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| PUC logo | COMMONWEALTH OF PENNSYLVANIAPENNSYLVANIA PUBLIC UTILITY COMMISSIONP.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE** |

January 26, 2017

**Mr. Charles Barnes**

**Chief Financial Officer**

**C&T Enterprises, Inc.**

**33 Austin Street**

**P.O. Box 138**

**Wellsboro, PA   16901**

Re: Management Efficiency Investigation of Citizens’ Electric Company, Wellsboro Electric Company, and Valley Energy, Inc.; D-2016-2537443, D-2016-2537444, D‑2016-2537445

Dear Mr. Barnes:

 The Commission appreciates the cooperation extended to our staff by the management and employees of Citizens’ Electric Company, Wellsboro Electric Company, and Valley Energy, Inc. (collectively referred to as the C&T Companies) and their affiliates during the Management Efficiency Investigation (MEI). We seek your further cooperation in implementing the follow-up recommendations cited in the MEI report.

 At its Public Meeting of January 26, 2017, the Commission acknowledged receipt of the C&T Companies’ January 10, 2017 Implementation Plan and released it, along with the Audit Staff’s MEI report, to the public. The Commission notes that the C&T Companies’ Implementation Plan indicates acceptance of all five follow-up recommendations. Receipt of the Implementation Plan does not constitute acceptance by the Commission of the actions already taken, those to be taken, or the explanations and analysis provided. The C&T Companies’ implementation actions, together with any explanations and cost/benefit analyses, may be reviewed by the Commission at a later date. This review would be made to determine if the C&T Companies have effectively implemented the follow-up recommendations.

 Accordingly, the Commission directs the C&T Companies to proceed with the January 10, 2017 Implementation Plan. The Commission’s direction to proceed with the Implementation Plan should not be construed as approval of the plan.

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 Sincerely,

 Rosemary Chiavetta

 Secretary

Contact Person: John Clista

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