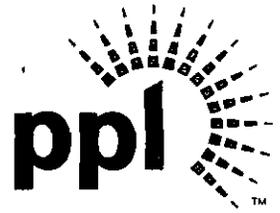


Paul E. Russell
Associate General Counsel
Tel. 610.774-4254 Fax 610.774.6726
E-mail: perussell@papl.com

PP&L, Inc.
Two North Meridian Street
Allentown, PA 18101-1179
Tel. 610.774.5151
http://www.ppl-inc.com/



FEDERAL EXPRESS

ORIGINAL RECEIVED

June 30, 1999

JUN 30 1999

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

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUSINESS

DOCKETED

JUL 06 1999

**Re: Application of PP&L, Inc. for Approval of
its Restructuring Plan Under Section 2806
of the Public Utility Code
Docket No. R-00973954**

Dear Secretary McNulty:

In an Order entered on August 27, 1998 in the above-captioned proceeding, the Pennsylvania Public Utility Commission ("PUC" or the "Commission") approved the "Joint Petition for Full Settlement of PP&L, Inc.'s Restructuring Plan and Related Court Proceedings" ("Joint Petition"). Among other things, the Commission Order approving the Joint Petition also approves PP&L, Inc.'s ("PP&L" or the "Company") transfer of its generation assets and liabilities:

"3. That all aspects of PP&L's transfer of its generation assets and liabilities and wholesale contracts under the settlement are approved. In addition, we grant the approvals, licenses and certificates of public convenience required under the Public Utility Code regarding the transfer or assignment of PP&L's generating assets and liabilities under the settlement, including but not limited to approvals under Chapters 5, 11, 19, 21 and 28 of the Public Utility Code."

**DOCUMENT
FOLDER**

Docket No. R-00973954, Order entered August 27, 1998, p. 11.

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PP&L has entered into an Asset Purchase Agreement under which it will transfer one of the generating assets covered by the Joint Petition, namely the Sunbury Steam Electric Station ("Sunbury SES"), to its corporate parent, PP&L Resources, Inc. ("Resources"). Resources and PP&L have entered into an agreement to transfer Sunbury SES and certain related facilities to Sunbury Holdings, LLC ("Sunbury Holdings"). As permitted under the Asset Purchase Agreement, Sunbury Holdings intends to designate its wholly-owned subsidiaries, Sunbury Generation, LLC ("Sunbury Generation") and Penfield Collieries, LLC ("Penfield"), as the transferees at closing of Sunbury SES, in the case of Sunbury Generation, and the related facilities, in the case of Penfield. One hundred percent of the membership interests in Sunbury Holdings are owned by WPS Power Development, Inc. ("PDI"). PDI is a subsidiary of WPS Resources Corporation ("WPSR"), an exempt public utility holding company and an affiliate of Wisconsin Public Service Corporation, an electric and natural gas utility headquartered in Green Bay, Wisconsin. None of Sunbury Holdings, Sunbury Generation, Penfield, PDI, WPSR or Wisconsin Public Service Corporation is affiliated with PP&L.

Sunbury SES consists of the following four coal-fired units:

<u>Unit No.</u> <u>Designation</u>	<u>In-Service</u> <u>Date</u>	<u>Nameplate</u> <u>Capacity (MW)</u>
1	1949	85
2	1949	85
3	1951	110
4	1953	145

In addition, Sunbury SES includes two oil-fired combustion turbine generators, two diesel generators, certain ancillary facilities and other related assets and liabilities. Sunbury SES is located in Shamokin Dam, Pennsylvania.

As of December 31, 1998, the net book value of Sunbury SES was approximately \$6 million. Consistent with the requirements of paragraph L.3 of the Joint Petition, PP&L will agree to transfer Sunbury SES to Resources at its net book value as of the date of transfer. It is anticipated that this transfer will occur by the end of the third quarter of 1999.

Resources, which was created in 1995, is the corporate parent of PP&L. In addition to PP&L, Resources owns subsidiary companies engaged in international power development; energy services; natural gas distribution; and mechanical contracting services.

Pursuant to the PUC's prior approval for the transfer of all of PP&L's generating assets and liabilities granted in the PUC Order cited above, PP&L requests that the Commission issue a Certificate of Public Convenience pursuant to Section 1102(a) of the Public Utility Code (66 Pa.C.S. § 1102(a)) evidencing the approval of PP&L's transfer of the Sunbury SES to Resources.

This request for the issuance of a Certificate of Public Convenience is identical in all material respects to a request submitted on December 23, 1998 by Metropolitan Edison Company and Pennsylvania Electric Company regarding the transfer of the Homer City Generating Station ("Homer City"). In a Secretarial Letter dated January 6, 1999, at Docket Nos. R-00974008 and R-00974009, the Commission granted that request and issued Certificates of Public Convenience evidencing the Commission's prior regulatory approval for the transfer of Homer City.

Pursuant to Paragraph 3 of the August 27, 1998 Order approving the Joint Petition, PP&L also requests that the PUC issue a certification under Section 32(c) of the Public Utility Holding Company Act of 1935 ("PUHCA"). 15 U.S.C. § 79z-5a(c). The certification consists of a specific determination that allowing Sunbury SES to be an "eligible facility" (as defined in Section 32(a) of PUHCA, 15 U.S.C. § 79z-5a(a)):

- (1) will benefit consumers;
- (2) is in the public interest; and
- (3) does not violate State law.

This certification will enable Sunbury Holdings to request a determination from the Federal Energy Regulatory Commission ("FERC") that Sunbury Generation, LLC is an "exempt wholesale generator" under Section 32(a) of PUHCA. *Id.* Attachment A to this letter is a proposed Secretarial Letter providing such a certification.

As indicated on the attached certificate of service, copies of this letter have been served on all active parties in PP&L's restructuring proceeding at Docket No. R-00973954.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on June 30, 1999, which is the date it was deposited with an overnight express delivery service as shown on the delivery receipt attached to the mailing envelope.

In addition, please date and time-stamp the enclosed extra copy of this letter and return it to me in the envelope provided.

James J. McNulty, Secretary

- 4 -

June 30, 1999

If you have any questions regarding this letter or require any additional information, please call.

Very truly yours,

A handwritten signature in black ink, appearing to read "Paul E. Russell". The signature is written in a cursive style with a large initial "P" and "R".

Paul E. Russell

Attachments

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

RECEIVED

July __, 1999

JUN 30 1999

Application of PP&L, Inc. for Approval
of its Restructuring Plan Under
Section 2806 of the Public Utility Code
Docket No. R-00973954

PA PUBLIC UTILITY COMMISSION
SECRETARY'S OFFICE

In a letter dated June 30, 1999, PP&L, Inc. ("PP&L") has requested that the Pennsylvania Public Utility Commission ("PUC" or the "Commission") issue a certification under Section 32(c) of the Public Utility Holding Company Act of 1935 ("PUHCA"), 15 U.S.C. § 79z-5a(c). The certification consists of a specific determination that allowing PP&L's Sunbury plant to be an "eligible facility" (as defined in Section 32(a) of PUHCA, 15 U.S.C. § 79z-5a(a)):

- (1) will benefit consumers;
- (2) is in the public interest; and
- (3) does not violate State law.

PP&L indicates that certification will enable the buyer of Sunbury to request a determination from the Federal Energy Regulatory Commission ("FERC") that Sunbury Generation, LLC is an "exempt wholesale generator" under Section 32(a) of PUHCA.

Id.

In an Order entered on August 27, 1998, in the above-captioned proceeding, the Commission approved the "Joint Petition for Full Settlement of PP&L, Inc.'s Restructuring Plan and Related Court Proceedings" ("Joint Petition"). Among other things, the Commission Order approving the Joint Petition also approves PP&L's transfer of its generation assets and liabilities:

"3. That all aspects of PP&L's transfer of its generation assets and liabilities and wholesale contracts under the settlement are approved. In addition, we grant the approvals, licenses and certificates of public convenience required under the Public Utility Code regarding the transfer or assignment of PP&L's generating assets and liabilities under the settlement, including but not limited to approvals under Chapters 5, 11, 19, 21 and 28 of the Public Utility Code."

Docket No. R-00973954, Order entered August 27, 1998, p. 11.

In approving the Joint Petition, the Commission, in ordering paragraph 3, expressly granted "all aspects" of PP&L's transfer of generation assets and liabilities, along with granting all of the approvals, licenses and certificates of public convenience required under Chapters 5, 11, 19, 21, and 28 of the Public Utility Code for such transfers. Stated otherwise, the Commission's August 27, 1998 Order

approved PP&L's divestiture of its generation assets and provided for the issuance of the requisite orders and certificates necessary to complete the asset divestiture.

See, Petition of Metropolitan Edison Company and Pennsylvania Electric Company for Clarification With Respect to Approval of the Subdivision of Real Property Necessary to Complete the Sale of TMI-1 to AmerGen Energy Company LLC, Order entered June 16, 1999 at Docket Nos. R-00974008 and R-00974009.

This approval contemplated the type of certification that PP&L has requested; in essence, such certification is simply one element of implementing the approval granted by the Commission in its August 27, 1998 Order.

Accordingly, the Commission hereby grants PP&L's request for a certification under Section 32(c) of PUHCA. The Commission specifically determines that allowing PP&L's Sunbury Plant to be an "eligible facility":

- (1) will benefit consumers;
- (2) is in the public interest; and
- (3) does not violate State law.

Very truly yours,

James J. McNulty
Secretary

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of PP&L, Inc. For Approval :
of Its Restructuring Plan Under Section : Docket No. R-00973954
2806 of the Public Utility Code :

CERTIFICATION OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing documents upon the participant(s), listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

Via First Class Mail

Bohdan R. Pankiw, Esquire
Pennsylvania Public Utility Commission
North Office Building
North Street & Commonwealth Avenue
Harrisburg, PA 17105-3265

Kathryn G. Sophy, Esquire
Pennsylvania Public Utility Commission
North Office Building
North Street & Commonwealth Avenue
Harrisburg, PA 17105-3265

Scott DeBroff, Esquire
Johnnie Simms, Esquire
Office Of Trial Staff
Pennsylvania Public Utility Commission
Third Floor, Pitnick Building
901 North Seventh Street - Rear
Harrisburg, PA 17105-3265

Bernard J. Ryan, Esquire
Angela Jones, Esquire
Office Of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101

James A. Mullins, Esquire
Assistant Consumer Advocate
Office Of Consumer Advocate
555 Walnut Street
5th Flr Forum Place
Harrisburg, PA 17101-1923

Daniel Clearfield, Esquire
Alan Kohler, Esquire
Robert J. Longwell, Esquire
Wolf, Block, Schorr & Solis
Locust Court Bldg., Suite 300
212 Locust Street
Harrisburg, PA 17101
for Enron Corporation

Craig A. Doll, Esquire
214 State Street
Harrisburg, PA 17101
for Delmarva Power & Light Company

Todd Stewart, Esquire
William T. Hawke, Esquire
Malatesta Hawke & McKeon LLP
Harrisburg Energy Center
100 North Tenth Street
Harrisburg, PA 17101
for Mid-Atlantic Power Supply Assoc.

David Martin
Gilberton Power Company
50 Eleanor Avenue
Frackville, PA 17931

Billie E. Ramsey, Esquire
Executive Director
ARIPPA
1300 Market Street, Suite 7
Lemoyne, PA 17043

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McNees, Wallace & Nurick
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for PPLICA

Jeff Bladen, Esquire
New Energy Ventures
1845 Walnut Street
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Philadelphia, PA 19103

Eric Epstein
2308 Brandywine Drive
Harrisburg, PA 17110
Pro se

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David M. DeSalle, Esquire
Ryan, Russell, Ogden & Seltzer, LLP
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Harrisburg, PA 17102-2025
for GPU Energy

Rick Letarte
Schuylkill Energy Resources
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Township Route 851
Shenandoah, PA 17976

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White Plains, NY 10603

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Bill Schmitt
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Trexlerstown, PA 18087

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Selinsgrove, PA 17870-9357
for IBEW, Local 1600

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Paul E. Nordstrom, Esquire
Deborah A. Swanstrom, Esquire
Verner Liipfert, Bernhard, McPherson
& Hand
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for Allegheny Power

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Allegheny Power
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Greensburg, PA 15601

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PREA
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for Pennsylvania Petroleum Association

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Dilworth, Paxson, Kalish & Kauffman LLP
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John & Hengerer
1200 17th Street, N.W., Suite 600
Washington, DC 20036-3006

David A. McCormick, Esquire
Department Of The Army
Office Of The Judge Advocate General
901 North Stuart Street
Arlington, VA 22203-1837

Richard L. Caplan, Esquire
Mary Huwaldt, Esquire
Caplan & Lubner, LLP
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Paoli, PA 19301

Stephen L. Feld, Esquire
Legal Department
Pennsylvania Power Company
One East Washington Street
P.O. Box 891
New Castle, PA 16103

Gary A. Jeffries, Esquire
CNG Energy Services Corporation
One Park Ridge Center
P.O. Box 15746
Pittsburgh, PA 15244-0746

Joan O. Brandeis, Esquire
Schnader, Harrison, Segal & Lewis
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Roger E. Clark, Esquire
Environmental Energy Project
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Ambler, PA 19002

Eugene Brady, Executive Director
Commission on Economic Opportunity
165 Amber Lane
P.O. Box 1127
Wilkes-Barre, PA 18703-1127

Bruce A. Connell, Esquire
General Counsel
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Houston, TX 77079

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Adelia S. Borrasca, Esquire
Heller Ehrman White & McAuliffe
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Hangley Aronchick Segal & Pudlin
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Twelfth Floor
Philadelphia, PA 19103-6933

Susan M. Shanaman, Esquire
212 North Third Street
Suite 203
Harrisburg, PA 17101-1505

David E. Koff, Esquire
Koff, Wendolowski, Ferguson & Mangan
22 East Union Street, Suite 115
Wilkes-Barre, PA 18701-2721

Dated: June 30, 1999



Paul E. Russell

P. E. Russell
Associate General Counsel
Tel. 610.774-4254 Fax 610.774.6726
E-mail: perussell@papl.com

PP&L Inc.
Two North North Street
Allentown, PA 18101-1179
Tel. 610.774.5151
<http://www.ppl-inc.com/>



August 9, 1999

James J. McNulty, Esquire
Secretary
Pennsylvania Public Utility Commission
North Office Building
North Street & Commonwealth Avenue
Harrisburg, Pennsylvania 17105-3265

**Re: Request for Certificates and Copies
Pursuant to 52 Pa. Code § 74.10(b)**

Dear Mr. McNulty:

PP&L, Inc. hereby requests, pursuant to 52 Pa. Code § 74.10(b), that the Pennsylvania Public Utility Commission determine whether there are on file on the date and time stated below, any intangible transition property notices naming as grantor or assignor, or affecting intangible transition property of, PP&L, Inc., Pennsylvania Power & Light Company, CEP Group, Inc., CEP Reserves, Inc., CEP Securities Co. LLC or PP&L Transition Bond Company LLC.

I am enclosing a separate filing fee for each of the above-listed entities and request that a certificate be issued for each entity.

Thank you for your assistance in this matter.

Very truly yours,

Paul E. Russell

BTL

Enclosures

DOCUMENT
FOLDER

Date and Time:

**Form A
Intangible Transition Property Notice**

General Docket Number: M-00970937
Name of Grantor or Assignor: PP&L Transition Bond Company LLC
Address of Grantor or Assignor: Two North Ninth Street
GENA9-2, Room 3
Allentown, PA 18101
Name of Financing Party or Assignee: The Bank of New York, as Trustee

RECEIVED
99 AUG - 9 PM 3:30
PA. P.U.C.
SECRETARY'S BUREAU

Address of Financing Party or Assignee from which Information concerning the Security Interest or Transfer in Interest Intangible Transition Property may be obtained:
101 Barclay Street
New York, NY 10286

This Intangible Transition Property Notice covers the Intangible Transition Property arising from the following Qualified Rate Order:

Commission Docket Number: R-00973954 R-00994637
Date of Entry: August 27, 1998 May 21, 1999

BTL

State whether the Intangible Transition Property Notice relates to all the above Qualified Rate Order and the amount of Intangible Transition Property arising therefrom, or only to a portion of such Order or Amount:

X All Portion

If "Portion" is checked, state either:

The Portion of the Qualified Rate Order to which this Notice relates (by reference to the applicable section(s) or paragraph(s) of the Order:

SECRETARY'S BUREAU
SEP 01 1999

OR

The Amount of the Intangible Transition Property to which this Notice relates (in comparison to the Total Amount of such property):

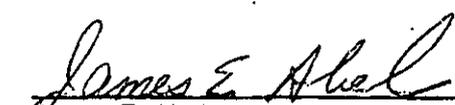
of a Total of

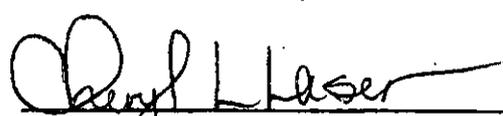
DOCUMENT
FOLDER

Check One:

X This Form A is filed to Perfect a Security Interest in Intangible Transition Property.

This Form A is filed to give notice of a Transfer of an Interest in Intangible Transition Property to an Assignee:


James E. Abel
Manager
For: PP&L Transition Bond Company LLC


Cheryl L. Laser
Assistant Vice President
For: The Bank of New York, as Trustee