

1. REPORT DATE: 00/00/00 :  
 2. BUREAU: FUS :  
 3. SECTION(S): : 4. PUBLIC MEETING DATE:  
 5. APPROVED BY: : 00/00/00  
 DIRECTOR: :  
 SUPERVISOR: :  
 6. PERSON IN CHARGE: : 7. DATE FILED: 01/31/01  
 8. DOCKET NO: A-110500 F0307 : 9. EFFECTIVE DATE: 00/00/00

PARTY/COMPLAINANT: LANCASTER COUNTY, BANK OF

RESPONDENT/APPLICANT: PPL ELECTRIC UTILITIES CORP

COMP/APP COUNTY:

UTILITY CODE: 110500

ALLEGATION OR SUBJECT

APPLICATION OF PPL ELECTRIC UTILITIES CORPORATION D/B/A PPL UTILITIES FOR APPROVAL OF THE TRANSFER BY SALE TO THE BANK OF LANCASTER COUNTY OF FACILITIES LOCATED IN LANCASTER, EAST HEMPFIELD TOWNSHIP, LANCASTER COUNTY, PENNSYLVANIA.

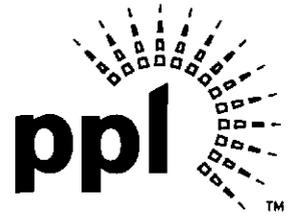
**DOCKETED**

FEB 13 2001

DOCUMENT  
FOLDER

Paul E. Russell  
Associate General Counsel

PPL  
Two North Ninth Street  
Allentown, PA 18101-1179  
Tel. 610.774.4254 Fax 610.774.6726  
perussell@ppiweb.com



January 29, 2001

A-110500 F0307

James J. McNulty, Esquire  
Secretary  
Pennsylvania Public Utility Commission  
P. O. Box 3265  
Harrisburg, Pennsylvania 17105-3265

RECEIVED

JAN 31 2001

PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Dear Mr. McNulty:

Enclosed for filing, pursuant to 66 Pa. C. S. § 1102, are an original and three copies of PPL Electric Utilities Corporation d/b/a PPL Utilities' Application for the approval of the transfer by sale of certain facilities to the Bank of Lancaster County. The facilities are located in Lancaster, East Hempfield Township, Lancaster County, Pennsylvania.

I have enclosed a check for \$350 to cover the filing fee.

Very truly yours,

Paul E. Russell

Enclosures

DOCUMENT  
FOLDER

2

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCUMENT  
FOLDER

In re: Application of PPL Electric  
Utilities Corporation d/b/a PPL Utilities  
for Approval of the Transfer by Sale to  
the Bank of Lancaster County of  
Facilities Located in Lancaster, East  
Hempfield Township, Lancaster  
County, Pennsylvania.

Application

Docket No. A-110500F0307

**DOCKETED**

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PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

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**APPLICATION OF  
PPL ELECTRIC UTILITIES CORPORATION  
d/b/a PPL UTILITIES**

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PPL Electric Utilities Corporation d/b/a PPL Utilities (hereafter "PPL"),  
by its attorney, hereby makes application pursuant to 66 Pa. C.S. § 1102(a)(3) for the  
approval of a transfer by sale of certain facilities, and in support thereof states:

1. Applicant is PPL Electric Utilities Corporation d/b/a PPL Utilities,  
Two North Ninth Street, Allentown, Pennsylvania 18101, a public utility incorporated  
in Pennsylvania for the purpose of supplying light, heat and power to the public by  
means of electricity in all or portions of twenty-nine counties in eastern-central Penn-  
sylvania.

2. The name and address of PPL's attorney is Paul E. Russell, Two  
North Ninth Street, Allentown, Pennsylvania 18101.

3. The Bank of Lancaster County (hereafter "the Bank"), a Pennsylvania corporation whose principal address is 101 North Pointe Boulevard, Lancaster, Pennsylvania is not affiliated with PPL.

4. The Bank desires to purchase certain of PPL's facilities to convert their existing service to 12 kV service. The Bank is currently leasing the facilities. Converting to 12 kV service and utilizing the LP-4 rate will result in the most beneficial and economical service. Therefore, the Bank will be purchasing these facilities.

5. PPL will recover the present day depreciated cost of these facilities and will no longer be responsible for maintenance thereof.

6. PPL agreed to sell and the Bank agreed to purchase the facilities for \$18,346.00, representing the present day depreciated cost of the facilities. Attachment 1, which is attached hereto and made a part hereof, contains the Agreement of Sale and a description of facilities.

7. The facilities' original cost, original depreciated cost, present day cost, and present day depreciated cost are as follows:

	<u>Transformer</u>	<u>Other Facilities</u>	<u>Total</u>
Original Cost Undepreciated	\$7,168	\$2,688	\$9,857
Original Cost Depreciated	4,566	917	5,483
Present Day Cost Undepreciated	23,869	8,978	32,847
Present Day Cost Depreciated	15,175	3,171	18,346

8. The sales price is the result of arms-length negotiations.

9. PPL's engineering and operating representatives have reviewed the proposed sale of facilities and their relation to PPL's operations. PPL is satisfied as to the adequacy, continuity, safety of service, and other relevant factors concerning electrical supply to the Bank.

10. Approval of this application is necessary and proper for the Bank to take service in a manner which does not: result in uneconomic removal expenditures to PPL, cause duplication of facilities, or render PPL's existing facilities less valuable. The application also recognizes the Bank's right to service on the most favorable and economic basis under PPL's tariff.

11. Attachment 2, which is attached hereto and made a part hereof, contains PPL's responses to the Commission's Interrogatories concerning applications filed pursuant to 66 Pa. C.S. § 1102.

WHEREFORE, in view of the foregoing, PPL respectfully requests that the Pennsylvania Public Utility Commission approve the above-captioned application for transfer of facilities by sale.

Respectfully submitted,

PPL Electric Utilities Corporation  
d/b/a PPL Utilities

A handwritten signature in black ink, appearing to read "Paul E. Russell", written over a horizontal line.

Paul E. Russell  
Its Attorney

Dated: January 29, 2001  
at Allentown, Pennsylvania

**ATTACHMENT 1**



AGREEMENT OF SALE made this 29th day of January, 2001, ~~2000~~, in Allentown, Pennsylvania, between PPL ELECTRIC UTILITIES CORPORATION, hereinafter called VENDOR, a Pennsylvania corporation whose principal address is Two North Ninth Street, Allentown, Pennsylvania, and BANK OF LANCASTER COUNTY, hereinafter called VENDEE, also being a Pennsylvania Corporation of whose principal address is 101 North Pointe Blvd., Lancaster, PA, 17601.

WITNESSETH: That VENDOR in consideration of twenty thousand one hundred seventy six dollars (\$20,176), does hereby agree to sell unto VENDEE, all of its right, title and interest in and to certain electric facilities located at Bank of Lancaster County, 1097 Commercial Avenue, Lancaster, PA as described in the schedule attached hereto and made part hereof entitled "Exhibit A - LIST OF FACILITIES TO BE CONVEYED TO Bank of Lancaster County BY PPL ELECTRIC UTILITIES CORPORATION," and as shown on plan dated July 7, 1999, entitled "Exhibit B - PLAN SHOWING LOCATION OF ELECTRIC FACILITIES TO BE CONVEYED TO Bank of Lancaster County BY PPL ELECTRIC UTILITIES CORPORATION," also attached hereto and made a part hereof.

VENDOR MAKES NO REPRESENTATIONS OR GUARANTEES, EXPRESS OR IMPLIED, IN RESPECT TO THE PROPERTY COVERED BY THIS AGREEMENT, EXCEPT THAT IT WILL DELIVER GOOD TITLE TO SAID PROPERTY FREE FROM ALL LIENS AND ENCUMBRANCES. THE REMEDY FOR THE BREACH OF SAID WARRANTY OF GOOD TITLE IS LIMITED TO THE REPLACEMENT OF ANY OF THE PROPERTY COVERED BY THIS AGREEMENT. VENDEE SHALL RECEIVE SAID PROPERTY "AS IS." THERE ARE NO WARRANTIES, INCLUDING THE WARRANTY OF MERCHANTABILITY, WHICH EXTEND BEYOND THE DESCRIPTION CONTAINED HEREIN.

VENDEE SHALL INDEMNIFY AND SAVE HARMLESS THE VENDOR AGAINST AND FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, CAUSES OF ACTION, SUITS AND ALL OTHER LIABILITY WHATSOEVER ON ACCOUNT OF OR BY REASON OF, OR GROWING OUT OF PERSONAL INJURIES OR DEATH TO ANY PERSON OR ENTITY INCLUDING VENDEE AND ITS EMPLOYEES, OR PROPERTY DAMAGE SUFFERED BY ANY PERSON OR ENTITY INCLUDING VENDEE AND ITS EMPLOYEES, WHETHER OR NOT THE SAME RESULTS FROM THE NEGLIGENCE OF VENDOR OR ITS EMPLOYEES PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT TO THE EXECUTION OF THIS AGREEMENT. THE INTENT OF THE PARTIES TO THIS AGREEMENT IS TO ABSOLVE AND PROTECT VENDOR FROM ANY AND ALL LOSS, PREDICATED ON STRICT AND/OR NEGLIGENT LIABILITY BY REASON OF THIS AGREEMENT.

THE VENDOR MAY AT ITS OPTION REQUIRE VENDEE TO PROVIDE EVIDENCE OF INSURANCE SATISFACTORY TO THE VENDOR COVERING THE LIABILITIES AND INDEMNIFICATION PROVIDED IN THIS AGREEMENT.

This agreement shall be filed by VENDOR with the Pennsylvania Public Utility Commission and shall thereafter become effective in accordance with the provisions of the Public Utility Law. Upon receipt by VENDOR of an Order of the Pennsylvania Public Utility Commission approving this Agreement, VENDOR will invoice VENDEE for the amount shown above, which amount VENDEE agrees to pay upon presentation of said invoice. Upon payment of the amount specified in the invoice, title to the facilities will vest in VENDEE.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties hereto have caused these presents to be duly executed the day and year aforesaid.

ATTEST:

William M. Koch  
Title Assistant Secretary

PPL ELECTRIC UTILITIES CORPORATION

BY: [Signature]  
Title Vice President-Regulatory Support

ATTEST:

Roberta C. Block  
Title AOP - Retail Admin. Mgr.

BANK OF LANCASTER COUNTY

BY: [Signature]  
Title U.P.

**EXHIBIT A**  
**List of facilities to  
be conveyed to  
Bank of Lancaster County.**

**BANK OF LANCASTER COUNTY  
LIST OF ATTACHMENTS**

Pole 39104/S27729

Primary dead ends - 3

Neutral dead end - 1

5 foot single arm - 1

10 foot single arm - 1

Load break cutouts - 3

10 kV Lightning arresters - 6

Tri-mount bracket - 1

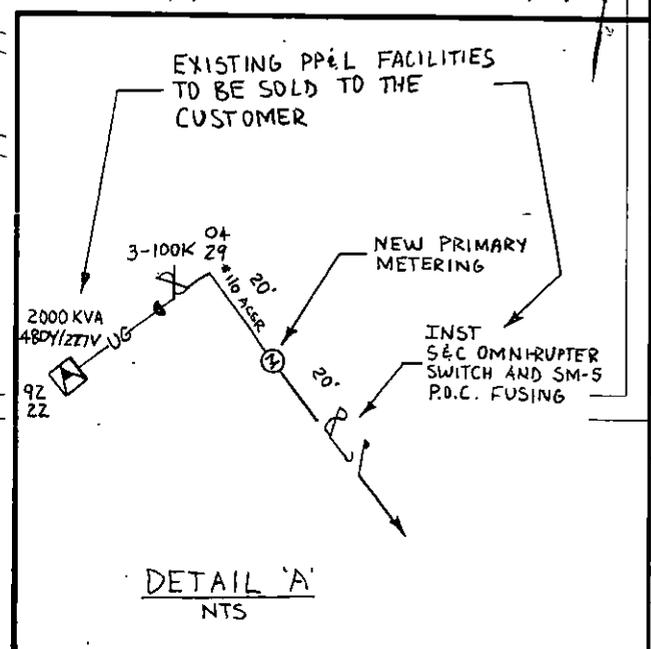
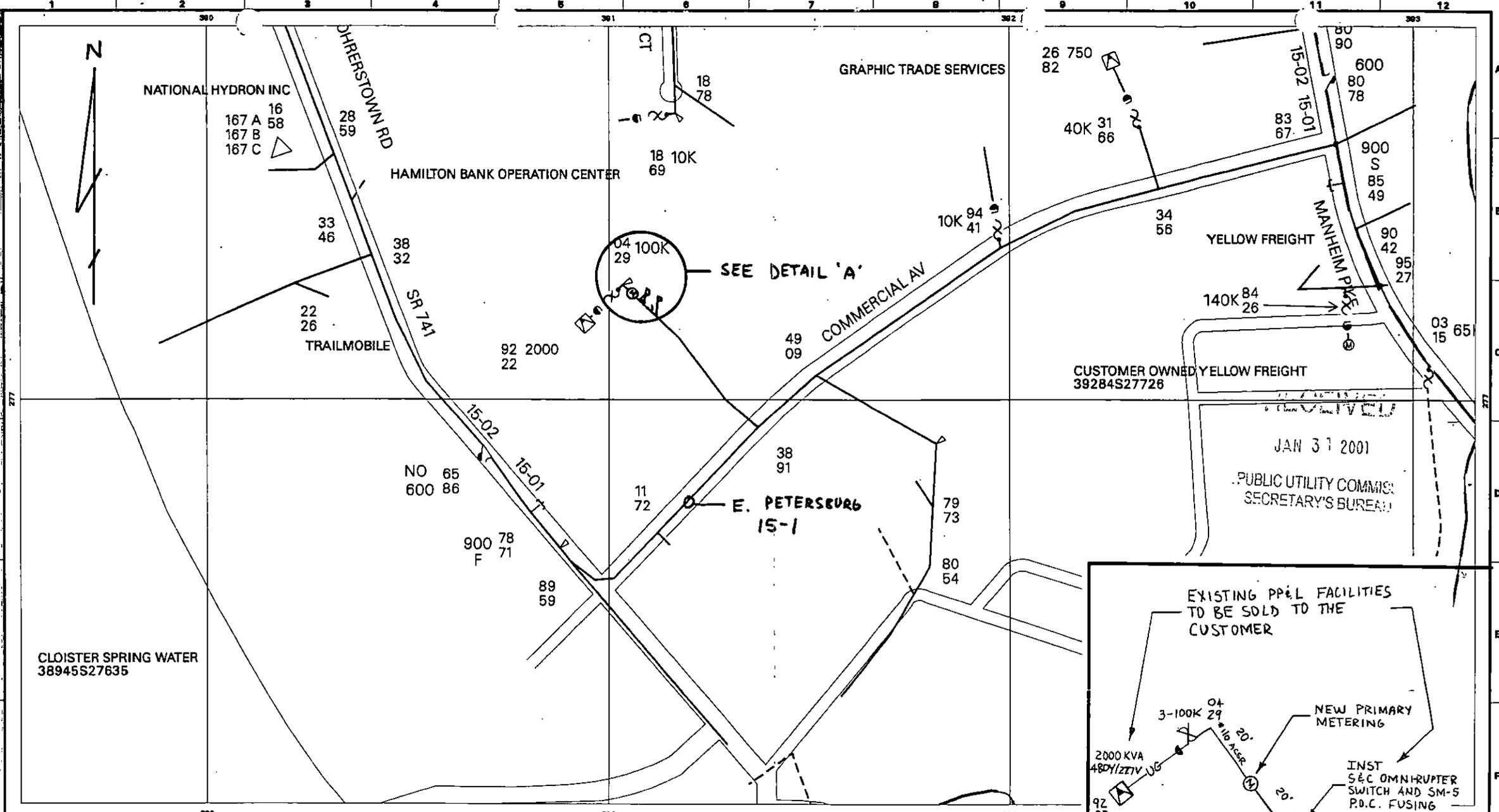
Single anchor guy - 1

12 kV Pin insulators - 2

12 kV Post-type insulators - 2

4" Steel conduit riser - 30 feet

McGraw Edison 2,000 kVA pad-mounted transformer

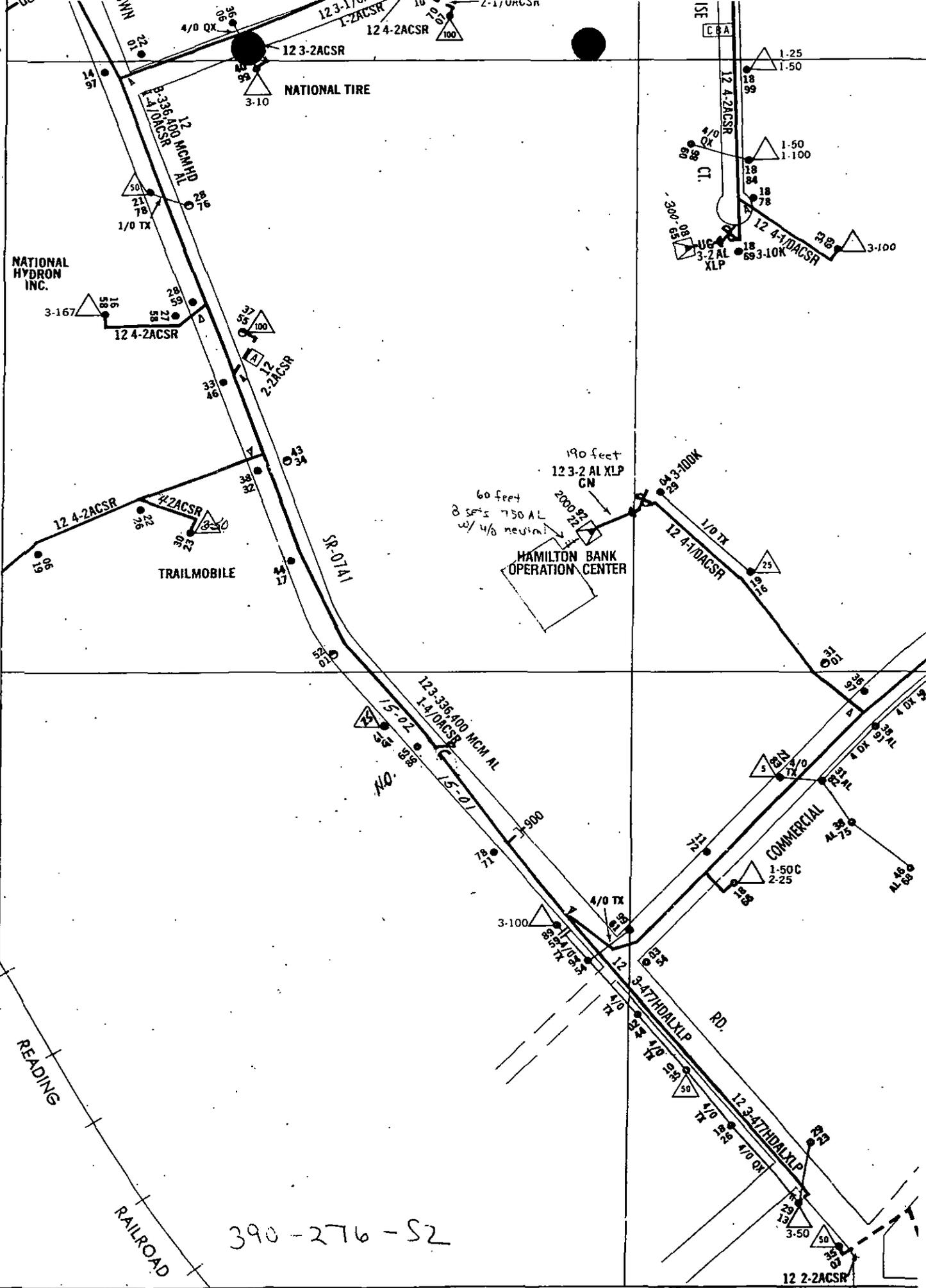


PP&L, Inc.  
 PSS - Bank of Lancaster Co.  
 E. Hempfield Twp., Lancaster Co.  
 Date: 07/26/99  
 Scale: 1:2764  
 1Inch = 230ft  
**ER 575776**

**EXHIBIT B**  
 Plan showing location of electric facilities to be conveyed to Bank of Lancaster County.

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 JAN 31 2001  
 PUBLIC UTILITY COMMIS  
 SECRETARY'S BUREAU

384-276-S2  
278



N276.000  
E2,390,000

**ATTACHMENT 2**

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of PPL Electric :  
Utilities Corporation d/b/a PPL Utilities :  
for Approval of the Transfer by Sale to : Application  
the Bank of Lancaster County of : Docket No. \_\_\_\_\_  
Facilities Located in Lancaster, East :  
Hempfield Township, Lancaster :  
County, Pennsylvania. :

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JAN 31 2001

PUBLIC UTILITY COMMISS  
SECRETARY'S BUREAU

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**RESPONSES OF  
PPL ELECTRIC UTILITIES CORPORATION  
d/b/a PPL UTILITIES  
TO INTERROGATORIES PROPOUNDED BY THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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Question:

1. Provide an accurate legal description and location identification of the property and the interest therein to be sold, leased or transferred.

Response:

1. See Exhibit A of Application Attachment 1.

Question:

2. Provide, where applicable, an inventory identifying the buildings, structures, fixtures and other improvements, including appurtenant removable

building equipment, which are considered to be part of the property for sale, lease or transfer.

Response:

2. See Exhibit A of Application Attachment 1.

Question:

3. State whether or not the sale, lease or transfer of the property will affirmatively promote the service, accommodation, convenience or safety of the public in some substantial way. Explain.

Response:

3. The sale will significantly benefit the Bank of Lancaster County (hereafter "the Bank"), by permitting more efficient and economical operations. PPL Electric Utilities Corporation d/b/a PPL Utilities (hereafter "PPL") and its customers will be benefited by no longer maintaining the transferred facilities.

Question:

4. State the reason for the sale, lease or transfer of property.

Response:

4. The Bank requested the transfer to facilitate conversion to 12 kV service and decrease electric power costs as stated more fully in paragraph 4 of the application.

Question:

5. State the alternatives that PPL has considered to the prospective sale, lease or transfer.

Response:

5. PPL did not consider any alternatives to the proposed sale because it is most efficient and in the public interest for the customer to receive service under the most advantageous applicable tariff provisions.

Question:

6. State whether or not the sale, lease or transfer of this property will result in an interruption or curtailment of existing services to the public. Explain.

Response:

6. The proposed sale will not result in an interruption or curtailment of existing services to the public. Existing facilities in use on the Bank's property will be transferred to the Bank, thereby not affecting the public.

Question:

7. State whether or not the sale, lease or transfer of this property will result in either a staff reduction or a termination of some portion of PPL's operation. Explain.

Response:

7. The sale involves a minor portion of PPL's assets and will not cause a staff reduction or a termination of any of PPL's operations.

Question:

8. State whether or not the sale, lease or transfer of this property will result in a physical relocation of the main office, branch office or service office of PPL.

Response:

8. The sale will not result in relocation of any PPL offices.

Question:

9. State whether or not the sale of this property will require the acquisition of replacement property. If replacement is required, state the cost and description of the property to be acquired.

Response:

9. PPL will not have to acquire replacement property due to the sale. The transferred facilities serve only the Bank.

Question:

10. State whether or not PPL anticipates or has reason to believe that it will be necessary to seek a rate increase in order to withstand the financial impact of the transaction that is the subject of these interrogatories. Explain.

Response:

10. PPL does not anticipate a need to seek increased rates due to this sale.

Question:

11. State whether or not the property has been part of a rate case that has appeared before the PUC. If it has been, identify the case by Commission docket number and date.

Response:

11. The property to be transferred has been included in PPL's most recently concluded rate case at Docket No. R-943271, and in prior rate cases.

Question:

12. State whether or not the property is the subject of a state or federal proceeding. If it is, identify the proceeding and explain.

Response:

12. The property is not the subject of any state or federal proceedings.

Question:

13. State whether the property is to be sold at a price above or below its fair market value as determined by at least two appraisals and a third review appraisal with the three appraisals being performed by qualified independent real estate appraisers; if the property is stock, indicate the book value and current market value of the shares involved.

Response:

13. Independent real estate appraisals were not needed because real estate is not involved in the sale. The sales price is PPL's present day cost depreciated.

Question:

14. State the net profit or loss to be realized by PPL from the sale, lease or transfer of this property after the following factors have been taken into consideration:

- a. date and cost of acquisition,
- b. cost of improvements,
- c. allowance for depreciation,
- d. brokerage fees and commissions,
- e. tax consequences of the sale,

- f. recording fees, transfer taxes, and similar expenses incidental to conveying such property,
- g. penalty costs and other charges for prepayment of any pre-existing recorded mortgage encumbering such property and
- h. net damages or benefits accruing to the remaining PPL property.

Response:

14. Considering the listed factors, PPL will not realize a net profit or loss from the sale.

Question:

15. State the uses to which proceeds of this sale will be applied.

Response:

15. Proceeds from the sale will be applied to general corporate purposes.

Question:

16. State the accounting entries that will be made in the sale, lease or transfer of the property.

Response:

16. The retirement of depreciable facilities sold will be recorded as follows:

Account 108 - Accumulated Provision for Depreciation of Electric Utility Plant will be debited and Account 101-Electric Plant in Service will be credited.

The proceeds from the sale of depreciable assets will be recorded as follows:

Account 131 - Cash will be debited and Account 108 - Accumulated Provision for Depreciation of Electric Utility Plant will be credited.

Question:

17. State the effect that the sale will have on PPL's short-range or long-range plans for expanding or upgrading any of the services that PPL is now offering to the public.

Response:

17. The sale will not affect PPL's short or long-range plans for expanding or upgrading any services now offered to the public.

Question:

18. Where an affiliated interest of a public utility is involved in the property transfer, explain fully the relationship between the affiliate and the jurisdictional utility.

Response:

18. No affiliated interests are involved in the sale.

Question:

19. State what portion of the original cost of the property being transferred represents material cost, and what portion represents installation cost.

Response:

19. Practically the entire amount of the property's original cost represents material costs.

Question:

20. State when the property was installed and/or constructed.

Response:

20. The 2000 KVA 12470/7200 – 480/277 volt pad-mounted transformer was acquired in 1973.

