

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**  
**Uniform Cover and Calendar Sheet**

1. <b>REPORT DATE:</b> December 6, 2005	2. <b>BUREAU AGENDA NO.:</b> DEC-2005-FUS-1081*
3. <b>BUREAU:</b> Fixed Utility Services	
4. <b>SECTION(S):</b> Energy	5. <b>PUBLIC MEETING DATE:</b> December 15, 2005
6. <b>APPROVED BY:</b> Director: Rosenthal 3-5242 <i>RA</i> Supervisor: Rodrock 3-6185 <i>H.E.R.</i> Gas Safety: Metro <i>PJM</i> Legal Review by: <i>P.K. Burchard 7-3-164</i>	
7. <b>PERSONS IN CHARGE:</b> Rodrock/Deichmiller 3-6185	9. <b>EFFECTIVE DATE OF FILING:</b> N/A
8. <b>DOCKET NO.:</b> A-125127F0003	

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

- (a) Application of PPL Gas Utilities Corporation ("PPL Gas") for approval of abandonment of service.
- (b) On January 25, 2005, PPL Gas filed an application for approval of abandonment of service to three natural gas customers located in Sharon Township, Potter County, Pa.
- (c) The Bureau of Fixed Utility Services recommends that the Commission adopt the proposed Draft Order.

**DOCUMENT  
FOLDER**

**DOCKETED**  
JAN 9 2006

11. **MOTION BY:** Commissioner Chm. Holland

**SECONDED:** Commissioner Cawley

Commissioner Shane - Yes  
 Commissioner Pizzingrilli - Yes  
 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 23, 2005

REFER TO OUR FILE

A-125127 F0003,  
C-20044183  
C-20054404  
C-20054274

JOHN H ISOM ESQUIRE  
POST & SCHELL PC  
17 NORTH SECOND STREET  
12<sup>TH</sup> FLOOR  
HARRISBURG PA 17101

DOCUMENT  
FOLDER

Pennsylvania Public Utility Commission  
v.  
PPL Gas Utilities Corporation

To Whom It May Concern:

This is to advise you that an Order has been adopted by the Commission in Public Meeting on December 15, 2005 in the above entitled proceeding.

An Order has been enclosed for your records.

Very truly yours,

  
James J. McNulty  
Secretary

RJP

Enclosure  
Certified Mail  
LJM

See attached list for additional parties of record

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

Public Meeting held December 15, 2005

Commissioners Present:

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

Pennsylvania Public Utility Commission  
v.  
PPL Gas Utilities Corporation

Docket Number  
A-125127F0003  
C-20044183  
C-20054404  
C-20054274

**ORDER**

**BY THE COMMISSION:**

On January 25, 2005, pursuant to 66 Pa. C.S. §1102(a)(2) of the Public Utility Code, 66 Pa. C.S. §1102(a)(2), PPL Gas Utilities Corporation (“PPL Gas”) filed an application for approval of the abandonment of service by PPL Gas to three residential customers located in Sharon Township, Potter County, Pa.

PPL Gas is a wholly-owned subsidiary of PPL Corporation. PPL Gas, formerly Penn Fuel Gas, Inc., was organized in 1946 and acquired by PPL Corporation,

which was then named PP&L Resources, Inc., in 1998. Penn Fuel Gas, Inc. was renamed PPL Gas Utilities Corporation on February 14, 2000.

PPL Gas began providing natural gas public utility services effective January 1, 2005. Prior to that time, PPL Gas owned three subsidiaries: North Penn, PFG Gas, Inc. ("PFG"), and Gas-Oil Products, Inc. As of the close of 2004, North Penn, PFG and Gas-Oil Products, Inc. were merged with and into PPL Gas, which was the surviving corporation.

PPL Gas proposes to abandon service to three customers situated along Topeka Road in Sharon Township, Potter County, Pennsylvania. PPL Gas serves these three customers by means of 2,000 feet of four-inch bare steel distribution pipeline and 2,700 feet of two-inch bare steel distribution pipeline. No other customers are served from these sections of pipeline, and the abandonment of these pipelines would not affect service to other customers.

The pipelines are in need of replacement, and PPL Gas estimates a cost of \$40,200 to replace the pipelines. Revenues from serving the three customers do not economically justify replacing the pipelines.

Two of the three customers served to whom PPL wishes to abandon service use very little gas, since they receive natural gas from a private well without using PPL Gas's distribution system. PPL Gas's annual distribution revenues from serving the three customers is \$746, or \$5,884 less than the revenue requirement associated with the facilities that would be necessary to serve the three customers.

A copy of this Application was served upon each of the three customers. PPL Gas offered a cash amount of \$2,023 to two of the customers and \$3,006 to the third

customer. None of the three customers accepted PPL Gas's offer. Subsequently, complaints were filed by the three customers at Docket Numbers C-20044183, C-20054404 and C-20054274. In order to ensure due process, the application was reassigned to the Office of Administrative Law Judge in March of 2005.

A settlement between PPL Gas and the three customers was reached on May 13, 2005. Under the settlement agreement, all issues concerning the abandonment were resolved. Under the terms of the settlement agreement, PPL Gas will issue jointly a check to Mr. Paul Blauvelt, Mrs. Dorothy Douglas and Mrs. Martha J. Blauvelt in the total amount of \$8,052, within thirty days after the Commission's final approval of the application. The payment by PPL Gas to the three customers will be in complete satisfaction of their complaints. (See Attachment 1)

In lieu of the costs necessary to repair the pipelines that serve the three customers, as well as the fact that a settlement has been reached between PPL Gas and the three customers, we believe it is in the best interest to approve this application to abandon service.

We note that PPL Gas Utilities Corporation must conduct the abandonment of natural gas facilities in accordance with federal and state law, in particular the Department of Transportation's Office of Pipeline Safety's regulation governing abandonment or deactivation of facilities, 49 C.F.R. §192.727, which we adopted pursuant to 52 Pa. Code §59.33(b). See also, 58 P.S. §§ 1, *et seq.*

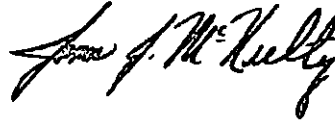
Upon consideration of these factors, we conclude that the record provides substantial evidence of affirmative public benefit sufficient to warrant approval of the proposed transaction under *City of York v. Pennsylvania Public Utility Commission*, 295 A.2d 825 Pa. (1972), **THEREFORE**,

**IT IS ORDERED:**

1. That the Application for approval of the abandonment of service by PPL Gas Utilities Corporation, filed on January 25, 2005, be, and hereby is, approved.
2. That a Certificate of Public Convenience be issued to PPL Gas Utilities Corporation pursuant to 66 Pa. C.S. §1102(a)(2) authorizing approval of the abandonment of service to three residential gas service customers.
3. That PPL Gas Utilities Corporation notify the Public Utility Commission's Bureau of Transportation/Gas Safety Division when the final bills are issued and the abandonment takes place.
4. That a copy of this Order be served on PPL Gas Utilities Corporation, Mr. Paul D. Blauvelt, Mrs. Martha J. Blauvelt, and Mrs. Dorothy Douglas.
5. That the complaints filed against PPL Gas at Docket Numbers C-20044183, C-20054404 and C-20054274 be marked closed.

6. That this proceeding at Docket No. A-125127F0003 be marked closed.

**BY THE COMMISSION,**

A handwritten signature in black ink, appearing to read "James J. McNulty". The signature is written in a cursive style with a large initial "J" and "M".

James J. McNulty  
Secretary

(SEAL)

ORDER ADOPTED: December 15, 2005

ORDER ENTERED: **DEC 23 2005**

Morgan, Lewis & Bockius LLP  
One Commerce Square  
417 Walnut Street  
Harrisburg, PA 17101-1904  
Tel: 717.237.4000  
Fax: 717.237.4001  
www.morganlewis.com

**Morgan Lewis**  
COUNSELORS AT LAW

**John H. Isom**  
Of Counsel  
717.237.4022  
jisom@morganlewis.com

June 16, 2005

Mr. Paul Blauvelt  
Topeka Road  
R.D. # 1, Box 1178  
Shinglehouse, PA 16748

Mrs. Dorothy Douglas  
Topeka Road  
R.D. #1, Box 1176  
Shinglehouse, PA 16748

Mrs. Martha J. Blauvelt  
Topeka Road  
R.D. # 1, Box 1180  
Shinglehouse, PA 16748

Re: Application of PPL Gas Utilities Corporation for Certificates of Public Convenience Evidencing Approval of the Abandonment or Discontinuance of Natural Gas Service to Three Customers in Sharon Township, Potter County, Pennsylvania Docket No. A-125127F0003; Paul D. Blauvelt v. North Penn Gas Company (PPL Gas Utilities Corporation), Docket No. C-20044183; and Roy E. (Mrs. Dorothy) Douglas v. North Penn Gas Company (PPL Gas Utilities Corporation), Docket No. C-20054404; and Martha J. Blauvelt v. PPL EnergyPlus, LLC (PPL Gas Utilities Corporation), Docket No. C-20054274

Dear Mr. Blauvelt, Mrs. Blauvelt and Mrs. Douglas:

The purpose of this letter is to confirm the settlement agreement among you and PPL Gas Utilities Corporation ("PPL Gas") that was reached during a telephone conversation on Monday, May 13, 2005, between Mr. Blauvelt and C. Earl Kinter, Director of Customer Service for PPL Gas Utilities Corporation ("PPL Gas"). As you are aware, based on the settlement agreement, the hearing in the above-referenced proceedings that was scheduled to be held on Thursday, June 16, 2005, has been postponed.

The agreement resolves completely all issues concerning the above-reverenced proceedings and the abandonment of a pipeline that PPL Gas has used to provide natural gas service to you and abandonment of natural gas service to you.

Mr. Paul Blauvelt  
Mrs. Dorothy Douglas  
Mrs. Martha J. Blauvelt  
June 16, 2005  
Page 2

Under the agreement, PPL Gas will issue jointly to Mr. Paul Blauvelt, Mrs. Dorothy Douglas and Mrs. Martha J. Blauvelt a check in the total amount of \$8,052.09, within thirty (30) days after the Commission's final approval the above-referenced Application of PPL Gas for Abandonment of Service. The payment by PPL Gas of this amount of money will be in complete satisfaction of your complaints.

After PPL Gas sends you the check, you will have ninety (90) days to complete arrangements for alternative fuels or sources of fuels to replace natural gas service from PPL Gas. After the ninety-day period, PPL Gas may abandon the pipeline that is used to serve you, thereby terminating natural gas service to your premises.

Provided below are signature lines for each of you. PPL Gas asks that each of you sign this Letter Agreement. When it has been signed by all three Complainants, please return it to me in the enclosed, pre-stamped, self-addressed envelope. Three extra copies of this Letter Agreement are enclosed for your records.

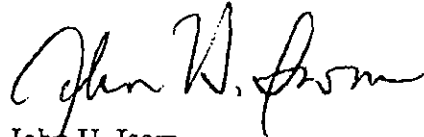
Upon receipt of this letter, signed by each of the Complainants, PPL Gas will file with the Pennsylvania Public Utility Commission ("Commission") and provide to Administrative Law Judge Cocheres a "Certificate of Satisfaction." Therein, PPL Gas will indicate to Administrative Law Judge Cocheres and the Commission that your Complaints against PPL Gas' Application for Abandonment of Service have been satisfied as a result of the settlement embodied in this Letter Agreement. PPL Gas will ask Administrative Law Judge Cocheres and the Commission to approve the Application for Abandonment of PPL Gas as unopposed and dismiss your complaints because they will have been satisfied.

Copies of the Certificate of Satisfaction will be served upon you by mail at the same time that it is filed with the Commission. If you believe that the Certificate of Satisfaction is incorrect, you will have ten (10) days in which to object to the Certificate. Otherwise, the Administrative Law Judge and the Commission will conclude that your Complaints have been withdrawn.

If you have any questions concerning these matters, please contact Mr. Kinter or myself.

Mr. Paul Blauvelt  
Mrs. Dorothy Douglas  
Mrs. Martha J. Blauvelt  
June 16, 2005  
Page 3

Very truly yours,



John H. Isom

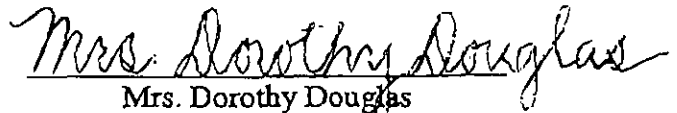
JHI/jl

Enclosures

c: C. Earl Kinter



Mr. Paul Blauvelt



Mrs. Dorothy Douglas



Mrs. Martha J. Blauvelt

0001  
JOHN H ISOM, ESQUIRE  
POST & SCHELL, P.C.  
17 NORTH SECOND STREET 12TH FLOOR  
HARRISBURG PA 17101  
APPLICANT

0002  
PAUL E RUSSELL ASSOC GENERAL COUNSEL  
TWO NORTH NINTH STREET  
ALLENTOWN PA 18101-1179  
PPL SERVICES CORPORATION

0003  
PAUL D BLAUVELT  
TOPEKA ROAD  
RD 1 BOX 1178  
SHINGLEHOUSE PA 16748-9733  
SELF P

0004  
JOHN STILSON CHAIRMAN  
RD 1 BOX 96  
SHINGLEHOUSE PA 16748  
COMPLAINANT

0005  
ROY DOUGLAS  
TOPEKA ROAD  
RR1 BOX 1176  
SHINGLEHOUSE PA 16748

0006  
JAY DOUGLAS BLAUVELT  
TOPEKA ROAD  
RD 1 BOX 1180  
SHINGLEHOUSE PA 16748

0001

PAUL E RUSSELL COUNSEL  
TWO NORTH NINTH STREET  
ALLENTOWN  
RESPONDENT

PA 18101-1179

0002

PAUL D. BLAUVELT  
RD 1 BOX 1178  
SHINGLEHOUSE  
COMPLAINANT

PA 16748-9733

0003

JOHN H ISOM ESQUIRE  
MORGAN LEWIS & BOCKIUS LLP  
ONE COMMERCE SQUARE 417 WALNUT STREET  
HARRISBURG  
RESPONDENT

PA 17101-1904

0004

X  
X  
X  
ALLENTOWN  
X

PA 18101-1179

0001

PPL GAS UTILITIES CORPORATION  
TWO NORTH NINTH STREET  
ALLENTOWN PA 18101-1179  
RESPONDENT

0002

ROY E. DOUGLAS  
RD # 1 BOX 1176  
SHINGLEHOUSE PA 16748  
COMPLAINANT

0003

JOHN H ISOM ATTORNEY  
MORGAN LEWIS & BOCKIUS LLP  
ONE COMMERCE SQUARE 417 WALNUT STREET  
HARRISBURG PA 17101-1904  
PPL GAS UTILITIES CORPORATION

0004

JOHN STILSON CHAIRMAN  
RD 1 BOX 96  
SHINGLEHOUSE PA 16748  
SHARON TOWNSHIP

0001  
PAUL E RUSSELL COUNSEL  
TWO NORTH NINTH STREET  
ALLENTOWN PA 18101-1179  
RESPONDENT

0002  
MARTHA J BLAUVELT  
TOPEKA ROAD  
RD 1 BOX 1180  
SHINGLEHOUSE PA 16748  
COMPLAINANT

0003  
JOHN H ISOM COUNSEL  
MORGAN LEWIS & BOCKIUS LLP  
ONE COMMERCE SQUARE 417 WALNUT STREET  
HARRISBURG PA 17101-1904  
RESPONDENT

0004  
X  
X  
X  
ALLENTOWN PA 18101-1179  
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0005  
JOHN STILSON CHAIRMAN  
RD 1 BOX 96  
SHINGLEHOUSE PA 16748  
SHARON TOWNSHIP