**PENNSYLVANIA**

**PUBLIC UTILTY COMMISSION**

**Harrisburg, PA 17105-3265**

Public Meeting held August 11, 2016

Commissioners Present:

Gladys M. Brown, Chairman

Andrew G. Place, Vice Chairman

John F. Coleman, Jr.

Robert F. Powelson

David W. Sweet, Statement

Joint Application of Pike County Light :

And Power Company, Buyer Corning Natural :

Gas Holding Corporation and Seller Orange : A-2015-2517036

And Rockland Utilities, Inc. for a Certificate : A-2015-2517111

Of Public Convenience Approving the Transfer : G-2015-2517113

By Sale of 100% of the Stock of Pike County : G-2015-2517114

Light and Power Company from Seller Orange : S-2015-2517115

And Rockland Utilities, Inc. to Buyer Corning : S-2015-2517116

Natural Gas Holding Corporation :

**ORDER**

BY THE COMMISSION:

We adopt as our action the Recommended Decision of Administrative Law Judge Susan D. Colwell, dated June 30, 2016;

THEREFORE,

IT IS ORDERED:

1. That the Exhibit submitted by Corning Natural Gas Holding Corporation on June 9, 2016, marked CNGHC Exhibit No. 13, is admitted to the record.

2. That the Joint Petition for Settlement filed by Corning Natural Gas Holding Corporation, Pike County Light & Power Company, Orange & Rockland Utilities, Inc., the Office of Consumer Advocate and the Office of Small Business Advocate is approved without modification.

3. That the Joint Application of Pike County Light and Power Company, Corning Natural Gas Holding Corporation and Orange and Rockland Utilities, Inc. for a Certificate or Certificates of Public Convenience Evidencing the Pennsylvania Public Utility Commission's Approval of: the Transfer by Sale of 100% of the Issued and Outstanding Stock of Pike County Light & Power Company, a Public Utility Providing Natural Gas and Electric Distribution Service in Pennsylvania, from Seller Orange and Rockland Utilities, Inc. to Buyer Corning Natural Gas Holding Corporation; Approval of Certain Affiliated Interest Filings and Securities Certificates; and, All other Approvals or Certificates Appropriate, Customary or Necessary Under the Public Utility Code to Carry Out the Transactions Described in the Application, at Docket Nos. A-2015-2517036, A-2015-2517111, G-2015-2517113, G-2015-2517114, S-2015-2517115, and S-2015-2517116, is approved as modified by the Joint Petition for Settlement.

4. That the Stock Purchase Agreement dated October 13, 2015, and attached to the Joint Application as Attachment 1, is approved.

5. That the Electric Supply Agreement attached to the Joint Application as Attachment 9, is approved.

6. That the Gas Supply Agreement attached to the Joint Application as Attachment 10, is approved.

7. That the Transitional Services Agreement attached to the Joint Application as Attachment 11, is approved.

8. That the Affiliated Interest Agreement attached to the Joint Application as Attachment 12, is approved.

9. That the Securities Certificate of Pike County Light and Power Company with respect to a term loan not to exceed $12 million under Chapter 19 of Title 66 of the Public Utility Code and detailed under Attachment 13 to the Joint Application, is hereby registered.

10. That within 60 days of finalizing the term loan pursuant to the securities registration, Pike County Light and Power Company shall file notice with the Commission Secretary and shall serve notice upon the Finance Section of the Commission's Bureau of Technical Utility Services, together with a summary of terms of the loan.

11. That Joint Applicants shall file notice with the Commission Secretary and shall serve notice upon the Commission's Bureau of Technical Utility Services upon completion of the Transaction approved herein. If Joint Applicants determine that the Transaction will not take place, Joint Applicants shall promptly notify the Finance Section of the Commission's Bureau of Technical Services.

12. That the results of the study of alternative supply options for Pike County Light & Power Company's alternative supply options to be performed according to Paragraph 36(b) of the Joint Petition for Settlement be filed with the Commission's Bureaus of Audits, Consumer Services, and Technical Utility Services.

13. That the Joint Applicants shall notify the Supervisor of the Commission's Reliability and Emergency Preparedness Section of the Bureau of Technical Utility Services of scheduled meetings with OCA and OSBA to be held according to the Settlement ¶36(e). Staff shall have the option of either attending the meetings or receiving a report of the meeting within 30 days of its occurrence. Reports shall be confidential.

14. That Corning Natural Gas Holding Corporation file with the Commission's Reliability and Emergency Preparedness Section of the Bureau of Technical Utility Services a report detailing the results of the workforce study for the electric division, including the average yearly work hours and costs identified as well as the review of the three options explored to meet those needs. This report may be confidential.

15. That Pike County Light & Power Company shall provide a copy of the monthly update referred to in the Joint Settlement ¶36(g) to the Commission's Reliability and Emergency Preparedness Section of the Bureau of Technical Utility Services.

16. That Pike County Light & Power Company shall immediately notify the Commission's Reliability and Emergency Preparedness Section of the Bureau of Technical Utility Services upon the hiring of its General Manager.

17. That, within 60 days from the entry date of the final Commission Order in this matter, Pike County Light & Power Company, shall, consistent with its submission of January 30, 2015, submit to the Commission's Reliability and Emergency Preparedness Section of the Bureau of Technical Utility Services, an update regarding its Electric Division's Reliability Corrective Action Plan that shall include: a description of the corrective action activities completed in 2015, including key milestone dates, project start, and completion dates, as well as a description of the corrective actions taken and planned for 2016.

18. That filings for approval of the use of contractors under Settlement ¶36(h) shall also be served upon the Supervisor of the Commission's Reliability and Emergency Preparedness Section of the Bureau of Technical Utility Services.

19. That quarterly status reports required by Settlement ¶36(i) shall be filed with the Commission's Secretary and shall also be served upon the Commission's Reliability and Emergency Preparedness Section of the Bureau of Technical Utility Services.

20. That Pike County Light & Power Company shall meet with the Supervisor of the Commission's Reliability and Emergency Preparedness Section of the Bureau of Technical Utility Services to review the emergency plans required by 52 Pa.Code §§ 57.52 and 101.

****BY THE COMMISSION

Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: August 11, 2016

ORDER ENTERED: August 11, 2016