.96	2,038	60	Lumen	$46.77	2,806	
94	L32 - 4000 LUMEN OPEN MERCURY VAPOR	0	Lumen	$12.26	-	0	Lumen	$16.88	-	
95	L33 - 27500 LUMEN SV	0	Lumen	$8.37	-	0	Lumen	$11.53	-	
96		4,295								
97	**Total Revenues**				**$ 86,228**				**$ 118,751**	**37.7%**
98										
99	**Monthly Use Per Customer (1)**							1,960	$ 118,751	Target
100	**Monthly $ per Customers @ Proposed Equalized ROR (2)**							$1,007.97		
101										
102										

Pike County Light & Power
Electric Rate Design
Test Year 12 Months Ended June 30, 2021

Base Revenues at Present and Proposed Rates

WITHOUT PURCHASED POWER COSTS

	Schedule & Cost Component	Present Rates Quantity	Units	Base Margin Rate	Revenue	Proposed Rates Quantity	Units	Rate	Base Margin Revenue	Change
103				Private Lighting				Private Lighting		
104	**Private Lighting**									
105										
106	L01 - 5800 LUMEN HPSV	0	Lumen	$19.26	$ -	0	Lumen	$26.52	$0.00	
107	L02 - 9500 LUMEN HPSV	0	Lumen	$21.10	$ -	0	Lumen	$29.06	-	
108	L03 - 16000 LUMEN HPSV	0	Lumen	$23.96	$ -	0	Lumen	$33.00	-	
109	L04 - 27500 LUMEN HPSV	0	Lumen	$30.73	$ -	0	Lumen	$42.32	-	
110	L05 - 46000 LUMEN HPSV	0	Lumen	$40.46	$ -	0	Lumen	$55.72	-	
111	L11 - 5890 LUMEN LED	0	Lumen	$22.71	$ -	0	Lumen	$31.28	-	
112	L12 - 9365 LUMEN LED	0	Lumen	$27.87	$ -	0	Lumen	$38.38	-	
113	L13 - 27500 LUMEN HPSV (FLOOD)	0	Lumen	$32.60	$ -	0	Lumen	$44.90	-	
114	L14 - 46500 LUMEN HPSV (FLOOD)	0	Lumen	$41.42	$ -	0	Lumen	$57.04	-	
115	L15 - 4000 LUMEN MERCURY VAPOR	0	Lumen	$13.74	$ -	0	Lumen	$18.92	-	
116	L16 - 7900 LUMEN MERCURY VAPOR	0	Lumen	$17.18	$ -	0	Lumen	$23.66	-	
117	L18 - 22500 LUMEN MERCURY VAPOR	0	Lumen	$30.73	$ -	0	Lumen	$42.32	-	
118	L21 - OVERHEAD - 15 FOOT POLE	0	Lumen	$0.60	$ -	0	Lumen	$0.83	-	
119	L25 - 7900 LUMEN OPEN MERCURY VAPOR	151	Lumen	$15.10	$ 2,285	151	Lumen	$20.80	3,146	
120	L26 - 4000 LUMEN CLOSED MERCURY VAPOF	96	Lumen	$13.66	$ 1,311	96	Lumen	$18.81	1,806	
121	L27 - 7900 LUMEN CLOSED MERCURY VAPOF	188	Lumen	$16.55	$ 3,105	188	Lumen	$22.79	4,277	
122	L28 - 12000 LUMEN CLOSED MERCURY VAPC	48	Lumen	$21.56	$ 1,035	48	Lumen	$29.69	1,425	
123	L29 - 22500 LUMEN CLOSED MERCURY VAPC	286	Lumen	$28.02	$ 8,017	286	Lumen	$38.59	11,040	
124	L31 - 46000 LUMEN HPSV	349	Lumen	$33.96	$ 11,863	349	Lumen	$46.77	16,338	
125	L32 - 4000 LUMEN OPEN MERCURY VAPOR	60	Lumen	$12.26	$ 736	60	Lumen	$16.88	1,013	
126	L33 - 27500 LUMEN SV	97	Lumen	$8.37	$ 815	97	Lumen	$11.53	1,122	
127		1,276								
128	**Total Revenues**				**$ 29,166**				**$ 40,167**	**37.7%**
129										
130	**Monthly Use Per Customer (1)**							162	$ 40,167	Target
131	**Monthly $ per Customers @ Proposed Equalized ROR (2)**							$40.80		
132										
133										
134										
135	***TOTAL SYSTEM REVENUES***				***$ 5,176,658***				***$ 7,129,157***	***37.7%***
136										
137	***Notes:***									
138	(1) Source for Use per Customer is Exhibit E-6, Schedule ERP-5-E, page 3, line 34.									
139	(2) Source for $/Month/Customer is Schedule Exhibit E-6, Schedule ERP-6-E, page 4, line 37.									
140										

Pike County Light & Power
Electric Rate Design
Test Year 12 Months Ended June 30, 2021

Base Revenues at Present and Proposed Rates

WITHOUT PURCHASED POWER COSTS

	Schedule & Cost Component	Present Rates Quantity	Units	Base Margin Rate	Revenue	Proposed Rates Quantity	Units	Rate	Base Margin Revenue	Change
	Proposed Phase Out of Demand Blocks									
1		**SC-2 Small Comm & Ind Secondary**				**SC-2 Small Comm & Ind Secondary**				
2	**SC-2 Small Comm & Ind Secondary**									
3	**(102,402,802,902,X1D,X4D,X8D,X9D)**									
4	Customer Charge (Excl 402 &X4D)	11,251	Cust	$13.60	$ 153,014	11,400	Cust	$18.73	$ 213,522	
5	Customer Charge (402 &X4D) (min charge)		Cust	$60.00	-	0	Cust	$60.00	-	
6		11,251				11,400				
7	kWh Volume Demand Meters									
8	First 100 Hours Use	9,415,524	kWh	$0.057964	545,761	9,455,375	kWh	$0.086716	819,932	
9	Next 100 Hours Use	8,043,799	kWh	$0.047998	386,086	8,077,845	kWh	$0.071807	580,046	
10	Over 200 Hours Use	12,899,746	kWh	$0.047100	607,578	12,954,345	kWh	$0.070463	912,802	
11	Total Hours Use kWh	30,359,069			1,539,426	30,487,565			2,312,780	
12										
13	Ener Spc Htg KWH 402 & X4D	435,534	kWh	$0.048913	21,303	437,377	kWh	$0.073180	32,007	
14										
15	Ener No Demand or Unmetered									
16	Rate Code 802,902,X8D,X9D	721,504	kWh	$0.069431	50,095	724,558	kWh	$0.103866	75,257	
17		31,516,107				31,649,500				
18	Demand Charge All kW									
19	First 5 kW	29,443	kW	$0.95	27,971	29,567	kW	$0.00	-	
20	Over 5 kW	70,040	kW	$3.69	258,448	70,333	kW	$5.09	357,878	
21		99,483			286,419	99,900			357,878	
22										
23	**Total Revenues**				**$ 2,050,257**				**$ 2,991,445**	**45.9%**
24										
25	**Monthly Use Per Customer (1)**							2,776	$ 2,991,438	Target
26	**Monthly $ per Customers @ Proposed Equalized ROR (2)**							$120.96		
27										
28	***Notes:***									
29	(1) Source for Use per Customer is Exhibit E-6, Schedule ERP-5-E, page 3, line 34.									
30	(2) Source for $/Month/Customer is Schedule Exhibit E-6, Schedule ERP-6-E, page 4, line 37.									

Pike County Light & Power Company
Street Lighting & Private Lighting
LED Rate Design

		SC-3 Municipal Lighting							
		LED 3900	**LED 5000**	**LED 7250**	**LED 12000**	**LED 16000**	**LED 22000**	**LED**	**LED**
1	Manufacturer	GE	GE	GE	GE	GE	GE	GE	GE
2									
3	Type of Light	Evolve Roadway	Evolve Roadway	Evolve Roadway	Evolve Roadway	Evolve Roadway	Evolve Roadway	Evolve Flood	Evolve Flood
4									
5	Model	**ERLC004C440A**	**ERLC005C440A**	**ERL1007E140AG**	**ERLH011E340AG**	**ERLH016E340AG**	**ERL2023E340AG**	**EFM1010CC6674**	**EFH1010BB6674**
6									
7	Design Life Hours	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
8									
9	Lumens	3900	5000	7250	12000	16000	22000	14500	14500
10									
11	Nominal Wattage	35	50	70	100	135	175	96	194
12									
13	Total Wattage	35	50	68	103	140	200	96	194
14									
15	Luminaire Cost	$192.08	$202.68	$249.04	$327.19	$404.03	$470.26	$513.05	$790.69
16									
17	**Installation Costs**								
18	Labor & Truck rate per hour Sub Contractor	$162.00	$162.00	$162.00	$162.00	$162.00	$162.00	$162.00	$162.00
19	Crew Size	2	2	2	2	2	2	2	2
20	Hours needed for Installation	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
21	Total Labor Cost	$486.00	$486.00	$486.00	$486.00	$486.00	$486.00	$486.00	$486.00
22	Overhead Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23	Overheal Loading	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
24	Other Material Cost 8'arm, 15'arm, photo cells	$308.92	$308.92	$308.92	$308.92	$308.92	$308.92	$17.06	$17.06
25	Total Installation Cost	$794.92	$794.92	$794.92	$794.92	$794.92	$794.92	$503.06	$503.06
26									
27	Total Installed Cost of LED Luminaire	$987.00	$997.60	$1,043.96	$1,122.11	$1,198.95	$1,265.18	$1,016.11	$1,293.75
28									
29	Annual Burning Hours	4,100	4,100	4,100	4,100	4,100	4,100	4,100	4,100
30									
31	Estimated Life considering failures	20	20	20	20	20	20	20	20
32									
33	Depreciation Expense Annual Recovery	$49.35	$49.88	$52.20	$56.11	$59.95	$63.26	$50.81	$64.69
34									
35	Annual KWH	144	205	279	422	574	820	0	0
36									
37	Claimed Rate of Return	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%
38									
39	Return on LED Installed Cost	$69.98	$70.73	$74.02	$79.56	$85.00	$89.70	$72.04	$91.73
40									
41	**Delivery Costs per Cost of Service**								
42	**Costs per Light**								
43									
44	Average Number of Lights	358	358	358	358	358	358	358	358
45									

Pike County Light & Power Company
Street Lighting & Private Lighting
LED Rate Design

		SC-3 Municipal Lighting							
		LED 3900	**LED 5000**	**LED 7250**	**LED 12000**	**LED 16000**	**LED 22000**	**LED**	**LED**
46									
47	**Rate Base**								
48	Total Electric Plant in Service	$517,220	$517,220	$517,220	$517,220	$517,220	$517,220	$517,220	$517,220
49	Less: Acct 373 Lighting	$77,356	$77,356	$77,356	$77,356	$77,356	$77,356	$77,356	$77,356
50	Plant Excluding Lighting	$439,864	$439,864	$439,864	$439,864	$439,864	$439,864	$439,864	$439,864
51									
52	Less: Accumulated Depreciation	$49,582	$49,582	$49,582	$49,582	$49,582	$49,582	$49,582	$49,582
53	Less: Acct 373 Lighting	$4,867	$4,867	$4,867	$4,867	$4,867	$4,867	$4,867	$4,867
54	Accumulated Depreciation Excluding Lighting	$44,714	$44,714	$44,714	$44,714	$44,714	$44,714	$44,714	$44,714
55									
56	Additions to Rate Base	$45,246	$45,246	$45,246	$45,246	$45,246	$45,246	$45,246	$45,246
57	Deductions to Rate Base	$16,339	$16,339	$16,339	$16,339	$16,339	$16,339	$16,339	$16,339
58									
59	Rate Base Excluding Acct 373	$424,055	$424,055	$424,055	$424,055	$424,055	$424,055	$424,055	$424,055
60	Rate Base Including Acct 373	$496,544	$496,544	$496,544	$496,544	$496,544	$496,544	$496,544	$496,544
61									
62	Rate Base per Light Excluding Acct 373	$1,184.79	$1,184.79	$1,184.79	$1,184.79	$1,184.79	$1,184.79	$1,184.79	$1,184.79
63									
64	Return per Light Excluding Acct 373	$84.00	$84.00	$84.00	$84.00	$84.00	$84.00	$84.00	$84.00
65									
66	**Revenue Requirements**								
67									
68	Revenue Requirements at Claimed Rate of Retur	$120,918	$120,918	$120,918	$120,918	$120,918	$120,918	$120,918	$120,918
69	Less: Return @ Claimed	$39,827	$39,827	$39,827	$39,827	$39,827	$39,827	$39,827	$39,827
70	Less: Depreciation Expense	$14,867	$14,867	$14,867	$14,867	$14,867	$14,867	$14,867	$14,867
71	Total Operating Expenses Excl Return & Deprec	$66,224	$66,224	$66,224	$66,224	$66,224	$66,224	$66,224	$66,224
72									
73	Operating Exp excl Return & Deprec per Light	$185.03	$185.03	$185.03	$185.03	$185.03	$185.03	$185.03	$185.03
74									
75	Annual Rate LED Light	$388.35	$389.64	$395.24	$404.69	$413.98	$421.99	$391.87	$425.44
76	LED Monthly Rate	$32.36	$32.47	$32.94	$33.72	$34.50	$35.17	$32.66	$35.45
77									
78									
79									
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87									
88									

Pike County Light & Power Company
Street Lighting & Private Lighting
LED Rate Design

		SC-4 Private Area Lighting					
		LED 3900	**LED 5000**	**LED 7250**	**LED 12000**		
1	Manufacturer	GE	GE	GE	GE	GE	GE
2							
3	Type of Light	Evolve Flood	Evolve Flood	Evolve Flood	Evolve Flood	Evolve Flood	Evolve Flood
4							
5	Model	ERLC004C440A	ERLC005C440A	ERL1007E140AG	ERLH011E340AG	EFM1010CC6674	EFH1010BB6674
6							
7	Design Life Hours	100000	100000	100000	100000	100000	100000
8							
9	Lumens	3900	5000	7250	12000	14500	14500
10							
11	Nominal Wattage	35	50	70	100	96	194
12							
13	Total Wattage	35	50	68	103	96	194
14							
15	Luminaire Cost	$192.08	$202.68	$249.04	$327.19	$513.05	$790.69
16							
17	**Installation Costs**						
18	Labor & Truck rate per hour Sub Contractor	$162.00	$162.00	$162.00	$162.00	$162.00	$162.00
19	Crew Size	2	2	2	2	2	2
20	Hours needed for Installation	1.50	1.50	1.50	1.50	1.50	1.50
21	Total Labor Cost	$486.00	$486.00	$486.00	$486.00	$486.00	$486.00
22	Overhead Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23	Overheal Loading	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
24	Other Material Cost 8'arm, 15'arm, photo cells	$17.06	$17.06	$17.06	$17.06	$17.06	$17.06
25	Total Installation Cost	$503.06	$503.06	$503.06	$503.06	$503.06	$503.06
26							
27	Total Installed Cost of LED Luminaire	$695.14	$705.74	$752.10	$830.25	$1,016.11	$1,293.75
28							
29	Annual Burning Hours	4,100	4,100	4,100	4,100	4,100	4,100
30							
31	Estimated Life considering failures	20	20	20	20	20	20
32							
33	Depreciation Expense Annual Recovery	$34.76	$35.29	$37.61	$41.51	$50.81	$64.69
34							
35	Annual KWH	144	205	279	422	0	0
36							
37	Claimed Rate of Return	7.09%	7.09%	7.09%	7.09%	7.09%	7.09%
38							
39	Return on LED Installed Cost	$49.28	$50.04	$53.32	$58.86	$72.04	$91.73
40							
41	**Delivery Costs per Cost of Service**						
42	**Costs per Light**						
43							
44	Average Number of Lights	106	106	106	106	106	106
45							

Pike County Light & Power Company
Street Lighting & Private Lighting
LED Rate Design

		SC-4 Private Area Lighting					
		LED 3900	**LED 5000**	**LED 7250**	**LED 12000**		
46							
47	**Rate Base**						
48	Total Electric Plant in Service	$184,501	$184,501	$184,501	$184,501	$184,501	$184,501
49	Less: Acct 373 Lighting	$34,376	$34,376	$34,376	$34,376	$34,376	$34,376
50	Plant Excluding Lighting	$150,125	$150,125	$150,125	$150,125	$150,125	$150,125
51							
52	Less: Accumulated Depreciation	$17,407	$17,407	$17,407	$17,407	$17,407	$17,407
53	Less: Acct 373 Lighting	$2,163	$2,163	$2,163	$2,163	$2,163	$2,163
54	Accumulated Depreciation Excluding Lighting	$15,244	$15,244	$15,244	$15,244	$15,244	$15,244
55							
56	Additions to Rate Base	$16,433	$16,433	$16,433	$16,433	$16,433	$16,433
57	Deductions to Rate Base	$5,828	$5,828	$5,828	$5,828	$5,828	$5,828
58							
59	Rate Base Excluding Acct 373	$145,485	$145,485	$145,485	$145,485	$145,485	$145,485
60	Rate Base Including Acct 373	$177,698	$177,698	$177,698	$177,698	$177,698	$177,698
61							
62	Rate Base per Light Excluding Acct 373	$1,368.52	$1,368.52	$1,368.52	$1,368.52	$1,368.52	$1,368.52
63							
64	Return per Light Excluding Acct 373	$97.03	$97.03	$97.03	$97.03	$97.03	$97.03
65							
66	**Revenue Requirements**						
67							
68	Revenue Requirements at Claimed Rate of Retur	$46,530	$46,530	$46,530	$46,530	$46,530	$46,530
69	Less: Return @ Claimed	$14,247	$14,247	$14,247	$14,247	$14,247	$14,247
70	Less: Depreciation Expense	$5,288	$5,288	$5,288	$5,288	$5,288	$5,288
71	Total Operating Expenses Excl Return & Deprec	$26,995	$26,995	$26,995	$26,995	$26,995	$26,995
72							
73	Operating Exp excl Return & Deprec per Light	$253.94	$253.94	$253.94	$253.94	$253.94	$253.94
74							
75	Annual Rate LED Light	$435.00	$436.29	$441.89	$451.34	$473.81	$507.38
76	LED Monthly Rate	$36.25	$36.36	$36.82	$37.61	$39.48	$42.28
77							
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88							

Exhibit E-8 - Impact of the Proposed Rate Change on Total Bill Revenues for the Twelve Months Ended June 30, 2021

PIKE COUNTY LIGHT AND POWER COMPANY

Present and Proposed Rates

Present SC1			Proposed SC1		
Customer Charge	$8.50	/ Month	Customer Charge	$11.70	/ Month
Delivery All kWh	7.4363	¢/kWh	Delivery All kWh	9.6512	¢/kWh
Electric Supply	5.2010	¢/kWh	Electric Supply	5.2010	¢/kWh
Electric Supply Adjustment	1.5689	¢/kWh	Electric Supply Adjustment	1.5689	¢/kWh
All kWh	14.2062	¢/kWh	All kWh	16.4211	¢/kWh
Plus: Res System Benefit Charge	0.0098	¢/kWh	Plus: Res System Benefit Charge	0.0098	¢/kWh
Plus: Delivery State Tax Adjustment	-0.0800%		Plus: Delivery State Tax Adjustment	-0.0800%	
Plus: Federal Tax Act Sur-Credit	-0.6700%		Plus: Federal Tax Act Sur-Credit	-0.6700%	
Minimum Charge:	$8.50	/ Month	Minimum Charge:	$11.70	/ Month

PIKE COUNTY LIGHT AND POWER COMPANY

Present and Proposed Rates

Present SC2 - Secondary Demand		
Customer Charge	$13.60	/ Month
First 5 kW	$0.95	/kW
Over 5 kW	$3.69	/kW
Hours Use of Billing Demand		
First 100 Hours Use	5.7964	¢/kWh
Next 100 Hours Use	4.7998	¢/kWh
Over 200 Hours Use	4.7100	¢/kWh
Electric Supply	5.1490	¢/kWh
Electric Supply Adjustment	1.2237	¢/kWh
Plus: Delivery State Tax Adjustment	-0.0800%	
Plus: Federal Tax Act Sur-Credit	-0.6700%	
Sales Tax on Total Bill	6.0000%	
Minimum Charge:	$13.60	/ Month

Proposed SC2 - Secondary Demand		
Customer Charge	$18.73	/ Month
First 5 kW	$0.00	/kW
Over 5 kW	$5.09	/kW
First 100 HU		
First 100 Hours Use	8.6716	¢/kWh
Next 100 Hours Use	7.1807	¢/kWh
Over 200 Hours Use	7.0463	¢/kWh
Electric Supply	5.1490	¢/kWh
Electric Supply Adjustment	1.2237	¢/kWh
Plus: Delivery State Tax Adjustment	-0.0800%	
Plus: Federal Tax Act Sur-Credit	-0.6700%	
Sales Tax on Total Bill	6.0000%	
Minimum Charge:	$18.73	/ Month

Present SC2 - Secondary Non-Demand & Non Metered		
Customer Charge	$13.60	/ Month
All kWh	6.9431	¢/kWh
Separately Metered Space Heating:		
All kWh	4.8913	¢/kWh
Electric Supply	5.1490	¢/kWh
Electric Supply Adjustment	1.2237	¢/kWh
Plus: Delivery State Tax Adjustment	-0.0800%	
Plus: Federal Tax Act Sur-Credit	-0.6700%	
Sales Tax on Total Bill	6.0000%	
Min Chrg Non Demand & Non Meter	$13.60	/ Month

Proposed SC2 - Secondary Non-Demand & Non Metered		
Customer Charge	$18.73	/ Month
All kWh	10.3866	¢/kWh
Separately Metered Space Heating:		
All kWh	7.3180	¢/kWh
Electric Supply	5.1490	¢/kWh
Electric Supply Adjustment	1.2237	¢/kWh
Plus: Delivery State Tax Adjustment	-0.0800%	
Plus: Federal Tax Act Sur-Credit	-0.6700%	
Sales Tax on Total Bill	6.0000%	
Min Chrg Non Demand & Non Meter	$18.73	/ Month

PIKE COUNTY LIGHT AND POWER COMPANY

Present and Proposed Rates

Present SC2 - Primary			Proposed SC2 - Primary		
Customer Charge	$110.90	/ Month	Customer Charge	$152.00	/ Month
All kW	$8.30	/kW	All kW	$11.50	/kW
All kWh	1.3416	¢/kWh	All kWh	1.6667	¢/kWh
Electric Supply	5.1530	¢/kWh	Electric Supply	5.1530	¢/kWh
Electric Supply Adjustment	0.3129	¢/kWh	Electric Supply Adjustment	0.3129	¢/kWh
Plus: Delivery State Tax Adjustment	-0.0800%		Plus: Delivery State Tax Adjustment	-0.0800%	
Plus: Federal Tax Act Sur-Credit	-0.6700%		Plus: Federal Tax Act Sur-Credit	-0.6700%	
Sales Tax on Total Bill excl Exempt	6.0000%		Sales Tax on Total Bill excl Exempt	6.0000%	
Minimum Charge:	$110.90	/ Month	Minimum Charge:	$152.00	/ Month

PIKE COUNTY LIGHT AND POWER COMPANY

Present and Proposed Rates

Present SC3 (Municipal Street Lighting - Monthly)			Proposed SC3 (Municipal Street Lighting - Monthly)			
Lumens	Luminaire Type	Charge	Lumens	Luminaire Type		Charge
Street Lighting Luminaries:			Street Lighting Luminaries:			
5,800	Sodium Vapor	$19.26	5,800	Sodium Vapor		$26.52
9,500	Sodium Vapor	21.10	9,500	Sodium Vapor		29.06
16,000	Sodium Vapor	23.96	16,000	Sodium Vapor		33.00
27,500	Sodium Vapor	30.73	27,500	Sodium Vapor		42.32
46,000	Sodium Vapor	40.46	46,000	Sodium Vapor		55.72
5,890	LED	22.71	5,890	LED		31.28
9,365	LED	27.87	9,365	LED		38.38
Flood Lighting Luminaries:			Flood Lighting Luminaries:			
27,500	Sodium Vapor	32.60	27,500	Sodium Vapor		44.90
46,000	Sodium Vapor	41.42	46,000	Sodium Vapor		57.04
Obsolete Luminaries*:			Obsolete Luminaries*:			
4,000	Mercury Vapor	13.74	4,000	Mercury Vapor		18.92
7,900	Mercury Vapor	17.18	7,900	Mercury Vapor		23.66
12,000	Mercury Vapor	23.02	12,000	Mercury Vapor	n/a	
22,500	Mercury Vapor	30.73	22,500	Mercury Vapor		42.32
1,000	Incandescent	9.97	1,000	Incandescent	n/a	
2,500	Incandescent	14.54	2,500	Incandescent	n/a	
Overhead 15 Foot Pole		0.60	Overhead 15 Foot Pole			0.83
Other Luminaries*:						
7,900	Open Mercury Vapor	15.10				20.80
4,000	Closed Mercury Vapor	13.66				18.81
7,900	Closed Mercury Vapor	16.55				22.79
12,000	Closed Mercury Vapor	21.56				29.69
22,500	Closed Mercury Vapor	28.02				38.59
46,000	HPSV	33.96				46.77
4,000	Open Mercury Vapor	12.26				16.88
27,500	SV	8.37				11.53

* These luminaries will no longer be replaced.

Electric Supply	3.6660	¢/kWh	Electric Supply	3.6660	¢/kWh
Electric Supply Adjustment	0.8035	¢/kWh	Electric Supply Adjustment	0.8035	¢/kWh
Plus: Delivery State Tax Adjustment	-0.0800%		Plus: Delivery State Tax Adjustment	-0.0800%	
Plus: Federal Tax Act Sur-Credit	-0.6700%		Plus: Federal Tax Act Sur-Credit	-0.6700%	
Sales Tax on Total Bill excl Exempt	6.0000%		Sales Tax on Total Bill excl Exempt	6.0000%	

PIKE COUNTY LIGHT AND POWER COMPANY

Present and Proposed Rates

Present SC4 (Private Area Lighting - Monthly)			Proposed SC4 (Private Area Lighting - Monthly)		
Lumens	Luminaire Type	Charge	Lumens	Luminaire Type	Charge
Open Bottom Luminaries:			Open Bottom Luminaries:		
4,000	Mercury Vapor	$12.26	4,000	Mercury Vapor	$16.88
7,900	Mercury Vapor	15.10	7,900	Mercury Vapor	20.80
Closed Bottom Luminaries:			Closed Bottom Luminaries:		
4,000	Mercury Vapor	13.66	4,000	Mercury Vapor	18.81
7,900	Mercury Vapor	16.55	7,900	Mercury Vapor	22.79
Closed Bottom and Floodlighting:			Closed Bottom and Floodlighting:		
12,000	Mercury Vapor	21.56	12,000	Mercury Vapor	29.69
22,500	Mercury Vapor	28.02	22,500	Mercury Vapor	38.59
59,000	Mercury Vapor	55.65	59,000	Mercury Vapor	n/a
46,000	Sodium Vapor	33.96	46,000	Sodium Vapor	46.77
27,500	SV	8.37	27,500	SV	11.53
Electric Supply		3.5370 ¢/kWh	Electric Supply		3.5370 ¢/kWh
Electric Supply Adjustment		0.7339 ¢/kWh	Electric Supply Adjustment		0.7339 ¢/kWh
Plus: Delivery State Tax Adjustment		-0.0800%	Plus: Delivery State Tax Adjustment		-0.0800%
Plus: Federal Tax Act Sur-Credit		-0.6700%	Plus: Federal Tax Act Sur-Credit		-0.6700%
Sales Tax on Total Bill excl Exempt		6.0000%	Sales Tax on Total Bill excl Exempt		6.0000%

PIKE COUNTY LIGHT & POWER COMPANY

Monthly Billing Comparison
Reflecting Proposed Rate Changes

SC1 Residential

Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Base Rate Change Amount	Base Rate Change Percent	Supply Costs	Total Bill Percent Change
0	$8.44	$11.61	$3.18	37.6	$0.00	37.6
50	12.13	$16.41	4.28	35.2	$3.38	27.6
100	15.83	$21.20	5.37	34.0	$6.77	23.8
200	$23.22	$30.79	$7.57	32.6	$13.54	20.6
250	26.91	$35.58	8.67	32.2	$16.92	19.8
300	30.61	$40.38	9.77	31.9	$20.31	19.2
400	$38.00	$49.97	$11.97	31.5	$27.08	18.4
500	45.39	$59.55	14.17	31.2	$33.85	17.9
750	63.86	$83.53	19.66	30.8	$50.77	17.2
1,000	$82.34	$107.50	$25.16	30.6	$67.70	16.8
1,500	119.29	$155.44	36.15	30.3	$101.55	16.4
2,000	156.24	$203.38	47.14	30.2	$135.40	16.2
Average Use						
660	$57.21	$74.90	17.68	30.9	$44.68	17.4

PIKE COUNTY LIGHT & POWER COMPANY

Monthly Billing Comparison
Reflecting Proposed Rate Changes

SC2 General Service - Non-Demand Billed

Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Base Rate Change Amount	Base Rate Change Percent	Supply Costs	Total Bill Percent Change
0	$14.31	$19.71	$5.40	37.7	$0.00	37.7
100	$21.62	$30.64	9.02	41.7	$6.76	31.8
200	$28.93	$41.58	12.65	43.7	$13.51	29.8
300	$36.24	$52.51	$16.27	44.9	$20.27	28.8
400	$43.54	$63.44	19.90	45.7	$27.02	28.2
500	$50.85	$74.37	23.52	46.3	$33.78	27.8
750	$69.12	$101.70	$32.58	47.1	$50.66	27.2
1,000	$87.39	$129.03	41.64	47.7	$67.55	26.9
1,250	$105.65	$156.35	50.70	48.0	$84.44	26.7
1,500	$123.92	$183.68	$59.76	48.2	$101.33	26.5
1,750	$142.19	$211.01	68.82	48.4	$118.21	26.4
2,000	$160.46	$238.34	77.88	48.5	$135.10	26.4

Percent Increase Seperatly Metered Space Heating

All Usage	49.6

PIKE COUNTY LIGHT & POWER COMPANY

Monthly Billing Comparison
Reflecting Proposed Rate Changes

SC2 General Service Secondary

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Base Rate Change Amount	Base Rate Change Percent	Supply Costs	Total Bill Percent Change
7	700	$69.78	$94.31	$24.53	35.1	$47.29	20.9
7	1,200	$95.04	$132.09	37.05	39.0	$81.06	21.0
7	2,100	$139.84	$199.12	59.28	42.4	$141.86	21.0
7	2,800	$174.54	$251.03	76.49	43.8	$189.14	21.0
10	1,000	$99.73	$137.75	$38.02	38.1	$67.55	22.7
10	2,000	$150.25	$213.33	63.08	42.0	$135.10	22.1
10	3,000	$199.82	$287.49	87.66	43.9	$202.65	21.8
10	4,000	$249.39	$361.64	112.25	45.0	$270.20	21.6
25	2,500	$249.49	$354.98	$105.48	42.3	$168.88	25.2
25	5,000	$375.78	$543.91	168.13	44.7	$337.75	23.6
25	7,500	$499.71	$729.31	229.60	45.9	$506.63	22.8
25	10,000	$623.64	$914.71	291.07	46.7	$675.51	22.4
50	5,000	$499.09	$717.02	$217.93	43.7	$337.75	26.0
50	10,000	$751.67	$1,094.89	343.21	45.7	$675.51	24.0
50	15,000	$999.52	$1,465.68	466.16	46.6	$1,013.26	23.2
50	20,000	$1,247.38	$1,836.48	589.10	47.2	$1,351.01	22.7
100	10,000	$998.29	$1,441.10	$442.81	44.4	$675.51	26.5
100	20,000	$1,503.45	$2,196.84	693.39	46.1	$1,351.01	24.3
100	30,000	$1,999.15	$2,938.42	939.27	47.0	$2,026.52	23.3
100	40,000	$2,494.86	$3,680.01	1,185.16	47.5	$2,702.02	22.8
150	15,000	$1,497.49	$2,165.18	$667.69	44.6	$1,013.26	26.6
150	30,000	$2,255.23	$3,298.79	1,043.56	46.3	$2,026.52	24.4
150	45,000	$2,998.78	$4,411.17	1,412.39	47.1	$3,039.78	23.4
150	60,000	$3,742.34	$5,523.55	1,781.21	47.6	$4,053.04	22.8
Average Use							
12	3,600	$239.81	$346.40	$106.59	44.4	$243.18	22.1

PIKE COUNTY LIGHT & POWER COMPANY

Monthly Billing Comparison
Reflecting Proposed Rate Changes

SC2 General Service Primary

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Base Rate Change Amount	Base Rate Change Percent	Supply Costs	Total Bill Percent Change
100	20,000	$1,272.65	$1,721.12	$448.47	35.2	$1,158.77	18.4
100	30,000	$1,413.84	$1,896.53	482.69	34.1	$1,738.16	15.3
100	40,000	$1,555.04	$2,071.94	516.90	33.2	$2,317.54	13.3
100	50,000	$1,696.24	$2,247.35	551.12	32.5	$2,896.93	12.0
150	30,000	$1,850.61	$2,501.69	$651.08	35.2	$1,738.16	18.1
150	45,000	$2,062.41	$2,764.81	702.40	34.1	$2,607.23	15.0
150	60,000	$2,274.20	$3,027.93	753.72	33.1	$3,476.31	13.1
150	75,000	$2,486.00	$3,291.04	805.05	32.4	$4,345.39	11.8
200	40,000	$2,428.58	$3,282.26	$853.69	35.2	$2,317.54	18.0
200	60,000	$2,710.97	$3,633.09	922.12	34.0	$3,476.31	14.9
200	80,000	$2,993.36	$3,983.91	990.55	33.1	$4,635.08	13.0
200	100,000	$3,275.76	$4,334.73	1,058.98	32.3	$5,793.85	11.7
500	100,000	$5,896.36	$7,965.69	$2,069.33	35.1	$5,793.85	17.7
500	150,000	$6,602.35	$8,842.75	2,240.41	33.9	$8,690.78	14.6
500	200,000	$7,308.33	$9,719.82	2,411.48	33.0	$11,587.71	12.8
500	250,000	$8,014.32	$10,596.88	2,582.56	32.2	$14,484.64	11.5
750	150,000	$8,786.19	$11,868.55	$3,082.37	35.1	$8,690.78	17.6
750	225,000	$9,845.16	$13,184.15	3,338.98	33.9	$13,036.17	14.6
750	300,000	$10,904.14	$14,499.74	3,595.60	33.0	$17,381.56	12.7
750	375,000	$11,963.12	$15,815.33	3,852.21	32.2	$21,726.95	11.4
1,000	200,000	$11,676.01	$15,771.41	$4,095.41	35.1	$11,587.71	17.6
1,000	300,000	$13,087.98	$17,525.54	4,437.56	33.9	$17,381.56	14.6
1,000	400,000	$14,499.95	$19,279.66	4,779.71	33.0	$23,175.42	12.7
1,000	500,000	$15,911.92	$21,033.78	5,121.86	32.2	$28,969.27	11.4

PIKE COUNTY LIGHT & POWER COMPANY

Monthly Billing Comparison
Reflecting Proposed Rate Changes

SC3 Municipal Street Lighting

Lumens	Luminaire Type	Present Rate	Proposed Rate	Base Rate Change Amount	Base Rate Change Percent
Street Lighting Luminaries:					
5,800	Sodium Vapor	$19.26	$26.52	$7.26	37.7
9,500	Sodium Vapor	$21.10	$29.06	$7.96	37.7
16,000	Sodium Vapor	$23.96	$33.00	$9.04	37.7
27,500	Sodium Vapor	$30.73	$42.32	$11.59	37.7
46,000	Sodium Vapor	$40.46	$55.72	$15.26	37.7
5,890	LED	$22.71	$31.28	$8.57	37.7
9,365	LED	$27.87	$38.38	$10.51	37.7
Flood Lighting Luminaries:					
27,500	Sodium Vapor	$32.60	$44.90	$12.30	37.7
46,000	Sodium Vapor	$41.42	$57.04	$15.62	37.7
Obsolete Luminaries*:					
4,000	Mercury Vapor	$13.74	$18.92	$5.18	37.7
7,900	Mercury Vapor	$17.18	$23.66	$6.48	37.7
12,000	Mercury Vapor	$23.02	n/a		
22,500	Mercury Vapor	$30.73	$42.32	$11.59	37.7
1,000	Incandescent	$9.97	n/a		
2,500	Incandescent	$14.54	n/a		
Overhead 15 Foot Pole		$0.60	$0.83	$0.23	37.7
Other Luminaries*:					
7,900	Open Mercury Vapor	$15.10	$20.80	$5.70	37.7
4,000	Closed Mercury Vapor	$13.66	$18.81	$5.15	37.7
7,900	Closed Mercury Vapor	$16.55	$22.79	$6.24	37.7
12,000	Closed Mercury Vapor	$21.56	$29.69	$8.13	37.7
22,500	Closed Mercury Vapor	$28.02	$38.59	$10.57	37.7
46,000	HPSV	$33.96	$46.77	$12.81	37.7
4,000	Open Mercury Vapor	$12.26	$16.88	$4.62	37.7
27,500	SV	$8.37	$11.53	$3.16	37.7

PIKE COUNTY LIGHT & POWER COMPANY

Monthly Billing Comparison
Reflecting Proposed Rate Changes

SC4 Private Area Lighting

Present SC4 (Private Area Lighting - Monthly)			Proposed	Base Rate Change	
Lumens	Luminaire Type	Charge	Rate	Amount	Percent
Open Bottom Luminaries:					
4,000	Mercury Vapor	$12.26	$16.88	$4.62	37.7
7,900	Mercury Vapor	$15.10	$20.80	$5.70	37.7
Closed Bottom Luminaries:					
4,000	Mercury Vapor	$13.66	$18.81	$5.15	37.7
7,900	Mercury Vapor	$16.55	$22.79	$6.24	37.7
Closed Bottom and Floodlighting:					
12,000	Mercury Vapor	$21.56	$29.69	$8.13	37.7
22,500	Mercury Vapor	$28.02	$38.59	$10.57	37.7
59,000	Mercury Vapor	$55.65	n/a		
46,000	Sodium Vapor	$33.96	$46.77	$12.81	37.7
27,500	SV	$8.37	$11.53	$3.16	37.7

PIKE COUNTY LIGHT AND POWER COMPANY

Statement of Revenues for the
Twelve Months Ending June 30, 2021
(At Current Rates)

Customer Classification	Base Rate Revenue ($)	Supply Costs & Other Charges Revenue ($)	Total Revenue ($)
SC 1 - Residential	$2,682,831	$2,071,217	$4,754,048
SC No. 2 - Secondary - Demand	1,988,600	2,163,760	4,152,360
SC No. 2 - Secondary - Non Demand	71,700	82,250	153,950
SC No. 2 Primary	350,721	605,273	955,994
SC 3 - Municipal Street Lighting	86,228	14,552	100,781
SC 4 - Private Area Lighting	29,166	8,556	37,722
Total	$5,209,247	$4,945,609	$10,154,856

Note: Pike has other operating revenues of $168,500

Statement of Total Number of Customers
Served at June 30, 2021

SC 1 - Residential	3,813
SC No. 2 - Secondary - Demand	768
SC No. 2 - Secondary - Non Demand	182
SC No. 2 Primary	8
SC 3 - Municipal Street Lighting	9
SC 4 - Private Area Lighting	80
Total	4,860

PIKE COUNTY LIGHT AND POWER COMPANY

Tariff Regulations 52 Pa. Code § 53.52(b)(3) to (6)

53.52(b)(3) to (4) -- Statement of the number of electric customers whose bills will be increased and the annual increase in dollars.

Customer Classification	Customers @ June 30, 2021	Annual Increase ($)
SC 1 - Residential	3,813	$823,436
SC No. 2 - Secondary - Demand	768	942,556
SC No. 2 - Secondary - Non Demand	182	37,429
SC No. 2 Primary	8	121,659
SC 3 - Municipal Street Lighting	9	34,229
SC 4 - Private Area Lighting	80	11,578
Total	4,860	$1,970,887

53.52(b)(5) to (6) -- Statement of the number of gas customers whose bills will be decreased and the annual decrease in dollars.

Customer Classification	Customers @ June 30, 2021	Annual Decrease ($)
SC 1 - Residential	0	$0
SC No. 2 - Secondary - Demand	0	0
SC No. 2 - Secondary - Non Demand	0	0
SC No. 2 Primary	0	0
SC 3 - Municipal Street Lighting	0	0
SC 4 - Private Area Lighting	0	0
Total	0	$0

PIKE COUNTY LIGHT & POWER COMPANY

Bill Comparison Rate Year

Summary of Proposed Increases

	Sales	Delivery Charges	SBC	FTA	Delivery STAS	Default Svc	Default Svc Sales Tax	Delivery Sales Tax	Total
Revenue:									
Service Classification No. 1	30,847,400	$829,658	$0	($5,559)	($664)	$0	$0	$0	$823,436
Service Classification No. 2									
Secondary - Demand Billed	30,487,565	$895,581	$0	($6,000)	($716)	$0	$0	$53,692	$942,556
Secondary - Non-Demand Billed	1,161,935	$35,564	$0	($238)	($28)	$0	$0	$2,132	$37,429
Primary	10,129,300	$115,596	$0	($774)	($92)	$0	$0	$6,930	$121,659
Service Classification No. 2	41,778,800	1,046,741	0	(7,013)	(837)	0	0	62,754	1,101,644
Service Classification No. 3	211,700	$32,523	$0	($218)	($26)	$0	$0	$1,950	$34,229
Service Classification No. 4	155,200	$11,001	$0	($74)	($9)	$0	$0	$660	$11,578
Total	72,993,100	$1,919,923	$0	($12,863)	($1,536)	$0	$0	$65,364	$1,970,887
Average Price per kWh (cents per kWh):									
Service Classification No. 1		2.690	0.000	-0.018	-0.002	0.000	0.000	0.000	2.669
Service Classification No. 2									
Secondary - Demand Billed		2.938	0.000	-0.020	-0.002	0.000	0.000	0.176	3.092
Secondary - Non-Demand Billed		3.061	0.000	-0.021	-0.002	0.000	0.000	0.183	3.221
Primary		1.141	0.000	-0.008	-0.001	0.000	0.000	0.068	1.201
Service Classification No. 2		2.505	0.000	-0.017	-0.002	0.000	0.000	0.150	2.637
Service Classification No. 3		15.363	0.000	-0.103	-0.012	0.000	0.000	0.921	16.169
Service Classification No. 4		7.088	0.000	-0.047	-0.006	0.000	0.000	0.425	7.460
Total		2.630	0.000	-0.018	-0.002	0.000	0.000	0.090	2.700
Percentage Increases									
Service Classification No. 1		30.9%	0.0%	31.0%	28.6%	0.0%	0.0%	0.0%	17.3%
Service Classification No. 2									
Secondary - Demand Billed		45.0%	0.0%	45.5%	40.0%	0.0%	0.0%	45.0%	22.7%
Secondary - Non-Demand Billed		49.6%	0.0%	51.2%	40.0%	0.0%	0.0%	49.5%	24.3%
Primary		33.0%	0.0%	34.8%	33.3%	0.0%	0.0%	32.7%	12.7%
Service Classification No. 2		43.4%	0.0%	43.6%	40.0%	0.0%	0.0%	43.4%	20.9%
Service Classification No. 3		37.7%	0.0%	37.7%	36.4%	0.0%	0.0%	37.7%	34.0%
Service Classification No. 4		37.7%	0.0%	37.3%	40.0%	0.0%	0.0%	37.7%	30.7%
Total		36.9%	0.0%	37.5%	33.3%	0.0%	0.0%	43.3%	19.4%

PIKE COUNTY LIGHT & POWER COMPANY

Rate Year

Revenue Summary at Current Rates

	Sales	Delivery Charges	SBC	FTA	Delivery STAS	Default Svc	Default Serv Sales Tax	Delivery Sales Tax	Total
Revenue:									
Service Classification No. 1	30,847,400	$2,682,831	$3,023	($17,995)	($2,149)	$2,088,338	$0	$0	$4,754,048
Service Classification No. 2									
Secondary - Demand Billed	30,487,565	1,988,600	0	(13,324)	(1,591)	$1,942,881	$116,573	$119,221	4,152,360
Secondary - Non-Demand Billed	1,161,935	71,700	0	(480)	(57)	$74,047	$4,443	$4,299	153,950
Primary	10,129,300	350,721	0	(2,350)	(281)	$553,657	$33,219	$21,026	955,994
Service Classification No. 2	41,778,800	2,411,021	0	(16,154)	(1,929)	2,570,585	154,235	144,546	5,262,304
Service Classification No. 3	211,700	86,228	0	(578)	(69)	$9,462	$568	$5,170	100,781
Service Classification No. 4	155,200	29,166	0	(195)	(23)	$6,628	$398	$1,749	37,722
Total	72,993,100	$5,209,247	$3,023	($34,922)	($4,170)	$4,675,014	$155,201	$151,464	$10,154,856
Average Price per kWh (cents per kWh):									
Service Classification No. 1		8.697	0.010	-0.058	-0.007	6.770	0.000	0.000	15.412
Service Classification No. 2									
Secondary - Demand Billed		6.523	0.000	-0.044	-0.005	6.373	0.382	0.391	13.620
Secondary - Non-Demand Billed		6.171	0.000	-0.041	-0.005	6.373	0.382	0.370	13.249
Primary		3.462	0.000	-0.023	-0.003	5.466	0.328	0.208	9.438
Service Classification No. 2		5.771	0.000	-0.039	-0.005	6.153	0.369	0.346	12.596
Service Classification No. 3		40.731	0.000	-0.273	-0.033	4.470	0.268	2.442	47.605
Service Classification No. 4		18.793	0.000	-0.126	-0.015	4.271	0.256	1.127	24.306
Total		7.137	0.004	-0.048	-0.006	6.405	0.213	0.208	13.912

PIKE COUNTY LIGHT & POWER COMPANY

Rate Year

Revenue Summary at Proposed Rates

	Sales	Delivery Charges	SBC	FTA	Delivery STAS	Default Svc	Default Serv Sales Tax	Delivery Sales Tax	Total
Revenue:									
Service Classification No. 1	30,847,400	$3,512,489	$3,023	($23,554)	($2,812)	$2,088,338	$0	$0	$5,577,484
Service Classification No. 2									
Secondary - Demand Billed	30,487,565	2,884,181	0	(19,324)	(2,307)	$1,942,881	$116,573	$172,912	5,094,916
Secondary - Non-Demand Billed	1,161,935	107,264	0	(719)	(86)	$74,047	$4,443	$6,431	191,380
Primary	10,129,300	466,317	0	(3,124)	(373)	$553,657	$33,219	$27,957	1,077,653
Service Classification No. 2	41,778,800	3,457,762	0	(23,167)	(2,766)	2,570,585	154,235	207,300	6,363,949
Service Classification No. 3	211,700	118,751	0	(796)	(95)	$9,462	$568	$7,119	135,010
Service Classification No. 4	155,200	40,167	0	(269)	(32)	$6,628	$398	$2,408	49,300
Total	72,993,100	$7,129,170	$3,023	($47,786)	($5,706)	$4,675,014	$155,201	$216,827	$12,125,742
Average Price per kWh (cents per kWh):									
Service Classification No. 1		11.387	0.010	-0.076	-0.009	6.770	0.000	0.000	18.081
Service Classification No. 2									
Secondary - Demand Billed		9.460	0.000	-0.063	-0.008	6.373	0.382	0.567	16.711
Secondary - Non-Demand Billed		9.232	0.000	-0.062	-0.007	6.373	0.382	0.553	16.471
Primary		4.604	0.000	-0.031	-0.004	5.466	0.328	0.276	10.639
Service Classification No. 2		8.276	0.000	-0.055	-0.007	6.153	0.369	0.496	15.232
Service Classification No. 3		56.094	0.000	-0.376	-0.045	4.470	0.268	3.363	63.774
Service Classification No. 4		25.881	0.000	-0.173	-0.021	4.271	0.256	1.552	31.766
Total		9.767	0.004	-0.065	-0.008	6.405	0.213	0.297	16.612

PIKE COUNTY LIGHT & POWER COMPANY

Monthly Billing Comparison*
Reflecting Proposed Delivery Rate Changes
Includes Supply Costs

SC	Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1	n/a	660	101.89	119.58	17.68	17.4
2	12.0	3600	482.99	589.58	106.59	22.1

* Basis for bill impacts used in the "Notice of Proposed Changes".

PIKE COUNTY LIGHT AND POWER COMPANY

Impact of Proposed Rate Change on Total Billed Revenue
For the 12 Months Ending June 2021

Service Class	Type of Service	Annual Bills	Total Sales (kWh)	Total Revenue at: Present Rates	Total Revenue at: Proposed Rates	Increase: Rev Change	Increase: Percent Change
1	Residential Service	45,756	30,847,400	4,754,048	5,577,484	823,436	17.3%
2	General Secondary - Demand	9,215	30,487,565	4,152,360	5,094,916	942,556	22.7%
2	General Secondary - Non-Demand	2,185	1,161,935	153,950	191,380	37,429	24.3%
2	General Primary Service	96	10,129,300	955,994	1,077,653	121,659	12.7%
3	Municipal Street Lighting	108	211,700	100,781	135,010	34,229	34.0%
4	Private Area Lighting	960	155,200	37,722	49,300	11,578	30.7%
Total		58,320	72,993,100	10,154,856	12,125,742	1,970,887	19.4%

* For comparison purposes, an estimated electric supply charge for retail access customers has been included in total revenues.

PIKE COUNTY LIGHT AND POWER COMPANY

Impact of Proposed Rate Change on Delivery Billed Revenue
For the 12 Months Ending June 2021

Service Class	Type of Service	Annual Bills	Total Sales (kWh)	Delivery Revenue at: Present Rates	Delivery Revenue at: Proposed Rates	Increase: Rev Change	Increase: Percent Change
1	Residential Service	45,756	30,847,400	2,682,831	3,512,489	829,658	30.9%
2	General Secondary - Demand	9,215	30,487,565	1,988,600	2,884,181	895,581	45.0%
2	General Secondary - Non-Demand	2,185	1,161,935	71,700	107,264	35,564	49.6%
2	General Primary Service	96	10,129,300	350,721	466,317	115,596	33.0%
3	Municipal Street Lighting	108	211,700	86,228	118,751	32,523	37.7%
4	Private Area Lighting	960	155,200	29,166	40,167	11,001	37.7%
Total		58,320	72,993,100	5,209,247	7,129,170	1,919,923	36.9%

Pike County Light and Power Company, Inc.

Electric Rate Case Filing Docket No. R-2020-3011325

Data Responses to 52 Pa. Code Sections 53.52

(1) The specific reasons for each change.

Response: Pike is not earning an adequate return on equity to finance its construction budget

(2) The total number of customers served by the utility.

Response: Pike serves approximately 4,860 electric customers

(3) A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.

Response: All SC1, SC2, SC3 and SC4 customers will be impacted by the rate change

(4) The effect of the change on the utility's customers.

Response: See Exhibit E-8

(5) The direct or indirect effect of the proposed change on the utility's revenue and expenses.

Response: See Exhibit E-4, Summary

(6) The effect of the change on the service rendered by the utility.

Response: Service levels will not change, but Pike's ability to raise capital at a lower cost will improve.

(7) A list of factors considered by the utility in its determination to make the change.

Response: N/A

(8) Studies undertaken by the utility in order to draft its proposed change.

Response: N/A

(10) Plans the utility has for introducing or implementing the changes with respect to its ratepayers.

Response: General rate increase utilizing the Cost of Service Study included as Exhibit E-6.

(11) Commission orders or rulings applicable to the filing.

Response: N/A

Pike County Light and Power Company, Inc.

Electric Rate Case Filing Docket No. R-2020-3011325

Data Responses to 52 Pa. Code Sections 53.52

Part (b) Whenever a public utility files a tariff, revision or supplement which will increase or decrease the bills to its customers, it shall submit in addition to the requirements of subsection (a), to the Commission, with the tariff, revision or supplement, statements showing the following:

(1) The specific reasons for each increase or decrease.

Response: A delivery rate Increase is necessary to provide a reasonable rate of return to the Company's investors.

(2) The operating income statement of the utility for a 12-month period, the end of which may not be more than 120 days prior to the filing.

Response: Please refer to Exhibit E-1, Schedules 3 and 4

(3) A calculation of the number of customers, by tariff subdivision, whose bills will be increased.

Response: Please refer to Exhibit E-5, Schedule 6

(4) A calculation of the total increases, in dollars, by tariff subdivision, projected to an annual basis.

Response: Please refer to Exhibit E-8.

(5) A calculation of the number of customers, by tariff subdivision, whose bills will be decreased.

Response: None

(6) A calculation of the total decreases, in dollars, by tariff subdivision, projected to an annual basis.

Response: N/A

Part (c) If a public utility files a tariff, revision or supplement which it is calculated will increase the bills of a customer or a group of customers by an amount, when projected to an annual basis, exceeding 3% of the operating revenues of the utility—subsection (b)(4) divided by the operating revenues of the utility for a 12-month period as defined in subsection (b)(2)—or which it is calculated will increase the bills of 5% or more of the number of customers served by the utility—subsection (b)(3) divided by subsection (a)(2)—it shall submit to the Commission with the tariff, revision or supplement, in addition to the statements required by subsections (a) and (b), all of the following information:

(1) A statement showing the utility's calculation of the rate of return earned in the 12-month period referred to in subsection (b)(2), and the anticipated rate of return or operating ratio to be earned when the tariff, revision or supplement becomes effective. The rate base used in this calculation shall be supported by summaries of original cost for the rate of return calculation. When an

operating ratio is used in this calculation, it shall be supported by studies of margin above operation and maintenance expense plus depreciation as referred to in § 53.54(b)(2)(B).

Response: See Exhibit E-4 and E-3

(2) A detailed balance sheet of the utility as of the close of the period referred to in subsection (b)(2).

Response: See Exhibit E-1, Schedule 1

(3) A summary, by detailed plant accounts, of the book value of the property of the utility at the date of the balance sheet required by paragraph (2).

Response: See Exhibit E-1, Schedule 2

(4) A statement showing the amount of the depreciation reserve, at the date of the balance sheet required by paragraph (2), applicable to the property, summarized as required by paragraph (3).

Response: See Exhibit E-1, Schedule 2

(5) A statement of operating income, setting forth the operating revenues and expenses by detailed accounts for the 12-month period ending on the date of the balance sheet required by paragraph (2).

Response: See Exhibit E-1, Schedule 3

(6) A brief description of a major change in the operating or financial condition of the utility occurring between the date of the balance sheet required by paragraph (2) and the date of transmittal of the tariff, revision or supplement. As used in this paragraph, a major change is one which materially alters the operating or financial condition of the utility from that reflected in paragraphs (1)—(5).

Response: There were no significant changes.

(d) If a utility renders more than one type of public service, such as electric and gas, information required by § § 53.51—53.53 (relating to information furnished with the filing of rate changes), except subsection (c)(2), relates solely to the kind of service to which the tariff or tariff supplement is applicable. In subsection (c)(2), the book value of property used in furnishing each type of public service, as well as the depreciation reserve applicable to the property, shall be shown separately.

Response: Exhibit E-1, Schedules 2 and 4 show Pike's electric and gas information separately.

VERIFICATION

I, Charles Lenns, Vice President and Chief Financial Officer of Pike County Light & Power Company, hereby state that the facts set forth in the foregoing document are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing in this matter. This verification is made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

Charles Lenns
Vice President and Chief Financial Officer
Pike County Light & Power Company

Dated: October 26, 2020