

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Uniform Cover and Calendar Sheet

1. REPORT DATE: November 22, 2005	2. BUREAU AGENDA NO.: DEC-2005-FUS-1079*
3. BUREAU: Fixed Utility Services	
4. SECTION(S): Energy	5. PUBLIC MEETING DATE: December 1, 2005
6. APPROVED BY: Director: Rosenthal 3-5242 Manager: Rodrock 3-6185 Legal Review by: <i>[Signature]</i>	DOCUMENT FOLDER
7. PERSONS IN CHARGE: Rodrock/Muriceak 3-6185	
8. DOCKET NO.: A-110500 F0368	9. EFFECTIVE DATE OF FILING: N/A

10. (a) **CAPTION** (abbreviate if more than 4 lines)
 (b) Short summary of history & facts, documents & briefs
 (c) Recommendation

- (a) Application of PPL Electric Utilities Corporation for approval of the transfer by sale of certain facilities.
- (b) On November 10, 2005, PPL Electric Utilities Corporation ("PPL") filed an application pursuant to 66 Pa. C.S §1102(a)(3) for the approval of the transfer by sale of certain facilities. PPL is proposing to transfer by sale certain street light facilities located in the City of Allentown, Lehigh County, Pennsylvania.
- (c) The Bureau of Fixed Utility Services recommends that the Commission adopt the proposed Order.

DOCKETED
DEC 12 2005

11. **MOTION BY:** Commissioner Chm. Holland Commissioner Shane - Yes
 Commissioner Pizzingrilli - Yes
SECONDED: Commissioner Cawley Commissioner Fitzpatrick - Yes

CONTENT OF MOTION: Staff recommendation adopted.



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265
December 6, 2005

REFER TO OUR FILE

A-110500 F0368

PAUL E RUSSELL ASSOC GENERAL COUNSEL
PPL ELECTRIC UTILITIES CORP
TWO NORTH NINTH STREET
ALLENTOWN PA 18101-1179

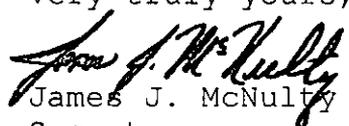
DOCUMENT
FOLDER

Application of PPL Electric Utilities Corporation for approval of the
transfer by sale of certain facilities to the City of Allentown,
Lehigh County, Pennsylvania

To Whom It May Concern:

This is to advise you that an Order has been adopted by the
Commission in Public Meeting on December 1, 2005 in the above
entitled proceeding.

An Order has been enclosed for your records.

Very truly yours,

James J. McNulty
Secretary

Enclosure
Certified Mail
LJM

RJP

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held December 1, 2005

Commissioners Present:

Wendell F. Holland, Chairman
James H. Cawley, Vice Chairman
Bill Shane
Kim Pizzingrilli
Terrance J. Fitzpatrick

Application of PPL Electric Utilities Corporation
for approval of the transfer by sale of certain
facilities to the City of Allentown, Lehigh
County, Pennsylvania.

Docket Numbers:
A-110500F0368

ORDER

BY THE COMMISSION:

On November 10, 2005, PPL Electric Utilities Corporation ("PPL") filed an application pursuant to 66 Pa. C.S. §1102(a)(3) for the approval of the transfer by sale of certain facilities. PPL is proposing to transfer by sale certain street light facilities located in the City of Allentown, Lehigh County, Pennsylvania.

PPL is 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. The City of Allentown is a *municipal corporation and is not affiliated with PPL.*

PPL states that the City of Allentown desires to purchase all of PPL's rights, title and interest in certain street light facilities located in the City of Allentown.

The purchase of these facilities will result in a reduction in Allentown's annual electric bill payments to PPL by approximately \$573,800. According to PPL, the sale will significantly benefit the City of Allentown by permitting more efficient and economical operations. PPL and its customers will be benefited by no longer maintaining the transferred facilities. PPL will not have to acquire replacement property due to the sale. The transferred facilities serve only the City of Allentown.

PPL avers that it will recover the present day depreciated cost of the facilities. The property to be transferred has been included in PPL's most recently concluded rate case at Docket No. R-00049255, and in prior rate cases. According to PPL, it has agreed to sell, and the City of Allentown has agreed to purchase the facilities for \$1,189,110. The sale price is the result of arms-length negotiations.

PPL states that approval of this application is necessary and proper for the City of Allentown 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 City of Allentown's right to service on the most favorable and economic basis under PPL's retail tariff.

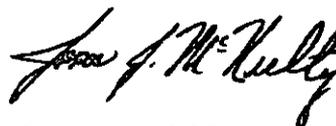
Upon consideration of these factors, we conclude that the record provides substantial evidence of affirmative public benefit sufficient to warrant approval of the proposed transaction under *City of York v. Pennsylvania Public Utility Commission*, 449 Pa. 136, 295 A.2d 825 (1972); **THEREFORE,**

IT IS ORDERED:

1. That the Application for the approval of the transfer by sale of certain facilities to the City of Allentown, Lehigh County, Pennsylvania, be, and hereby is approved, without prejudice to any timely filed formal complaints.

2. That a Certificate of Public Convenience be issued.

BY THE COMMISSION,



James J. McNulty
Secretary

(SEAL)

ORDER ADOPTED: December 1, 2005

ORDER ENTERED: **DEC 06 2005**

2. Article Number



7160 3901 9843 0839 7790

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

PAUL E RUSSELL ASSOC GENERAL
COUNSEL
PPL ELECTRIC UTILITIES CORP
TWO NORTH NINTH STREET
ALLENTOWN PA 18101-1179

A-110500 F0368
PU

COMPLETE THIS SECTION ON DELIVERY	
A. Received by (Please Print Clearly)	B. Date of Delivery 12-8
C. Signature <i>Chockley</i>	<input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee
D. Is delivery address different from item 1? If YES, enter delivery address below:	<input type="checkbox"/> Yes <input type="checkbox"/> No

