

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: 11/21/06
8. DOCKET NO: A-110550 F0168	:	9. EFFECTIVE DATE: 00/00/00

PARTY/COMPLAINANT: SUNOCO, INC

RESPONDENT/APPLICANT: PECO ENERGY COMPANY

COMP/APP COUNTY: UTILITY CODE: 110550

ALLEGATION OR SUBJECT

APPLICATION OF PECO ENERGY COMPANY FOR APPROVAL OF THE TRANSFER BY TO SUNOCO, INC, (R&M) OF CERTAIN ELECTRIC SERVICE FACILITIES LOCATED IN PHILADELPHIA, PA.

DOCUMENT
FOLDER

DOCKETED
DEC 07 2006

Legal Department

Exelon Business Services Company
2301 Market Street / 523-1
P.O. Box 8699
Philadelphia, PA 19101-8699

Telephone 215.841.5544
Fax 215.568.3389
www.exeloncorp.com

Business Services
Company

Direct Dial: 215 841 6863

November 20, 2006

James McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, Second Floor
Harrisburg, PA 17120

A-110 550 F0168

Re: Application of PECO Energy Company for approval of the transfer by sale to Sunoco, Inc. (R&M) of electric service facilities located in Philadelphia, Pennsylvania

Dear Mr. McNulty:

Enclosed are an original and three copies of the above application of PECO Energy Company for approval of the transfer by sale to Sunoco, Inc. (R&M) of certain electric facilities located in Philadelphia, Pennsylvania.

Also enclosed is PECO Energy's check for \$350 (No. 1889) the required filing fee for issuance of a certificate. A copy of this cover letter has been included. Please time stamp the cover letter on receipt and return it to me in the enclosed postage-paid envelope.

Sunoco, Inc. (R&M) desires to proceed with a construction project at its Philadelphia Refinery as soon as possible. The requested authorization to transfer assets to Sunoco, Inc., will facilitate Sunoco, Inc.'s ability to proceed with its construction project. PECO therefore requests, on behalf of itself and Sunoco, Inc., that this matter be addressed by the Commission at its earliest convenience.

Very truly yours,

Ward L. Smith

Ward L. Smith
Assistant General Counsel

WLS:mb
Enclosures

DOCUMENT
FOLDER

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

62

ORIGINAL

BEFORE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RE: Application of PECO ENERGY :
COMPANY for Approval of the :
Transfer by Sale to Sunoco, Inc. :
(R&M) of Certain Electric Service :
Facilities Located in Philadelphia, :
Pennsylvania :

DOCKET NO. A-110550 F0168

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

DOCUMENT
FOLDER

1. The name and address of Applicant are:

PECO ENERGY COMPANY ("PECO ENERGY")
2301 Market Street, S23-1
P.O. Box 8699
Philadelphia, PA 19101-8699

2. The name and address of Applicant's attorney are:

Ward L. Smith, Esq.
Exelon Business Services Company
2301 Market Street, S23-1
P.O. Box 8699
Philadelphia, PA 19101-8699
215-841-6863
ward.smith@exeloncorp.com

DOCKETED
DEC 07 2006

3. PECO Energy Company ("PECO" or "Applicant") is a Pennsylvania Public Utility Corporation that, among other things, provides electric utility service to the public in the City of Philadelphia, Pennsylvania.

4. Sunoco, Inc. (R&M) ("Sunoco" or "Transferee") is a Pennsylvania Corporation that, among other things, takes retail electric service from PECO at Sunoco's Philadelphia Refinery in the City of Philadelphia, Pennsylvania.

5. Applicant and Transferee are not affiliated interests pursuant to the definitions found at 66 Pa. C.S. § 2101 et seq.

6. Applicant proposes to transfer by Agreement of Sale to Transferee certain electric service facilities (the "Assets"), presently owned by Applicant and used to provide electric service to a portion of the Sunoco's Philadelphia Refinery. The Assets proposed

to be transferred by the Applicant consist of Sections of four existing aerial electric cables and appurtenances, described in detail in Exhibit A to the Agreement of Sale (which is itself attached to this Application as Attachment 1.) The Assets have a net book value of approximately \$200,000.

7. The terms and conditions of the transfer are set forth in a proposed Agreement of Sale, a copy of which is attached hereto as Attachment 1, and made a part hereof.

8. The Assets are used solely to serve Sunoco, and are attached to PECO Energy poles located within the confines of the Sunoco refinery. Originally, these poles were located in the public right-of-way along a public street. That street, however, has since been withdrawn from the public use (vacated) and is now owned by Sunoco. The PECO poles have additional electric facilities attached to them, which serve customers other than Sunoco outside of the refinery, and one customer within the refinery. PECO will retain ownership of the poles to which the Assets are attached. It will also retain ownership of the electric facilities attached to its poles that are used to serve other customers.

9. Sunoco has requested this asset transfer for the following reason: PECO's current designated point-of-delivery for the Sunoco Philadelphia Refinery is PECO's pole number 62364B at the southern end of the Philadelphia Refinery. Sunoco is undertaking a major construction initiative at the Philadelphia Refinery and desires to electrically connect new customer-owned electrical facilities to the existing PECO system. In order to safely accommodate this request, PECO has designated a new point of delivery on the northern side of the Refinery at PECO manhole numbers 22105 and 118364. With this new point of delivery, the Assets will be on the customer side of the point of delivery.

10. The consideration for the transfer of the Assets is One Dollar (\$1.00) and other valuable consideration. Sunoco will own and maintain the Assets. PECO will continue to own and maintain its poles to which the Assets are attached, as well as electric facilities attached to the poles used to serve other customers.

11. The proposed transfer is necessary, proper, and in the public interest because it (1) allows the safe interconnection of customer-owned facilities to the PECO system; (2) facilitates Sunoco's major construction project, allowing it to expand its operations and electric load in an economic fashion; (3) relieves the Applicant of the ownership cost of the Assets; (4) transfers only facilities that are dedicated to Sunoco, (5) preserves PECO's ability to continue to own and maintain the facilities used to provide service to its other customers; and (6) in PECO's next base rate proceeding, will cause PECO's rate base to be decreased by the undepreciated book value of the Assets.

WHEREFORE, Applicant prays that your Honorable Commission issue a Certificate of Public Convenience evidencing its approval of the proposed transfer and such other relief as may be necessary.

PECO ENERGY COMPANY

BY:



Ward L. Smith
Assistant General Counsel
Exelon Business Services Company
P.O. Box 8699
Philadelphia, PA 19101-8699
215 841 6863
215 568 3389(Fax)
ward.smith@exeloncorp.com

Counsel for PECO Energy Company

ATTACHMENT "1"

AGREEMENT OF SALE

THIS AGREEMENT OF SALE (this "Agreement") made as of this 16th day of November, 2006 ("Effective Date"), by and between PECO ENERGY COMPANY, a Pennsylvania corporation ("Seller") and SUNOCO, INC. (R&M), a Pennsylvania corporation ("Buyer").

BACKGROUND

A. Seller is the owner of a certain electric distribution lines and appurtenances as described on Exhibit "A" ("Circuits") located on and serving exclusively Buyer's refinery property located at 3144 Passyunk Avenue, Philadelphia, Pennsylvania (the "Premises").

B. Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Circuits upon the terms and conditions contained herein.

C. Seller shall retain ownership of the poles to which the Circuits are attached in order to continue to serve other customers through other circuits attached to the poles. Seller and Buyer also desire to enter into a pole attachment agreement for the attachment of the Circuits to PECO poles.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties hereto, intending to be legally bound, agree as follows:

1. Purchase and Sale. Subject to the terms and conditions herein, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the Circuits.

2. Purchase Price. The purchase price for the Circuits is One Dollar (\$1).

3. Settlement.

(a) Subject to the satisfaction of the condition precedent set forth in Paragraph 5(a), Settlement shall take place within Ten (10) days after the later of Seller obtaining the approval described in Paragraph 5 (a) (the "Approval") and Seller complying with any conditions in the orders granting the Approval, but in no event shall Seller be obligated to settle later than Sixty (60) days after the date of this Agreement, unless extended by mutual consent in writing.

(b) Settlement shall take place at a mutually agreeable location during normal business hours.

4. Events to Occur at Settlement. At Settlement, the following shall occur:

(a) Seller and Buyer shall execute and deliver a bill of sale for the Circuits substantially in the form attached hereto as Exhibit "B".

(b) Seller and Buyer shall execute and deliver a pole attachment agreement substantially in the form attached hereto as Exhibit "C".

5. Required Approval.

(a) It is a condition of Seller's obligation to make Settlement that Seller obtains all necessary approvals from the Pennsylvania Public Utility Commission to transfer the Circuits in accordance with this Agreement. Seller shall commence the process of seeking such approvals promptly after execution of this Agreement. Buyer, at no cost or liability to Buyer, shall reasonably cooperate with Seller in obtaining the required approvals.

(b) If for any reason such approval is not granted in accordance this Paragraph 5 hereof, then this Agreement shall be null and void.

6. Seller's Management Approval.

(a) Seller's obligation to complete Settlement under this Agreement is contingent upon Seller receiving its management's approval within Thirty (30) days after the date of Seller's execution of this Agreement. Seller's execution of this Agreement does not represent its management's approval as required by this Paragraph. If Seller is unable to obtain its management's approval, this Agreement shall be null and void.

(b) UNLESS SIGNED BY SELLER IN THE PLACE SET FORTH BELOW, THE DELIVERY OF THIS AGREEMENT DOES NOT CONSTITUTE A CONTRACTUAL OFFER; AND BINDING COMMITMENTS (OR OTHER OBLIGATIONS OF ANY KIND) WILL ARISE ONLY IF AND WHEN A MUTUALLY ACCEPTABLE AGREEMENT IS FINALLY SIGNED BY BOTH BUYER AND SELLER.

7. Representations and Warranties of Seller.

Seller represents and warrants to Buyer that the following statements are true and correct as of the date of this Agreement and will be true and correct as of the date of Settlement.

7.1 Seller is duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania and is duly qualified, licensed and authorized to do business as a foreign corporation and is in good standing as a foreign corporation in each jurisdiction in which the conduct of its business requires such qualification, licensing or authorization. Seller has full corporate power and authority to execute and deliver this Agreement and the other agreements and instruments to be executed and delivered by it pursuant hereto and to

consummate the transactions contemplated hereby and thereby. All corporate acts and other proceedings required to be taken by or on the part of Seller, including, if necessary, all appropriate stockholder action, to authorize it to carry out this Agreement and such other agreements and instruments and the transactions contemplated hereby and thereby have been duly and properly taken. This Agreement has been duly executed and delivered by Seller and constitutes, and such other agreements and instruments when duly executed and delivered by Seller will constitute, legal, valid and binding obligations of Seller and will be enforceable in accordance with their respective terms.

7.2 Seller now has, and by virtue of the deliveries made at Settlement, Buyer will obtain good and marketable title to the Circuits, free and clear of all liens, encumbrances, charges and equities of any nature whatsoever.

7.3 To the best of Seller's knowledge, without investigation, neither the ownership or sale by Seller of any of the Circuits were, are or will be in contravention of any patent, trademark, copyright or franchise agreements, licensing agreements, or other proprietary right of any third party or was, is or will be dependent for no contravention upon the acquiescence, agreement or consent of any such third party other than the PUC.

7.4 The Circuits are being sold in AS IS, WHERE IS condition.

7.6 The foregoing representations and warranties set forth in this Paragraph 7 shall be deemed renewed by Seller at the Settlement as if made at such time and shall survive for a period of two years after Settlement.

7.7 Except as otherwise stated herein, Seller has made no representations or warranties with respect to the Circuits.

8. Representation and Warranty of Buyer.

Buyer represents to Seller that the following statement is correct as of the date of this Agreement and will be true and correct as of the date of Settlement.

8.1 Buyer is a corporation duly organized, validly existing and in good standing under the laws of Commonwealth of Pennsylvania and is duly qualified, licensed and authorized to do business as a foreign corporation and is in good standing as a foreign corporation in each jurisdiction in which the conduct of its business requires such qualification, licensing or authorization. Purchaser has full corporate power to own or lease its properties and carry on its business as now being conducted. Buyer has full corporate power and authority to execute and deliver this Agreement and the other agreements and instruments to be executed and delivered by it pursuant hereto and to consummate the transactions contemplated hereby and thereby. All corporate acts and other proceedings required to be taken by or on the part of Buyer,

including, if necessary, all appropriate stockholder action, to authorize it to carry out this Agreement and such other agreements and instruments and the transactions contemplated hereby and thereby have been duly and properly taken. This Agreement has been duly executed and delivered by Buyer and constitutes, and such other agreements and instruments when duly executed and delivered by Buyer will constitute, legal, valid and binding obligations of Buyer and will be enforceable in accordance with their respective terms.

9. Notices. All notices required to be given under this Agreement shall be in writing and shall be deemed given when deposited in the United States Postal Service, Certified Mail return receipt requested or by recognized commercial courier service, return receipt requested.

Notices to Seller shall be addressed to:

PECO Energy Company
2301 Market Street, S10-1
Philadelphia, PA 19103
Attn: Steven Goldberg, Account Manager

Notices to Buyer shall be addressed to:

Sunoco, Inc. (R&M)
1735 Market Street, Suite LL
Philadelphia, PA 19103
Attn: Christine Nowicki - Streek

With a copy to:
Senior Vice President and General Counsel
Facsimile: (215) 977-3902

10. Assignment by Buyer. Buyer shall not assign its interest in this Agreement without first obtaining the prior written consent of Seller.

11. Time of the Essence. Time is of the essence in this Agreement.

12. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, and, to the extent that assignment is permitted, their assigns.

13. Entire Agreement. The entire agreement between the parties is herein written, and the parties shall not be bound by any agreements, understandings or conditions other than are expressly set forth and stipulated in this Agreement or in any subsequent written Agreement signed by the parties hereto.

14. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Pennsylvania.

15. Press Releases and Announcements. Any public announcement, or similar publicity with respect to this Agreement or the transactions contemplated thereby, will be issued, if at all, at such time and in such manner as Buyer and Seller mutually determine and approve. Notwithstanding the foregoing, no consent of any party shall be required with respect to filings to any governmental authority or as required by applicable law or the rules of the New York Stock Exchange.

16. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

EXECUTED the day and year first above written.

Seller: PECO ENERGY COMPANY

BY: 
Frank J. Jiruska
Vice President, Energy & Marketing Services

Buyer: SUNOCO, INC. (R&M)

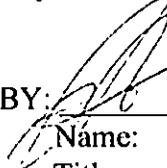
BY: 
Name: *Senior Vendor Manager*
Title:

EXHIBIT "A"

CIRCUITS

Section of 2030 line – 2,731 feet of 3-1x400 AL CLPe/J (aerial cable) extending from the Service Delivery Point at manhole 221105 SS Chevron R/W 3,126 feet WCL 26th St PP and installed on the PECO owned pole line along River Road to PECO pole number 62364B

Section of 2031 line – 2,731 feet of 3-1x400 AL CLPe/J (aerial cable) from extending from the Service Delivery Point at manhole 221105 SS Chevron R/W 3,126 feet WCL 26th St PP and installed on the PECO owned pole line along River Road to PECO pole number 62364B

Section of 2032 line – 4,202 feet of 3-1x400 AL CLPe/J (aerial cable) extending from the Service Delivery Point at manhole 118364 WS Schuylkill Ave, 878 feet S Passyunk Ave and installed on the PECO owned pole line along River Road to PECO pole number 62364B

Section of 2033 line – 4,202 feet of 3-1x400 AL CLPe/J (aerial cable) from the Service Delivery Point at manhole 118364 WS Schuylkill Ave, 878 feet S Passyunk Ave and installed on the PECO owned pole line along River Road to PECO pole number 62364B

All brackets and appurtenances necessary to attach Circuits to PECO poles are included with the Circuits and are identified as part of the Circuits

EXHIBIT "B"

BILL OF SALE

EXHIBIT "C"

POLE ATTACHMENT AGREEMENT

BILL OF SALE

THIS BILL OF SALE (this "Bill of Sale") is made and entered into as of this 16th day of November, 2006 by and between **PECO ENERGY COMPANY**, a Pennsylvania corporation ("PECO") and **SUNOCO, INC. (R&M)**, a Pennsylvania corporation ("Sunoco").

BACKGROUND

PECO desires to grant, convey, assign, transfer and deliver to Sunoco all of its right, title and interest in certain electric circuits and attachments as described on Exhibit "A" attached hereto (the "Circuits"), and Sunoco desires to acquire and accept ownership of the Circuits.

AGREEMENT

NOW, THEREFORE, the parties hereto, intending to be legally bound hereby, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby agree as follows:

1. PECO hereby grants, conveys, transfers, delivers and sets over to Sunoco all of PECO's right, title and interest, legal and equitable, in and to the Circuits.
2. Sunoco acknowledges that it is purchasing the Circuits in their existing condition, AS IS, WHERE IS, and without any representation or warranty of Seller, express or implied, including without limitation any implied warranties of merchantability or fitness for a particular purpose.
3. This instrument shall inure to the benefit of and be binding upon the respective successors and assigns of the parties.
4. This Bill of Sale shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to any choice of law rules.
5. This instrument may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[THIS SPACE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned have caused this Bill of Sale, to be duly executed on the date first above written.

PECO ENERGY COMPANY

By: Frank Jiruska
Name: Frank J. Jiruska
Title: Vice President,
Energy & Marketing Services

SUNOCO, INC. (R&M)

By: Senior-Venture Manager
Name:
Title:

EXHIBIT "A"

CIRCUITS

Section of 2030 line – 2,731 feet of 3-1x400 AL CLPe/J (aerial cable) extending from the Service Delivery Point at manhole 221105 SS Chevron R/W 3,126 feet WCL 26th St PP and installed on the PECO owned pole line along River Road to PECO pole number 62364B

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Section of 2033 line – 4,202 feet of 3-1x400 AL CLPe/J (aerial cable) from the Service Delivery Point at manhole 118364 WS Schuylkill Ave, 878 feet S Passyunk Ave and installed on the PECO owned pole line along River Road to PECO pole number 62364B

All brackets and appurtenances necessary to attach Circuits to PECO poles are included with the Circuits and are identified as part of the Circuits

**BEFORE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

RE: Application of PECO ENERGY :
COMPANY for Approval of the :
Transfer by Sale to Sunoco, Inc. :
(R&M) of Certain Electric Service : DOCKET NO.
Facilities Located in Philadelphia :
Pennsylvania :

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a true copy of the above-captioned Application of PECO Energy for Approval of the Transfer by Sale to Sunoco, Inc. (R&M) of Certain Electric Service Facilities Located in Philadelphia, Pennsylvania upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Service by Federal Express, postage prepaid, addressed as follows:

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd floor
Harrisburg, PA 17120

Maryam Mahdavi, Esq.
Sunoco, Inc. (R&M)
1735 Market Street, Suite LL
Philadelphia, PA 19103

Dated: November 21, 2006



Ward L. Smith
Exelon Business Services Company
2301 Market Street; S23-1
Philadelphia, PA 19103
(215) 841-6863
ward.smith@exeloncorp.com

Counsel for PECO Energy

DATE: December 7, 2006

SUBJECT: A-110550 F0168

TO: Bureau of Fixed Utility Services

FROM: James J. McNulty, Secretary *ddt*

DOCUMENT
FOLDER

APPLICATION OF PECO ENERGY COMPANY

We attach hereto a copy of the Application of Peco Energy Company for approval of the Transfer by Sale to Sunoco, Inc, (R&M) of Certain electric service facilities located in Philadelphia, PA, which has been captioned and docketed to the above number.

May we have a report prepared by your Bureau for public meeting.

Attachment

cc: Law Bureau

ddt

DOCKETED
DEC 07 2006

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

IN REPLY PLEASE
REFER TO OUR FILE
Secretary
717-772-7777

December 7, 2006

A-110550F0168

WARL L SMITH ESQUIRE
EXELON BUSINESS SERVICES CO
2301 MARKET STREET, S23-1
P O BOX 8699
PHILADELPHIA PA 19101-8699

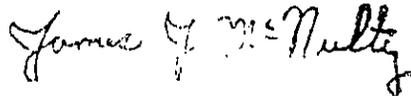
DOCUMENT
FOLDER

Dear Mr. Smith:

Receipt is acknowledged of the Application of Peco Energy Company for approval of the Transfer by Sale to Sunoco, Inc, (R&M) of certain electric service facilities located in Philadelphia, PA, which has been captioned and docketed to the above number.

This matter will receive the attention of the Commission and you will be advised of any further necessary procedure.

Sincerely,



James J. McNulty
Secretary

JJM:ddt

DOCKETED

DEC 07 2006

PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIPT

The addressee named here has paid the PA P.U.C. for the following bill:

DATE: 12/8/2006
RECEIPT NO: 250235

EXELON BUSINESS SERVICES COMPANY
10 S DEARBORN STREET 36TH FLR SW
CHICAGO IL 60603

IN RE: Electrical Generation fees for EXELON BUSINESS SERVICES COMPANY

Docket Number A-110550F0168..... \$350.00

REVENUE ACCOUNT: 001780-017601-107

CHECK NUMBER: 1889
CHECK AMOUNT: \$350.00

Michael Sobolesky
(for Department of Revenue)

**DOCUMENT
FOLDER**

DOCKETED
DEC 11 2006

RECEIVED
2006 DEC 11 AM 9:21
PA P.U.C. SECRETARY'S BUREAU