



Exelon®

Direct Dial No: (215) 841-4534

Fax No. (215) 841-4474

September 5, 2012

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P. O. Box 3265
Harrisburg, PA 17105-3265

RE: Agreement of Sale between PECO Energy and Hatfield Township

Dear Ms. Chiavetta:

Enclosed for filing and approval pursuant to §507 of the Public Utility Code is an original and one copy of a Agreement of Sale between PECO Energy Company and Hatfield Township regarding the widening of Elroy Road and installation of a sidewalk in Hatfield Township, Montgomery County, Pennsylvania.

Kindly advise me of the Commission's approval thereof. Enclosed for your convenience is a self-addressed U.S. postage paid envelope.

Very truly yours,

Merrick L. Friel
Senior Legal Analyst

Enclosures

cc: Suzanne Lydzinski

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AGREEMENT OF SALE

THIS AGREEMENT OF SALE (this "Agreement") made as of this th 30 day of August, 2012 (the "Effective Date"), by and between PECO ENERGY COMPANY, a Pennsylvania corporation ("Seller") and Hatfield Township ("Buyer") (Buyer and Seller are collectively referred to as the "Parties").

BACKGROUND

A. Seller is the owner of a certain parcel of ground situate in Hatfield Township, Montgomery County, Pennsylvania, containing 0.09 acres, more or less, as more fully described on the legal description and as more particularly shown outlined in red on the plan attached hereto as Exhibit "A" (the "Premises").

B. Buyer desires to purchase, and Seller desires to sell, the Premises, excluding any of Seller's facilities in, on or under the Premises, upon the terms and conditions contained herein. This is a sale in lieu of condemnation.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties hereto, intending to be legally bound, agree as follows:

1. Purchase and Sale. For the purchase price and subject to the terms and conditions herein, Seller agrees to sell to Buyer, "As Is", and Buyer agrees to purchase, the Premises.

2. Purchase Price.

(a) The purchase price for the Premises is THREE THOUSAND FIVE HUNDRED TEN DOLLARS (\$3,510.00) (the "Purchase Price") payable as follows:

(i) The Purchase Price shall be paid in cash, wiring of federal funds, certified check or title insurance company check at the time of Settlement, as described in Section 5.

3. Title.

(a) Title to the Premises shall be good and marketable and such as will be insured by a reputable title insurance company ("Title Company") doing business in Pennsylvania at its regular rate, free and clear of all liens, encumbrances, restrictions and easements except as follows:

(i) To easements, rights, covenants, conditions and restrictions of record, if any, or otherwise visible (and as contained in this Agreement and which a survey or personal inspection might reveal), which do not interfere with Buyer's intended use of the Premises.

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(ii) To ordinances, rules and regulations of governmental or regulatory bodies.

(iii) The easements, reservations or restrictions benefiting Seller set forth on Exhibit "B" attached hereto.

(b) If Buyer purchases title insurance, Buyer shall provide Seller with a copy of a title insurance commitment for the Premises at least ten (10) days prior to Settlement. In the event title is not as agreed, Buyer shall have the option of taking such title as Seller can deliver without abatement of Purchase Price, or of terminating or canceling this Agreement. In the latter event, this Agreement shall be null and void and the Deposit shall be returned to Buyer, provided Buyer has restored the Premises as provided in Section 10(e).

4. Apportionments.

(a) Real estate taxes, water and sewer rent and property rents, if any, for the Premises shall be apportioned, pro rata, as of the date of Settlement.

(b) Any real estate transfer taxes, if any, shall be divided equally between Seller and Buyer. Buyer shall be solely responsible for any real estate transfer tax due as a result of Buyer's assignment of its interest under this Agreement. This section shall survive Settlement.

5. Settlement.

(a) Settlement shall take place within One Hundred Twenty (120) days after the date of this Agreement, unless extended by mutual consent in writing.

(b) Settlement shall take place at the office of the Title Company or at some other mutually agreeable location during normal business hours.

6. Events to Occur at Settlement. At Settlement, the following shall occur:

(a) Seller shall deliver to Buyer possession of the Premises, free and clear of all leases and occupancies, except as set forth in this Agreement, by Special Warranty Deed in Lieu of Condemnation prepared by Seller and acceptable to Buyer.

(b) Buyer shall deliver to Seller evidence reasonably satisfactory to Seller and to the Title Company that Buyer has the authority to execute and deliver all documents to be executed and delivered by Buyer at Settlement and that the person executing such documents on behalf of Buyer will have the right, power and authority to do so.

(c) Buyer shall deliver or cause to be delivered to Seller an amount equal to the Purchase Price, adjusted for the apportionments referred to herein, and all other sums, if any, due from Buyer pursuant to this Agreement.

(d) Buyer shall execute and deliver to Seller, in recordable form a right-of-way grant for electric, gas and telecommunications facilities within and immediately outside the highway limits of the roads abutting the Premises, substantially in the forms attached hereto and made a part hereof as Exhibit "C"

7. Seller's Management Approval.

(a) Seller's obligation to complete Settlement under this Agreement is contingent upon Seller receiving its management's approval of this Agreement within ten business days (10) days after the date of Seller's execution of this Agreement. Seller's execution of this Agreement does not represent its management's approval as required by this Section. If Seller is unable to obtain its management's approval within said ten (10) business days, Buyer or Seller may terminate this Agreement.

(b) UNLESS SIGNED BY SELLER IN THE PLACE SET FORTH BELOW, THE DELIVERY OF THIS AGREEMENT DOES NOT CONSTITUTE A CONTRACTUAL OFFER; AND BINDING COMMITMENTS (OR OTHER OBLIGATIONS OF ANY KIND) WILL ARISE ONLY IF AND WHEN A MUTUALLY ACCEPTABLE AGREEMENT IS FINALLY SIGNED BY BOTH BUYER AND SELLER.

8. Condemnation; Assessments; Zoning.

(a) Seller represents and warrants to Buyer that, to the best of its knowledge and belief, as of the date of this Agreement there is no taking or condemnation pending of any portion of the Premises by virtue of an exercise of the power of eminent domain. Seller agrees to immediately notify Buyer if notice of condemnation or other legal action is served upon Seller for the Premises or any portion thereof.

(b) Any work affecting the Premises or the abutting road(s) required by any constituted authority prior to the date of this Agreement shall be paid for by Seller and all such work required after the date of this Agreement shall be paid for by the Buyer provided Settlement is completed hereunder. Buyer agrees to reimburse Seller at Settlement for the cost of all such work paid for by Seller prior to Settlement, which is the obligation of Buyer pursuant to the foregoing sentence. Seller covenants and represents that to the best of its knowledge there are no notices outstanding requiring the doing or abatement of any act or work affecting the Premises or abutting road(s) which have not been fully complied with.

(c) To the best of Seller's knowledge the current zoning classification for the Premises is ER – Estate Residential.

9 Casualty. No destruction, damage or casualty to the Premises or any part thereof shall affect the obligations of the parties. Buyer hereby assumes all risk of loss to the Premises.

10. Environmental Matters.

(a) (i) Buyer, at its sole cost and expense, shall have the right to arrange for and conduct an independent Phase I environmental assessment of the Premises, which shall be completed within thirty (30) days after the date of this agreement, to determine the presence of Hazardous Substances. As used in this Agreement, the term Hazardous Substances shall include petroleum and petroleum products and wastes, substances, chemicals or materials designated as toxic or hazardous under the federal Resource Conservation and Recovery Act ("RCRA"), the federal Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), the federal Toxic Substances Control Act ("TSCA"), the state Hazardous Sites Cleanup Act ("HSCA"), or any other similar federal, state or local statute, rule or regulation pertaining to environmental regulation, contamination or clean-up. Buyer shall provide Seller with copies of the environmental assessment report within five (5) days after Buyer receives the environmental assessment report. If either party is not reasonably satisfied with the contents of the environmental assessment report, either party shall be entitled to terminate this Agreement by giving written notice to the other party within fifteen (15) days after receipt of the environmental assessment report.

(ii) No right is granted hereunder for the Buyer or its contractor performing the Phase I environmental assessment to perform any testing, drilling, core borings or any other type of sampling (collectively "testing") of the Premises without the Seller's prior written approval. Buyer hereby agrees to indemnify Seller against any and all costs and expenses to Seller resulting from Buyer or his contractors performing such testing without Seller's prior written approval. This indemnification shall survive termination of this Agreement.

(b) In connection with the Buyer's Phase I environmental assessment, Buyer assumes all risk of loss or damage of any kind or nature to equipment used for the testing and all risk of injury or death to Buyer's employees, workmen or contractors from any causes whatever in performing such tests. Buyer shall at all times hereafter indemnify, protect and save harmless Seller (and its officers, agents and employees) from and against any and all claims, actions, demands, damages, costs and expenses (including, without limitation, reasonable attorneys' fees) based on injury or damage to the person or property of any person, firm or corporation (including the parties hereto, their officers, agents and employees) and caused by or arising from Buyer's inspection testing and the restoration of the Premises, regardless of whether any such liability, damage, loss or injury is caused by or arises out of the negligence of Seller except for the sole negligence of Seller. This indemnification shall survive Settlement or termination of the Agreement. In addition to the above indemnification but not in limitation thereof, Buyer agrees to carry insurance with limits not less than indicated below, for the duration of Buyer's testing:

Commercial General Liability Insurance (with coverage consistent with ISO Form CG 0001 (12/04) covering liability for bodily injury and property damage arising from premises, operations, independent contractors, personal/advertising injury, and blanket contractual liability for all of Buyer's contractors, subcontractors and their subcontractors (including but not limited to coverage for claims against Seller for injuries to employees of Buyer or its contractors or subcontractor's with limits of not less than \$4,000,000 per occurrence. Such insurance shall name Seller, its officers, agents and employees, as additional insureds; be primary insurance for all purposes; and contain waiver of subrogation provisions.

Evidence of the above insurance shall be forwarded to Seller prior to entry onto the Premises and contain a provision that Seller be notified with at least ten (10) days prior notice, in the event of cancellation of the insurance.

(c) Buyer and its employees, workmen or contractors shall not commit any acts of waste to the Premises and shall restore the Premises to the condition as existed immediately prior to the environmental assessment upon completion of such assessment.

(d) Seller shall also have the right, but not the obligation, to perform an environmental assessment of the Premises and shall provide Buyer with a copy of the environmental assessment report within ten (10) days after Seller receives such environmental assessment report. Thereafter if either party is not reasonably satisfied with the results of Seller's environmental assessment report then either party shall be entitled to terminate this Agreement within fifteen (15) days following Buyer's receipt of such environmental assessment report by giving written notice thereof to the other party. If Buyer elects to rely upon Seller's environmental assessment report in lieu of obtaining its own environmental assessment report and purchases the Premises then in such event Buyer agrees to indemnify, protect and save harmless Seller (and its officers, agents and employees) from and against any and all claims, actions, demands, damages, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from any Hazardous Substances found upon the Premises and not contained in Seller's environmental assessment report. This indemnification shall survive Settlement or termination of this Agreement.

(e) If this Agreement is terminated as provided in this Section 10, it shall become null and void and the Deposit shall be returned to Buyer (provided Buyer is not in default hereunder), neither party shall have any further duties or obligations hereunder (except that Buyer must restore the Premises as nearly as reasonably possible to its condition as existed prior to Buyer performing its environmental assessment) and Buyer and Seller shall execute such documentation as shall be necessary to release each party from all duties and obligations under this Agreement. If this Agreement is not so terminated, Buyer shall be deemed to have elected to purchase the Premises, subject to the conditions and contingencies set forth in this Agreement.

(f) If Hazardous Substances were found to be present on the Premises, and the parties have not terminated this Agreement, then a notice of such Hazardous Substances shall be included in the deed in accordance with all applicable environmental laws.

11. Notices. All notices required to be given under this Agreement shall be in writing and shall be deemed given when deposited in the United States Postal Service, Certified Mail return receipt requested or by recognized commercial courier service, return receipt requested.

Notices to Seller shall be addressed to:

PECO Energy Company
2301 Market Street, N3-3
P. O. Box 8699
Philadelphia, Pennsylvania 19101 (Courier Service 19103)
Attention: Director, Real Estate & Facilities

Notices to Buyer shall be addressed to:

Mr. Andrew Haines
Township Manager
1950 School Road
Hatfield, PA 19440

12. Broker's Commissions. Each party represents and warrants to the other that it has not consulted any real estate broker or agent with regard to the purchase of the Premises which could cause anyone to be liable for any real estate commissions or fees and each agrees to indemnify the other from and against any and all loss, costs, or expense, including but not limited to reasonable attorney's fees, from claims for compensation asserted by any third party by reason of such party's breach of its representation or warranty contained in this Section. This Section shall survive Settlement.

13. No Recording. This Agreement shall not be recorded in any public office. Any attempt by Buyer to record this Agreement shall constitute a default by Buyer hereunder.

14. Inspections and Representations. Buyer has either inspected the Premises, or has waived the right to do so, and, except as otherwise expressly stated herein, is entering into this Agreement relying solely upon such inspection as to the condition and character of the Premises and the suitability thereof for its purposes. Except as expressly stated herein, Seller, its employees and/or agents, have made no representations or warranties with respect to the Premises, and Buyer waives and releases Seller from any claims, causes of action, obligations or liabilities relating to the

compliance of the Premises with any and all federal, state, local, environmental or other laws and regulations.

15. Public Road Access. Buyer is aware that access to a public road may require issuance of a highway occupancy permit from the Pennsylvania Department of Transportation and/or the local municipality.

16. Assignment by Buyer. Buyer shall not assign its interest in this Agreement without first obtaining the prior written consent of Seller.

17. Time of the Essence. Time is of the essence in this Agreement.

18. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, and, to the extent that assignment is permitted, their assigns.

19. Entire Agreement. The entire agreement between the parties is herein written, and the parties shall not be bound by any agreements, understandings or conditions other than are expressly set forth and stipulated in this Agreement or in any subsequent written amendments to this Agreement signed by the parties hereto.

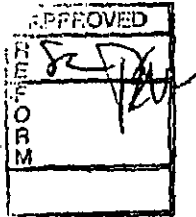
20. Governing Law.

(a) This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Pennsylvania.

(b) Seller shall file a copy of this Agreement with the Pennsylvania Public Utility Commission promptly upon the execution hereof and the 33rd day after such filing shall be the effective date of this Agreement, unless prior to such date proceedings are instituted as provide in Section 507 of the Pennsylvania Public Utility Law, Title 66, and in the event of the institution of such proceedings, then this Agreement shall become effective as to Seller only after approval by the Pennsylvania Public Utility Commission.

Signature Page To Follow


EXECUTED the day and year first above written.



Seller: PECO ENERGY COMPANY

BY: 
M. A. Williams, Director,
Real Estate & Facilities

Buyer: HATFIELD TOWNSHIP

BY: 
NAME: Andrew S. Haines
TITLE: Twp Manager

File No. PE 5853-2; 5852-2

SML

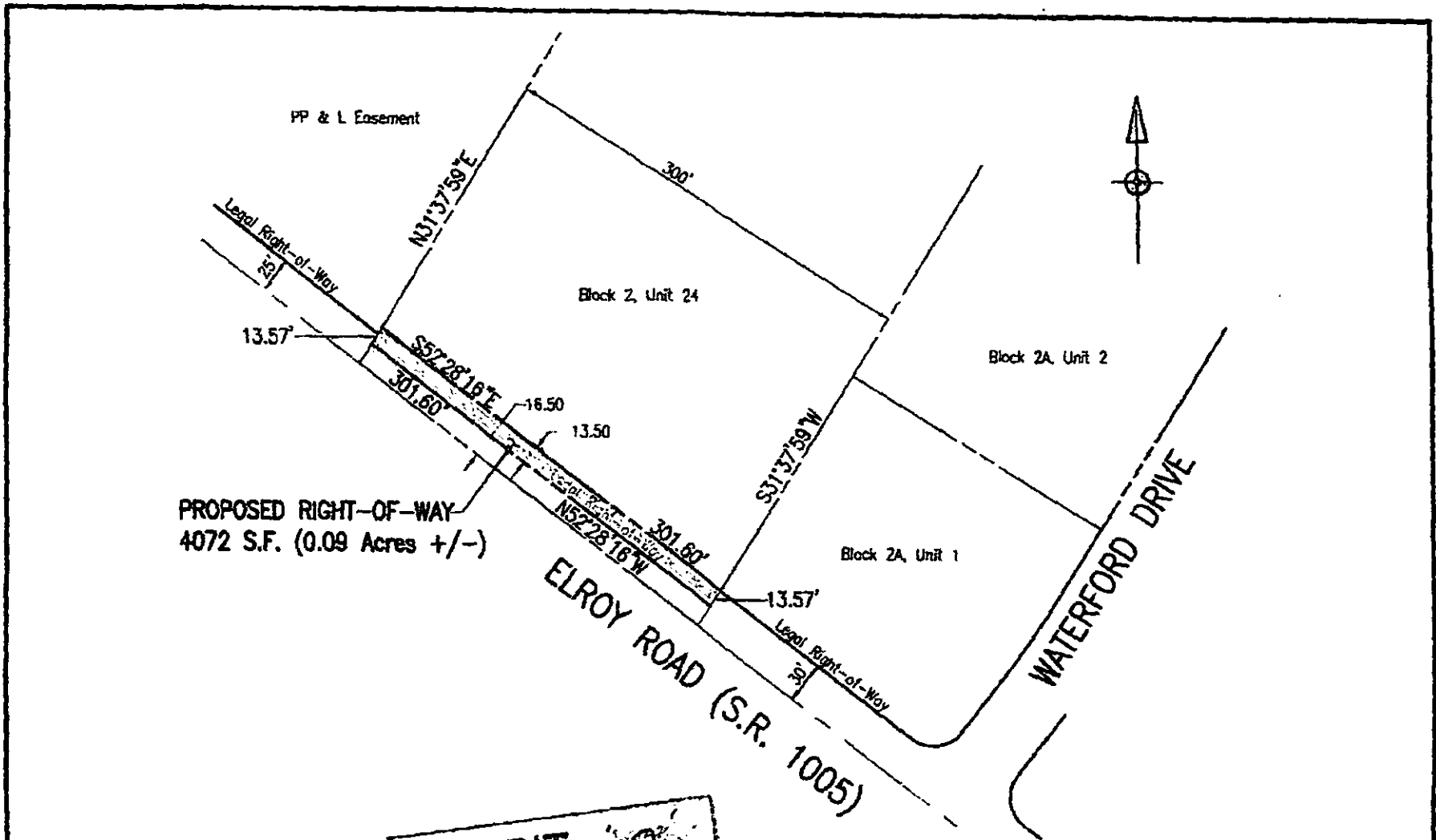
EXHIBIT "A"

PREMISES

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PROPOSED RIGHT-OF-WAY
4072 S.F. (0.09 Acres +/-)

EXHIBIT "A"

NOTES:

1. THIS PLAN MAKES REFERENCE TO A PLAN ENTITLED 'WEARS TRACT' AS PREPARED BY HERITAGE SURVEYORS AND ENGINEERS, INC., DATED JUNE 12, 1992 AND RECORDED IN PLAN BOOK A54, PAGE 317 AT THE MONTGOMERY COUNTY RECORDER OF DEEDS OFFICE, NORRISTOWN, PENNSYLVANIA.
2. THIS PLAN ALSO REFERENCES ALL DEEDS OF RECORD.

PROJ. #3300-51

RIGHT OF WAY ACQUISITION		
N/L Block 2, Unit 24 Philadelphia Electric Company		
<small>Watfield Township, Montgomery County, Pennsylvania</small>		
Date: 4/24/12	Scale: 1"=100'	CKS Engineers, Inc. <small>66 South Main Street, Doylestown, PA 19301 (215) 340-0600</small>

LEGAL DESCRIPTION
RIGHT-OF-WAY ACQUISITION
BLOCK 2, UNIT 24
HATFIELD TOWNSHIP

DESCRIPTION OF ALL THAT CERTAIN 13.50 feet wide strip of land situate in the Township of Hatfield, County of Montgomery, Commonwealth of Pennsylvania, for a Right-of-Way Acquisition through the lands of Block 2, Unit 24, described in accordance with a plan entitled "Right-of-Way Acquisition, Block 2, Unit 24, Philadelphia Electric Company", as prepared by CKS Engineers, Inc., Doylestown, Pennsylvania, dated April 25, 2012.

BEGINNING at a point, said point being formed by the intersection of the northwesterly line of Block 2A, Unit 1, and the legal right-of-way of Elroy Road (S.R. 1005), 30.00 feet half-width at this point; thence from said point of BEGINNING through the bed of said Elroy Road, S 31° 37' 59" W, 13.57 feet to a point, a corner, said point being the northeasterly side of said Elroy Road (16.50 feet wide at this point); thence along said northeasterly side of Elroy Road, N 52° 28' 16" W, 301.60 feet to a point, a corner; thence leaving said northeasterly side of Elroy Road along the northwesterly line of Block 2, Unit, 24, N 31° 37' 59" E, 13.57 feet to a point, a corner; thence through the lands of Block 2, Unit 24, of which this is a part, S 52° 28' 16" E, 301.60 feet to the first mentioned point and place of BEGINNING.

CONTAINING 4,072 square feet (0.09 acres), more or less.

This legal description makes reference to a plan entitled 'Mears Tract' as prepared by Heritage Surveyors and Engineers, Inc., dated June 12, 1992 and recorded in Plan Book A54, Page 317 at the Montgomery County Recorder of Deeds Office, Norristown, Pennsylvania.

This legal description also references all deeds of record.

EXHIBIT A

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Easements, Reservations and Restrictions

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(i) Neither the Buyer nor Seller, their respective heirs, successors, and assigns, shall be liable or obliged to construct or maintain any fences between the Premises and the remaining ground of Seller adjoining the Premises.

(ii) No building, buildings or other structures of any kind whatsoever, or any part thereof, nor house trailer or any part thereof, shall ever be constructed, placed or used within the Premises.

(iii) Seller, its successors and assigns, reserve the full, free and uninterrupted right, liberty and privilege to lay, construct, install, use, operate, maintain, repair, renew, add to, relocate and replace facilities, including poles, towers, structures, wires, cables, fiber optics, cross-arms, anchors, anchor guys, guy wires, conduits, pipes, gas service pipes, gas mains, manholes, communications equipment including antennas, equipment cabinets, foundations and fences, and other equipment and appurtenances necessary for the transmission and distribution of electricity, gas and telecommunications in, on, over, under, across and along the Premises. Together with the right, as often as Seller, its successors, and assigns, shall deem necessary, to cut down, trim and remove from the strip of ground any trees, roots of trees, brush, buildings, or other things. Also together with the right to cut down, trim and remove from the Premises adjoining the strip of ground any trees which may endanger the safety of, interfere with the use of, or be a menace to any facilities or structures constructed or which may be constructed by Seller, its successors and assigns, upon the strip of ground.

Also together with the right of ingress and egress to, from and over the strip of ground as necessary for the exercise of the rights reserved hereunder. Under and subject to the express conditions and restrictions, that at no time shall any buildings or other structures of any kind whatsoever, or any part thereof, or house trailer nor any part thereof, ever be constructed, placed or used within the strip of ground. And the Buyer for itself, its successors and assigns, by acceptance of this deed, agrees with the Seller, its successors and assigns, that such conditions and restrictions shall be covenants running with the land and that in any deed of conveyance of the Premises or any part thereof, to any person or persons, such conditions and restrictions shall be incorporated by reference to this deed and the record hereof or as fully as the same are contained herein. Excepting and reserving thereout and therefrom unto Seller the ownership of any existing facilities located within the Premises and the strip of ground.

(iv) Buyer will contact PA One Call to locate existing underground utilities before any digging occurs.

(v) All work shall be in compliance with Seller's Electric Construction Standards S-7070; S-7073; and S-7074 a copy of which is attached hereto.

(vi) It is the obligation of the Buyer to maintain, repair and renew

the Premises including snow removal. Seller shall have the option of snow removal, but not the obligation.

(vii) Buyer will be responsible for the cost of relocation (if necessary) of existing PECO aerial and underground circuit.

**CONDITIONS FOR WORKING IN THE VICINITY OF
ELECTRIC TRANSMISSION LINES OF
PECO AND ITS SUBSIDIARIES**

CONTACT WITH POWER LINES CAN RESULT IN DEATH OR SERIOUS BURNS

**CALL PECO AT 610-648-7926 or 7913 BEFORE WORKING IN THE
VICINITY OF PECO ELECTRIC TRANSMISSION LINES**

1 DEFINITIONS: As used in this Standard:

- 1.1 PECO means PECO and its subsidiaries.
- 1.2 Contractor means natural person, firm, business association, company, partnership, corporation, tenant, lessee, grantee or licensee who or which is controlling or performing the job or activity that necessitates the approval and notification required by this standard.
- 1.3 In the vicinity of PECO electric transmission lines means construction or other work activities on or adjacent to rights-of-way or easements that contain PECO electric transmission lines, including but not limited to any use of cranes, booms, hoists, ladders or other equipment or items that might come within the clearance distances set forth in Table I, below.

TABLE I
Clearance Distance to Transmission Lines

<u>Nominal Operating Voltage</u> (volts)	<u>PECO Recommended Distance</u>		<u>OSHA (1926.1408) Regulatory Distance</u>	
	(feet)	(meters)	(feet)	(meters)
500,000	35	10.7	25	7.7
230,000	25	7.7	20	6.1
138,000	20	6.1	15	4.6
69,000	15	4.6	15	4.6
34,000 and below	12	3.7	10	3

- 2 **APPROVAL:** All contractors engaged in construction or other work activities on PECO rights-of-way must obtain the specific advance written approval of PECO Real Estate Department, 2301 Market Street, Philadelphia, Pa. 19101, Telephone (215) 841-5471.

- 3 **CONTRACTOR'S DUTY AND RESPONSIBILITY:** It is the contractor's duty and responsibility to ensure that all construction or other work activities in the vicinity of PECO electric transmission lines shall be performed in accordance with the latest applicable federal, state and local statutes and regulations governing the safe operation of cranes, booms, hoists, ladders or other equipment and safe work practices of personnel in the vicinity of electric transmission lines.
- 4 **RESPONSIBILITY FOR SUB-CONTRACTORS:** The prime contractor shall be responsible for supplying copies of the S-7070 to all sub-contractors and determining that the sub-contractors are familiar with the information contained therein.
- 5 **NOTIFICATION:** In addition to the advance approval required in paragraph 2, the contractor shall contact PECO in accordance with the following schedule:
 - 5.1 As soon as possible, but no less than thirty (30) calendar days before construction or other work activities are to start, if at any time any construction or work activities may or could take place in the vicinity of PECO electric transmission lines, the contractor shall contact PECO New Business Group (800-841-4141) and Transmission and Substations OHT Supervisor, Overhead Transmission Center, 1040 Swedesford Road, Berwyn, Pa. 19312, Telephone 610-648-7926 or 610-648-7913. After this notification, PECO will review the project and coordinate with the contractor on what precautionary safety measures, if any, are appropriate: If transmission line outages are required, the contractor and representatives of the T&S will work together to develop a tentative schedule.
 - 5.2 The contractor shall also contact the T&S OHT Supervisor at 610-648-7926 or 7913 at least ten (10) working days before construction or other work activity is to begin to confirm scheduling and arrangements.
 - 5.3 If at any time during construction or other work activities, a previously unanticipated need for equipment or personnel in the vicinity of PECO electric transmission lines occurs, the contractor shall immediately contact the OHT Supervisor at 610-648-7926 or 7913. Construction or other work activities in the vicinity of PECO transmission lines without prior notice to PECO in accordance with paragraphs 5.1 and 5.2 is potentially dangerous and is absolutely forbidden.
 - 5.4 In addition to electric transmission lines, PECO rights-of-way and easements may also contain distribution lines. Contractor shall treat all overhead power lines as energized and potentially dangerous.

Contractor shall notify PECO at 610-648-7926 or 7913 if at any time any construction or other work activities may or could take place in the vicinity of any overhead power lines.

- 5.5 In the event of any contact with PECO facilities, the contractor shall call the PECO System Operations at 215-841-5144 as soon as possible.

6 OUTAGES:

6.1 PECO shall determine the available time periods for line outages in the event de-energizing conductors is necessary. If the contractor insists on a specific day or time for an outage which results in the use of inefficient generation, the contractor shall reimburse PECO for the additional generating costs, as determined by PECO System Operations Division.

6.2 If an emergency occurs on the PECO system during a scheduled line outage period and that line is required to maintain system integrity, the contractor shall, within one hour, make the transmission line available for PECO's use and shall cease work within the vicinity of the line.

7 **REIMBURSEMENT BY CONTRACTOR:** PECO shall be reimbursed by the contractor for all costs and expenses incurred in implementing any precautionary safety measures.

8 **BLASTING:** No blasting shall be permitted in the vicinity of transmission line facilities without specific advance written approval by PECO. Notification of intent to blast shall be made in accordance with paragraph 5.2.

9 EXCAVATIONS:

9.1 No one shall excavate closer than 35 feet to PECO transmission structures or anchors without specific advance written approval by PECO. Notification of intent to excavate shall be made in accordance with paragraphs 5.1 and 5.2.

9.2 Contractors shall comply with the provisions of the Pennsylvania or Maryland One-Call Systems. In Pennsylvania, call 1-800-242-1776. In Maryland, call 1-800-257-7777.

- 10 **GROUNDING SYSTEM:** The contractor shall notify the OHT Supervisor in the event he/she or any subcontractor uncovers or destroys any transmission line grounding leads. The repairs to this equipment shall be made by PECO personnel at the contractor's expense. Contractors and their personnel shall not touch, handle or attempt to repair any exposed or severed grounding leads.
- 11 **STORAGE:** No buildings, storage sheds, trailers, combustible or hazardous materials shall be placed or stored under a transmission line conductor or within 50 feet of a structure.
- 12 **CLEAN-UP OPERATIONS:** After completing construction, the contractor shall remove all unused material and debris, re-establish all roads and trails and return the right-of-way to its original condition within thirty (30) calendar days of work completion. The contractor shall notify PECO at the address described in paragraph 5.1 upon completion of the clean-up operations so that PECO may arrange an inspection to assure compliance with these requirements.

**INFORMATION REQUIRED TO EVALUATE PROPOSED
TRANSMISSION LINE RIGHT-OF-WAYS SECONDARY USES OF
PECO AND ITS SUBSIDIARIES**

PECO considers proposed secondary uses of transmission line rights-of-way in accordance with its electric construction standards S-7072, "Secondary Uses for Rights-of-Way Along Electric Transmission Lines of PECO and Its Subsidiaries" and S-7074, "General Conditions Regulating Approved Secondary Uses for Transmission Line Rights-of-Way of PECO and Its Subsidiaries" respectively. In order to properly evaluate these proposed secondary uses, PECO requires that certain information be submitted to its Real Estate Department as follows:

1.0 PRELIMINARY PLANS

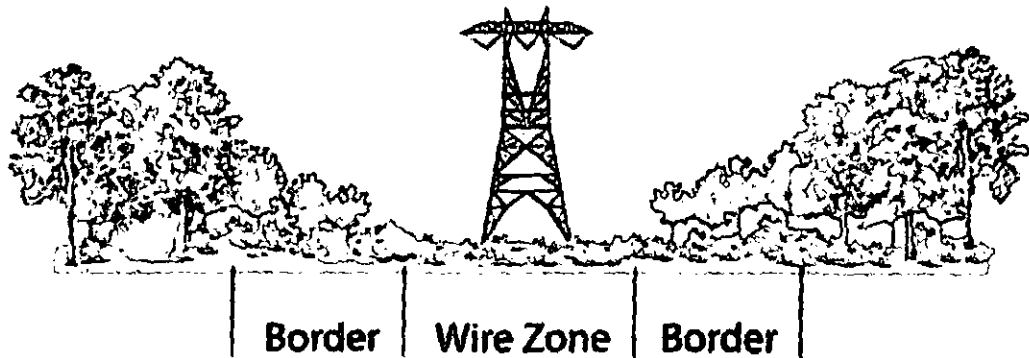
PECO will accept for review and comment a preliminary sketch or concept plan prepared in advance of formal drawings for the purpose of determining the feasibility of a particular right-of-way use. This plan shall indicate the proposed use and general location in relation to PECO's facilities. Six (6) copies of this preliminary report shall be submitted to PECO Real Estate Department, 2301 Market Street, Philadelphia, PA 19101.

2.0 FINAL DRAWINGS - Submission of the final drawings shall be required before PECO will consider granting final approval of the project and before any work may begin on PECO property. Six (6) copies of the final drawings containing the following information shall be submitted for approval to the PECO Real Estate Department:

- 2.1 Location of all PECO transmission and distribution structures, including identification numbers, poles, guys manholes, and all underground facilities.
- 2.2 Grade elevations at the base of all PECO facilities.
- 2.3 Proposed road and parking lot details including location, type of construction, grade elevations, drainage plans, and the location of any curbs, sidewalks or protective barriers.
- 2.4 The location and height of all proposed street lights.
- 2.5 Where regarding is necessary, include both existing and final grades on the plans.
- 2.6 Where plantings are proposed, the location, the height above final grade at maturity, the number and the species shall be specified.

**SECONDARY USES FOR RIGHTS-OF-WAY ALONG
ELECTRIC TRANSMISSION LINES OF
PECO AND ITS SUBSIDIARIES
ELECTRIC CONSTRUCTION STANDARDS**

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2.7 The diagram above provides guidance for planting within the electric transmission right-of-way. Grasses and herbaceous plants are permitted in the wire zone. Trees may not be planted in the wire zone. Small growing trees or shrubs may be permitted in the border zone of the right-of-way.

2.8 The location, size, and depth of all proposed underground facilities such as water and sewer lines shall be specified.

2.9 All plans shall be drawn to a suitable scale and elevations shall be referenced to U.S. Coast & Geodetic datum or other datum acceptable to PECO.

3.0 **SAFETY** - All plans and drawings, preliminary and final, involving work in the vicinity of PECO electric lines must include the following:

CONTACT WITH POWER LINES CAN RESULT IN DEATH OR SERIOUS BURNS. TREAT ALL OVERHEAD POWER LINES AS ENERGIZED AND POTENTIALLY DANGEROUS. All contractors and subcontractors must obtain copies of PECO Energy Electric Construction Standard S-7070, "Conditions for Working in the Vicinity of Electric Transmission Lines of PECO and its Subsidiaries" and comply with its provisions.

**SECONDARY USES FOR RIGHTS-OF-WAY ALONG
ELECTRIC TRANSMISSION LINES OF
PECO AND ITS SUBSIDIARIES
ELECTRIC CONSTRUCTION STANDARDS**

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4.0 REFERENCES

4.1 PECO Construction Standards

- 4.1.1 S-7070: "Conditions for Working in the Vicinity of Electric Transmission Lines of PECO and Its Subsidiaries"**
- 4.1.2 S-7072: "Secondary Uses for Rights-of-Way along Electric Transmission Lines of PECO and Its Subsidiaries"**
- 4.1.3 S-7074: "General Conditions Regulating Approved Secondary Uses for Transmission Line Rights-of-Way of PECO and Its Subsidiaries."**

**SECONDARY USES FOR RIGHTS-OF-WAY ALONG
ELECTRIC TRANSMISSION LINES OF
PECO AND ITS SUBSIDIARIES
ELECTRIC CONSTRUCTION STANDARDS**

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**GENERAL CONDITIONS REGULATING APPROVED SECONDARY
USES FOR TRANSMISSION LINE RIGHTS-OF-WAY OF PECO AND ITS
SUBSIDIARIES**

CONTACT WITH POWER LINES CAN RESULT IN DEATH OR SERIOUS BURNS

**CALL PECO AT 610-648-7926 OR 610-648-7913 BEFORE WORKING IN THE
VICINITY OF PECO ELECTRIC TRANSMISSION LINES**

The following GENERAL CONDITIONS regulate approved secondary uses of PECO transmission line rights-of-way, whether owned in fee or controlled by easement. The acceptable non-transmission line uses are summarized in PECO Electric Construction Standard S-7072, "Secondary Uses for Rights-of-Way Along Electric Transmission Lines of PECO and Its Subsidiaries."

1.0 UNDERSTANDING

- 1.1** User understands that PECO's business includes construction, installation, maintenance, operation and use of structures, fixtures, facilities and instrumentation, with appurtenances, which now exist or which may hereafter be placed on the right-of-way, which are used or useful for the generation, conversion, transmission or distribution of electricity, or gas or telecommunications services.
- 1.2** User agrees to comply with all requirements of any of the constituted public authorities, and with the terms of any federal or state statute or local ordinance or regulation applicable to the use of the right-of-way, and agrees to indemnify and hold PECO harmless from penalties, fines, costs or damages resulting from User's failure to do so.
- 1.3** User understands that PECO, its successors and assigns, shall have the right to continue to use its rights-of-way for the purposes listed in paragraph 1.1 hereof. PECO reserves the right to require User to relocate or remove any installations, improvements, or plantings. Any relocation or removal shall be accomplished in accordance with the terms and conditions of User's written lease agreement, if applicable, or in accordance with terms and conditions specified by PECO.

2.0 APPROVAL

All proposed secondary uses of PECO rights-of-way shall be subject to the prior written approval of the PECO Real Estate Department, 2301 Market Street, Philadelphia, PA 19101, Telephone (215) 841-5471. All related notifications, submissions and requests for approval, unless otherwise specified, shall be directed to the PECO Real Estate Department.

**GENERAL CONDITIONS REGULATING APPROVED SECONDARY USES
FOR TRANSMISSION LINE RIGHT-OF-WAY OF PECO AND ITS
SUBSIDIARIES**

ELECTRIC CONSTRUCTION STANDARDS

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3.0 SAFETY AND CLEARANCES

CONTACT WITH POWER LINES CAN RESULT IN DEATH OR SERIOUS BURNS. User shall treat all overhead power lines as energized and potentially dangerous. If at any time, construction or other work activities in the vicinity of PECO transmission lines may occur, User and all contractors and subcontractors must obtain from the PECO Real Estate Department the current version of PECO Electric Construction Standard S-7070, "Conditions for Working in the Vicinity of Electric Transmission Lines of PECO and its Subsidiaries" and must comply with its provisions. **Construction or other work activities in the vicinity of PECO transmission lines without prior notice to PECO in accordance with the S-7070 is potentially dangerous and is absolutely forbidden.**

4.0 DRAWINGS

Prior to the start of any construction on the right-of-way, User shall submit to PECO, for its approval, plans prepared in accordance with Electric Construction Standard S-7073, "Evaluation of Proposed Transmission Line Rights-of-Way Secondary Uses."

5.0 RELOCATION

User must obtain the prior written approval of PECO Real Estate Department for any relocation of PECO facilities. Approved relocations shall be performed only by PECO or its agents at Users sole cost and expense.

6.0 INSTALLATION

- 6.1** User agrees that all construction work performed by User or its agents within the right-of-way shall be performed in accordance with accepted engineering practices. User understands that PECO may require the bonding and/or grounding of improvements to eliminate the effects of induced voltage.
- 6.2** User agrees that no charge or assessment for the installation of any underground facility shall be made or imposed upon any part of PECO's right-of-way through which any underground facility passes and User shall save PECO harmless from any such charge or assessment at User's sole cost and expense. PECO shall be permitted to connect to Users facilities without a connection charge.

7.0 EXCAVATIONS

- 7.1** There shall be no construction or excavation within 25 feet of any tower, steel pole structure, wood pole structure or guy anchor without the prior specific written approval of PECO. No construction or excavation shall be permitted in the area between a pole or structure and its associated guy wire anchor. User shall exercise care to prevent cave-ins which could disturb PECO facilities.
- 7.2** User shall comply with the provisions of the Pennsylvania or Maryland One-Call Systems. In Pennsylvania, call 1-800-242-1776. In Maryland, call 1-800-257-7777.
- 7.3** To prevent injuries, User is required to cover all open ditches at night or whenever otherwise unattended.
- 7.4** User agrees that any trenches dug during the installation or subsequent repair of underground facilities shall be properly planked to insure PECO's access across its right-of-way at all times.

8.0 IMPROVEMENTS

User, at Users sole cost and expense, shall install and maintain any public improvements required or necessary for the proposed use, such as sewer or water main extensions, curbs, sidewalks or roadway paving. User also agrees that no charge or assessment shall be made or imposed upon any part of PECO's right-of-way arising or resulting from Users improvements.

9.0 ACCESS

- 9.1** At all times, User shall provide an access route at least 16 feet wide for ingress and egress of PECO vehicles as necessary for the construction and maintenance of its structures and facilities within the right-of-way and adjacent premises, unless this provision is waived in writing by PECO.
- 9.2** When permission is granted by PECO for a highway, road or driveway to cross its right-of-way at an elevation different from the existing elevation of the right-of-way, the construction shall include a ramp from each side of the road to meet the existing right-of-way elevation. Access ramps shall be at least 16 feet wide with a maximum grade of 15%.

10.0 GATES

All fencing within the right-of-way shall include a 16 foot wide gate(s) or wire barricade(s) as described in PECO Electric Construction Standard S-7071, "Right-of-Way Fences, Gates and Barricades."

11.0 LOCKS

PECO shall have the right to install its own lock on any gates within the right-of-way. User shall provide, at its sole cost and expense, a dual/multiple locking system for this purpose.

GENERAL CONDITIONS REGULATING APPROVED SECONDARY USES FOR TRANSMISSION LINE RIGHT-OF-WAY OF PECO AND ITS SUBSIDIARIES ELECTRIC CONSTRUCTION STANDARDS

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12.0 EXPLOSIVES

User shall not use or store explosives or flammable materials in any form within the right-of-way.

13.0 DRAINAGE

In order to prevent erosion or other drainage problems and to prevent dirt from being placed above any concrete tower foundations, User shall not alter the grade of the right-of-way except as approved under paragraph four hereof.

14.0 PARKING LOTS AND DRIVEWAYS

PECO shall have the right to use any driveway or parking lot located within the right-of-way without being responsible for any damage caused thereto. User shall construct driveways and parking lots to withstand the weight of vehicles which distribute 38,000 pounds per axle.

15.0 LIMITATION OF DAMAGES FOR PLANTINGS

If required by PECO, User shall remove or relocate plantings blocking access to PECO facilities within 30 days after receiving notice. If prior notice cannot be given or if such removal or relocation is not timely completed, PECO shall gain access to its facilities and compensation for damage to User, if any, shall not exceed pro rata rental for the portion of the right-of-way used by PECO for its corporate purposes.

Where plantings are installed without the prior written consent of PECO, User shall remove or relocate plantings as requested by PECO. No compensation will be paid by PECO for this work.

16.0 UNDERGROUND FACILITIES

16.1 The installation of any underground facilities required by User shall be completed at User's expense, in accordance with the Erosion and Sedimentation Control Regulations of the Pennsylvania Department of Environmental Resources (PA-DER) or any other environmental regulatory agency or governmental agency, and with the minimum possible damage to the ground within the PECO right-of-way.

16.2 Any underground installation shall meet applicable standards for minimum cover unless otherwise specified by PECO. PECO reserves the right to require greater than minimum cover. User is aware PECO intends to cross over underground facilities with vehicles generally weighing 38,000 pounds per axle, and the pipeline(s) shall be installed accordingly. PECO does not warrant that any approved or specified cover will protect the pipeline(s).

16.3 User shall furnish engineering plans of pipeline cathodic protection systems for PECO review and approval prior to installation. Cathodic protection interference tests shall be performed on the completed facility at the expense of User. User

**GENERAL CONDITIONS REGULATING APPROVED SECONDARY USES
FOR TRANSMISSION LINE RIGHT-OF-WAY OF PECO AND ITS
SUBSIDIARIES**

ELECTRIC CONSTRUCTION STANDARDS

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shall furnish any other information required by PECO.

- 16.4 User shall take special care to avoid leakage at pipe joints or seepage into open ditches during the construction, installation, use, maintenance, repair, renewal, removal or replacement of the pipeline(s).
- 16.4.1 In the event of a leak or a spill involving gasoline, oil or other toxic or hazardous materials or pollutants, User agrees to satisfy all requirements specified by, PECO, the PA DER, the Environmental Protection Agency (EPA), or any environmental regulatory agency or other governmental agency for the cleanup of said leak or spill. User further agrees to assume full responsibility for the cost of the cleanup and any future liability resulting from the leak or spill.
- 16.5 All proposed pipeline or metallic communication line installations which will longitudinally occupy any transmission line right-of-way for a distance greater than 200 feet must have an Inductive Interference study completed at Users sole cost and expense and reviewed by PECO prior to construction of the proposed facility.
- 16.5.1 At a minimum, inductive interference study shall include the following:
- 16.5.1.1 Induced voltage on the proposed facility at emergency rating of each transmission line (individually) on the right-of-way.
- 16.5.1.2 Induced voltage on the proposed facility at emergency rating of each distribution line (individually) on the right-of-way.
- 16.5.1.3 Induced voltage on the proposed facility at emergency rating of all electric lines on the right-of-way.
- 16.5.1.4 Induced voltage on the proposed facility during a fault (both phase to ground and three phase) on each transmission line on the right-of-way. Faults on the electric transmission lines shall be located at either end of the proposed facility to be installed on the right-of-way and at the middle of the occupation. Fault studies shall also be conducted at any additional locations specified by the PECO engineer.
- 16.5.1.5 If the proposed facility to be installed on the right-of-way is a bare metal structure (i.e. metal pipe), User shall supply to PECO voltage gradient plots of the area around any transmission structure within 50 feet of the facility. If the voltage gradients around any electric structure increase, User, at its sole cost and expense, must install mitigation prior to the proposed pipeline installation.

**GENERAL CONDITIONS REGULATING APPROVED SECONDARY USES
FOR TRANSMISSION LINE RIGHT-OF-WAY OF PECO AND ITS
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ELECTRIC CONSTRUCTION STANDARDS

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16.5.2 Electric transmission and distribution facilities will be added or removed from the right-of-way from time to time. Before PECO adds or removes facilities, the owners of any pipeline or metallic communication line on the PECO right-of-way shall be responsible for completing an initial or revised inductive interference study, submitting it to PECO for review and installing required mitigation, including on PECO's facilities, and at Users sole cost and expense, in a timely manner.

16.5.3 User shall maintain all inductive interference mitigation systems in good operating condition and check for proper operation once each year.

17.0 MARKINGS FOR UNDERGROUND FACILITIES

In order to minimize the number of future dig-ins, User shall be required, as part of any underground installation, to install and maintain at Users expense, permanent markers to identify the location of the underground facility. Pipelines and other similar installations shall be marked where the line enters and exits the right-of-way, at intermediate points along straight runs of pipe and at all angle points where the line changes direction.

18.0 BARRIERS

User shall take precautions to protect PECO structures and facilities, including but not limited to protective barriers. The location of any protective barriers shall be delineated on plans prepared by User and approved by PECO.

19.0 DAMAGE TO PECO FACILITIES

User shall be responsible for any damage caused to PECO facilities and shall be required to reimburse PECO for the cost of repairing the damage. All such damage shall be promptly reported to PECO System Operations, 800-841-4141.

20.0 OUTDOOR ADVERTISING

User shall furnish plans for PECO's prior approval. Plans must show both horizontal and vertical views of Users proposed structure(s) in relationship to PECO facilities.

21.0 INSPECTIONS

User understands and agrees that PECO or its authorized agents have the right to enter the right-of-way at any time for any corporate purpose.

GENERAL CONDITIONS REGULATING APPROVED SECONDARY USES FOR TRANSMISSION LINE RIGHT-OF-WAY OF PECO AND ITS SUBSIDIARIES

ELECTRIC CONSTRUCTION STANDARDS

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22.0 RESTORATION OF PROPERTY

User agrees upon completion of any work done to: (1) restore the ground to a condition at least equal to that existing prior to such installation, including but not limited to back filling, properly tamping and reseeded the surface of the ground above the facilities and, if necessary, refilling and reseeded following any subsequent settlement of the ground in order to maintain the drainage pattern existing prior to such installation; and (2) repair and put into good condition to the satisfaction of PECO, any and all fences and other improvements injured thereby, and landscaping damaged during the course of users work.

23.0 REFERENCES

23.1 PECO Electric Construction Standards

- 23.1.1** S-7070 - "Conditions For Working in the Vicinity of Electric Transmission Lines of PECO Energy Company and Its Subsidiaries"
- 23.1.2** S-7071 - "Rights-of-Way Fences, Gates and Wire Barricades of PECO and Its Subsidiaries"
- 23.1.3** S-7072 - "Secondary Uses For Rights-of-Way along Electric Transmission Lines of PECO and Its Subsidiaries"
- 23.1.4** S-7073 - "Information Required to Evaluate Proposed Transmission Line Rights-of-Way Secondary Uses of PECO and Its Subsidiaries"

**GENERAL CONDITIONS REGULATING APPROVED SECONDARY USES
FOR TRANSMISSION LINE RIGHT-OF-WAY OF PECO AND ITS
SUBSIDIARIES
ELECTRIC CONSTRUCTION STANDARDS**

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EXHIBIT "C"

RIGHT OF WAY GRANT

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RIGHT OF WAY GRANT

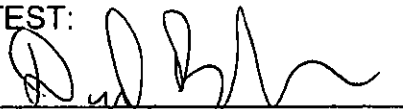
BE IT KNOWN that *Hatfield Township* (the "Grantor"), for and in consideration of the payment of ONE DOLLAR (\$1.00) by **PECO ENERGY COMPANY** (the "Company"), the receipt whereof is hereby acknowledged, hereby grant(s) to Company, its successors and assigns, the full, free and uninterrupted right, liberty and privilege to erect, construct, install, use, operate, maintain, repair, renew, add to, relocate, replace and remove facilities, including poles, cross arms, wires, cables, fiber optics, guy wires, anchor guys, conduits, manholes, gas mains, gas service pipes, and appurtenances (the "Facilities"), as now existing and as shall be necessary for the transmission and distribution of electricity, gas and communications within the legal right of way limits of a public highway known as Elroy Road on the Northerly side thereof, (subject to such deviations as may be necessary due to construction conditions) as now existing or as may be hereafter established, abutting premises of the Grantor (part of the aforesaid Facilities such as wires, cross arms and appurtenances overhanging Grantor's premises adjacent thereto) located at a point 220 feet from the intersection of Waterford Drive and Elroy Road and extending westwardly for a distance of 300 feet, bounded on the north by lands now or late of PECO Energy Company, and on the south by lands now or late of PECO Energy Company in the Township of Hatfield, County of Montgomery, Commonwealth of Pennsylvania; together with the right of ingress and egress across Grantor's premises to and from the Facilities and the right to cut down, remove, trim and keep trimmed, in a workmanlike manner, all trees, branches of trees, roots and brush, to the extent deemed necessary by the Company to provide sufficient clearance for the protection of the Facilities.

AND the Company is further granted the right to locate the Facilities outside the limits of said highway(s) but immediately adjacent thereto; **AND ALSO** the further right to install outside the limits of said highway(s) such guy wires and anchor guys as may be necessary to stabilize the poles.

The conditions herein contained shall enure to and bind the respective executors, administrators, heirs, successors and assigns of the Grantor and Company.

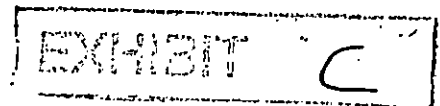
EXECUTED THIS DAY OF 2012.

Hatfield Township

ATTEST:


BY: 
Name: *Andrew S. Heines*
Title: *Twp Manager*

COMMONWEALTH OF PENNSYLVANIA:



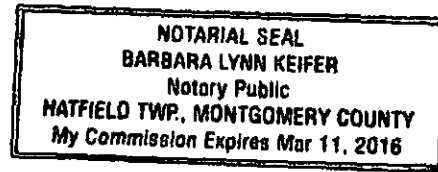
COUNTY OF

: SS.

On this, the day of 2012, before me, , the undersigned officer, personally appeared , known to me (or satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public



File No. PE 5852-2; 5853-2
Quad No. 15B

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