

CAPTION SHEET

CASE MANAGEMENT SYSTEM

1. REPORT DATE: 00/00/00	:	
2. BUREAU: FUS	:	
3. SECTION(S):	:	
5. APPROVED BY:	:	4. PUBLIC MEETING DATE:
DIRECTOR:	:	00/00/00
SUPERVISOR:	:	
6. PERSON IN CHARGE:	:	7. DATE FILED: 03/10/04
8. DOCKET NO: A-110500 F0340	:	9. EFFECTIVE DATE: 00/00/00

PARTY/COMPLAINANT: FLEETWOOD MOTOR HOMES OF PA, INC.

RESPONDENT/APPLICANT: PPL ELECTRIC UTILITIES CORP

COMP/APP COUNTY:

UTILITY CODE: 110500

ALLEGATION OR SUBJECT

APPLICATION OF PPL ELECTRIC UTILITIES CORPORATION FOR APPROVAL OF THE TRANSFER BY SALE TO FLEETWOOD MOTOR HOMES OF PA, INC. OF FACILITIES LOCATED IN PAXINOS, PENNSYLVANIA.

DOCUMENT  
FOLDER

DOCKETED  
MAR 16 2004

**E. Russell**  
Associate General Counsel

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



March 9, 2004

ORIGINAL

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

Dear Mr. McNulty:

A-110500 F0340

Enclosed for filing, pursuant to 66 Pa. C. S. § 1102, are an original and three copies of PPL Electric Utilities Corporation's Application for the approval of the transfer by sale of certain facilities to Fleetwood Motor Homes of PA, Inc. The facilities are located in Paxinos, Pennsylvania.

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

Very truly yours,

Paul E. Russell

Enclosures

DOCUMENT  
FOLDER

DOCKETED  
MAR 16 2004

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2004 MAR 10 PM 9:28  
PPL P.U.C.  
SECRETARY'S BUREAU

34

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

In re: Application of PPL Electric :  
Utilities Corporation for Approval of the :  
Transfer by Sale to Fleetwood Motor :  
Homes of PA, Inc. of Facilities Located :  
in Paxinos, Pennsylvania. :

Application :  
Docket No. A-110500 F0340

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APPLICATION OF  
PPL ELECTRIC UTILITIES CORPORATION

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PPL Electric Utilities Corporation (hereafter "PPL Electric"), 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, 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 Pennsylvania.

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

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RECEIVED

3. Fleetwood Motor Homes of PA, Inc. (hereafter "Fleetwood"), a Pennsylvania corporation whose principal address is Route 487, Paxinos, Pennsylvania is not affiliated with PPL Electric.

4. Fleetwood is upgrading equipment and desires to convert to a primary service. Converting to primary service will result in the most beneficial and economical service and facilitate future load growth due to future plant expansions. Thus, Fleetwood will be purchasing facilities as noted in Exhibit A.

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

6. PPL Electric agreed to sell and Fleetwood agreed to purchase the facilities for \$24,047.00, 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	\$10,860	\$17,980	\$28,840
Original Cost Depreciated	10,258	10,103	20,361
Present Day Cost Undepreciated	11,805	28,729	40,534
Present Day Cost Depreciated	11,150	12,897	24,047

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

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

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

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

WHEREFORE, in view of the foregoing, PPL Electric 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

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

Paul E. Russell  
Its Attorney

Dated: March 9, 2004  
at Allentown, Pennsylvania

**ATTACHMENT 1**

AGREEMENT OF SALE made this 9th day of March, 2004, 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 Fleetwood Motor Homes of PA, Inc., hereinafter called VENDEE, a Pennsylvania corporation whose principal address is Route 487, P.O. Drawer 5, Paxinos, Pennsylvania.

WITNESSETH: That VENDOR in consideration of \$24,047 does hereby agree to sell unto VENDEE, all of its right, title and interest in and to certain electric facilities located at the Fleetwood Motor Homes of PA, Inc. location off of Route 487 in Paxinos, Pennsylvania as described in the schedule attached hereto and made part hereof entitled "Exhibit A - LIST OF FACILITIES TO BE CONVEYED TO FLEETWOOD MOTOR HOMES OF PA, INC BY PPL ELECTRIC UTILITIES CORPORATION," and as shown on plan dated January 28, 2004 entitled "Exhibit B - PLAN SHOWING LOCATION OF ELECTRIC FACILITIES TO BE CONVEYED TO FLEETWOOD MOTOR HOMES OF PA, INC 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:

*Richard M. Keen*  
Title Assistant Secretary  
Fleetwood Motor Homes of Pennsylvania, Inc.  
BY:

*Chris Brown*  
Title Sr. Vice President - RV Group

PPL ELECTRIC UTILITIES CORPORATION

BY: *John Stojin*  
Title President-PPL Electric Utilities Corporation  
ATTEST:

*Larry Higgins*  
Title Director of Industrial Engineering

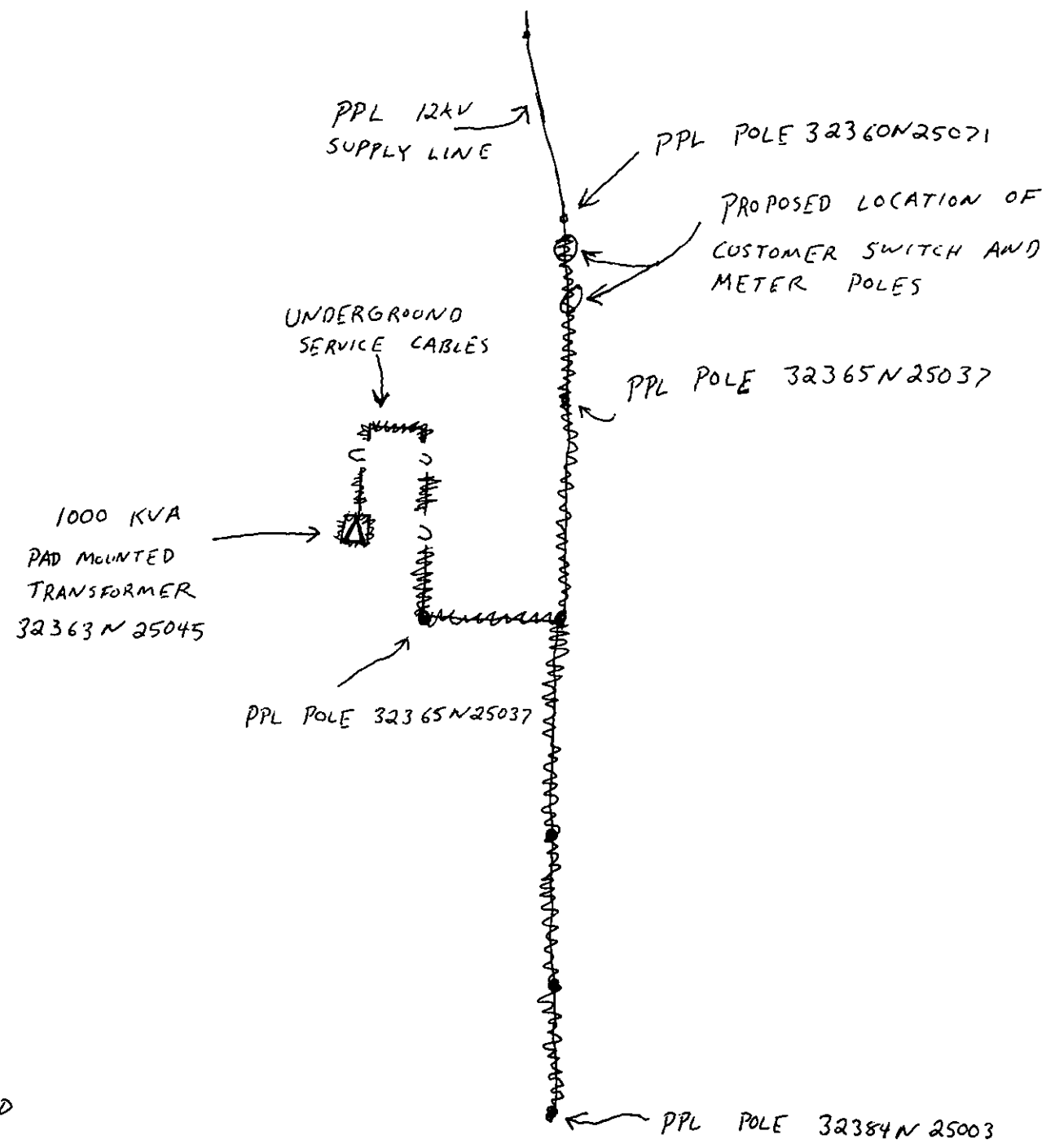
OFFICE OF  
GENERAL COUNSEL  
BY: PEP  
DATE: 3/2

Exhibit A – LIST OF FACILITIES TO BE CONVEYED TO FLEETWOOD MOTOR  
HOMES OF PA, INC. BY PPL ELECTRIC UTILITIES CORPORATION

<u>QUANTITY</u>	<u>ITEM DESCRIPTION</u>
1	50-2 Wood Pole #32365N25057
3	Vertical Mounting Brackets
3	Insulator Pin Type
1	Aerial Cable Clamp
1	45-5 Wood Pole #32375N25036
3	Vertical Mounting Brackets
3	Insulator Pin Type
1	Aerial Cable Clamp
3	Dead Ends
1	Neutral Dead End
1	Double 3/8" Anchor Guy
1	45-5 Wood Pole #32378N25018
3	Vertical Mounting Brackets
3	Insulator Pin Type
1	Aerial Cable Clamp
1	40-5 Wood Pole #32383N25003
1	8 Foot Double Arm
3	Dead Ends
1	Neutral Dead End
1	Single Arm
3	Load Break Cutouts
6	Lightning Arrestors
1	Tri Mount Bracket
1	3/8 " Anchor Guy
1	Strain Insulator
1	Pri Riser- 5 " U Guard
1	45-5 Wood Pole #32384N24995
1	½ " Anchor Guy
1	Strain Insulator
3	Lightning Arrestors
1	Tri Mount Bracket
1	Pri Riser 5" U Guard
1	8 Foot Double Arm
115'	P3-750AL

1	45-5 Wood Pole #32365N25037
1	½ Anchor Guy
3	DEI-C
1	Neutral Dead End
1	Tri Mount Bracket
6	Lightning Arrestors
3	Load Break Cutouts
1	8' Double Arm
1	SA
1	Pri Riser 4" Steel
85'	3-#2AL 15KVXLP
125'	3-1/0ACSR Phase
125'	1-1/0ACSR Neutral
1	PPD1000-480L 1000KVA 277/480Y General Electric Serial Number: Q253565-TOK
100'	(4 sets) 750AL
510'	3-P2ACSR Phase
510'	1-N2ACSR Neutral

Exhibit B - PLAN SHOWING LOCATION OF ELECTRIC FACILITIES TO BE CONVEYED TO FLEETWOOD MOTOR HOMES OF PA, INC BY PPL ELECTRIC UTILITIES CORPORATION.



~~main~~ FACILITIES TO BE SOLD  
JANUARY 28, 2004

**ATTACHMENT 2**

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of PPL Electric :  
Utilities Corporation for Approval of the :  
Transfer by Sale to Fleetwood Motor : Application  
Homes of PA, Inc. of Facilities Located : Docket No. \_\_\_\_\_  
in Paxinos, Pennsylvania. :

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**RESPONSES OF  
PPL ELECTRIC UTILITIES CORPORATION  
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 Exhibits A and B 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 Exhibits A1-A4 and B1-B4 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 Fleetwood Motor homes of PA, Inc. (hereafter "Fleetwood"), by permitting more efficient and economical operations. PPL Electric Utilities Corporation (hereafter "PPL Electric") 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. Fleetwood requested the transfer to facilitate conversion to a single 12 kV primary service and decrease electric power costs as stated more fully in paragraph 4 of the application.

Question:

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

Response:

5. PPL Electric 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 Fleetwood's property will be transferred to Fleetwood, 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 Electric's operation. Explain.

Response:

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

Response:

8. The sale will not result in relocation of any PPL Electric 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 Electric will not have to acquire replacement property due to the sale. The transferred facilities serve only Fleetwood.

Question:

10. State whether or not PPL Electric 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 Electric 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 not been included in any of PPL Electric's rate cases before the PUC.

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 Electric's present day cost depreciated.

Question:

14. State the net profit or loss to be realized by PPL Electric 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 Electric property.

Response:

14. Considering the listed factors, PPL Electric 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 for the sale of depreciable plant other than line transformers and customer meters. Accordingly, interim retirements are not recorded for line transformers or customer meters.

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 Electric's short-range or long-range plans for expanding or upgrading any of the services that PPL Electric is now offering to the public.

Response:

17. The sale will not affect PPL Electric'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 equipment was installed in 2000.

