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July 25, 2017

Via Hand Delivery

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor (filing room)
PO Box 3265
Harrisburg, PA 17105-3265

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2017 JUL 25 PM 1:07
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SECRETARY'S BUREAU
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Re: 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; Docket Nos. A-2015-2517036 *et al.*; **Compliance Filing Letter Requesting Contractor Approval; PUBLIC VERSION**

Dear Secretary Chiavetta:

In compliance with Paragraph 36(h) of the Joint Petition for Settlement in the above-captioned proceeding ("Settlement"), approved by Commission Order dated August 11, 2016, Pike County Light and Power ("PCL&P") hereby requests that a Secretarial Letter be issued within 10 days approving the use of certain contractors. In relevant part, Paragraph 36(h) of the Commission-approved Settlement provides that the Company may demonstrate that staffing some or all of certain positions:

through contractor employees is cost-effective and fulfills PCL&P's obligation to provide service in accordance with the requirements of the Public Utility Code. If PCL&P determines to use contractors for any of the above positions, it shall provide its demonstration to the Commission for review and approval, which shall occur within 10 days of filing. This review and approval requirement shall expire 18 months after the date of closing.

As described below PCL&P requests the Commission approve its use of five contractors. Because the Commission-approved Settlement provides for expedited review and approval within 10 days, PCL&P requests that a Secretarial Letter be issued no later than August 4, 2017, approving this request for the contractors identified below.

1. **Pole Inspection and Repair.** PCL&P proposes to utilize OSMOSE to perform pole inspections and remedial actions for poles. OSMOSE will perform the PUC-required twelve-year cycle inspections and maintenance of PCL&P's poles. OSMOSE has performed these inspections and remedial work for PCL&P for many years under Orange and Rockland's prior ownership of PCL&P.
2. **Underground Facility Locating.** PCL&P proposes to utilize USIC to perform mark outs of underground facilities within the public right of way pursuant to requests that PCL&P receives from PA One Call. USIC is the largest national underground facility location with a long history of experience in utility underground facility location and working with One Call. USIC performs 70 million locates annually. See <https://www.usicllc.com/>.
3. **Storm Assistance and Recovery Service.** PCL&P proposes to utilize OSMOSE, during outages that require assessment in preparation of restoration, for field personnel to assess damage to PCL&P utility equipment, and if necessary return damaged equipment and materials to PCL&P's offices. OSMOSE has performed this role for PCL&P for many years under Orange and Rockland's prior ownership of PCL&P.

[BEGIN HIGHLY CONFIDENTIAL]

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[END HIGHLY CONFIDENTIAL]

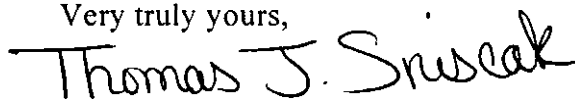
PCL&P has determined that utilizing each of these contractors is cost-effective and will enable PCL&P to provide service in accordance with the Public Utility Code. Each of these contractors is experienced in providing the respective services described above in accordance with utility standards, and PCL&P will diligently monitor their performance of these services to ensure PCL&P is providing service in accordance with the Public Utility Code.

PCL&P has determined that hiring of contractors to perform the individual functions is cost effective primarily due to the fact they are an immediate, productive workforce with vast variety and supply of equipment to perform the work. In the case of pole inspection and treatment, the inspection and treatment functions require specialized tools and/or application licensing to perform the work. For locating, the locator will be able to respond to day to day and emergency mark-outs, due to their employees working in the four surrounding utilities, including Orange and Rockland and Met Ed. All of the above contractors have flexibility in the number of available manpower, which provides an immediate expertise, well trained and equipped personnel. Using experienced contractors that already have the necessary equipment available to them will be more efficient for PCL&P than attempting to piece together a full-time labor force, especially where the work needed consists of highly differential tasks on a sporadic basis.

The above paragraphs are HIGHLY CONFIDENTIAL because the contractors in question remain competing candidates for the respective contracts.

Enclosed is the signed verification of Steven Grandinali, PCL&P's General Manager. PCL&P requests that a secretarial letter be issued approving the use of contractors as described above within 10 days (August 4, 2017) pursuant to Paragraph 36(h) of the Order.

Very truly yours,




Thomas J. Sniscak
Whitney E. Snyder

Cc: Dan Searfoorce, TUS (via e-mail and U.S. Mail)
David Washko, TUS (via e-mail and U.S. Mail)
Per Certificate of Service

VERIFICATION

I, Steven L. Grandinali, General Manager of Pike County Light and Power Company, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).



Steven L. Grandinali
General Manager
Pike County Light and Power Company

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

BY ELECTRONIC AND FIRST CLASS MAIL

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Thomas J. Sniscak

Thomas J. Sniscak, Esquire
Whitney E. Snyder, Esquire

DATED: July 25, 2017

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