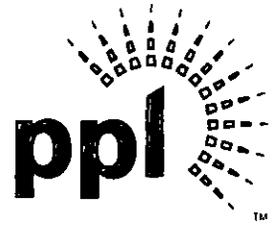


Paul E. Russell
Associate General Counsel

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



FEDERAL EXPRESS

September 30, 2014

Rosemary Chiavetta, Esquire
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

RECEIVED

SEP 30 2014

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: Application of PPL Electric Utilities Corporation
For Approval of Sale of Facilities to United Technologies
Corporation, Pratt and Whitney Division
Docket No.**

Dear Ms. Chiavetta:

Enclosed for filing, pursuant to 66 Pa. C. S. § 1102, is an original of PPL Electric Utilities Corporation's Application for the approval of the transfer by sale of certain facilities to United Technologies Corporation, Pratt and Whitney Division. The facilities are located in Middletown, Dauphin County, Pennsylvania.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on September 30, 2014, 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.

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

Very truly yours,

Paul E. Russell

Enclosures

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of PPL Electric :
Utilities Corporation for Approval of the :
Transfer by Sale to the United : Application
Technologies Corporation, Pratt and : Docket No. _____
Whitney Division of Electric Facilities :
Located in Middletown, Dauphin :
County, Pennsylvania. :

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**APPLICATION OF
PPL ELECTRIC UTILITIES CORPORATION**

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 Electric's attorney is Paul E. Russell, Two North Ninth Street, Allentown, Pennsylvania 18101.

3. United Technologies Corporation, Pratt and Whitney Division, ("UTCPWD") located in Middletown, Dauphin County, Pennsylvania, is not affiliated with PPL Electric.

4. UTCPWD desires to purchase all of PPL Electric's rights, title and interest in certain electric facilities located in Middletown, Dauphin County,

Pennsylvania as detailed in Exhibit A of the Agreement. The purchase of these facilities will qualify the UTCPWD to change from secondary voltage service under Rate Schedule GS-3 to primary voltage service under Rate Schedule LP-4. The change to primary voltage will allow the customer greater rate savings and flexibility accompanied with 12kV supply service at Rate Schedule LP-4.

5. PPL Electric will recover costs for the electric facilities and will be relieved of the cost of owning and maintaining the specified equipment in Middletown, Dauphin County, Pennsylvania.

6. PPL Electric agreed to sell and the UTCPWD agreed to purchase the facilities for \$68,924. Attachment 1, which is attached hereto and made a part hereof, contains the Agreement of Sale and a description of the facilities.

7. The facilities' original cost, original depreciated cost, present day cost, and present day depreciated cost are as follows:

	<u>Other Facilities</u>	<u>Transformers</u>	<u>Total</u>
Original Cost Undepreciated	\$8,117	\$41,588	\$49,705
Original Cost Depreciated	\$6,547	\$30,498	\$37,045
Present Day Cost Undepreciated	\$10,431	\$78,829	\$89,260
Present Day Cost Depreciated	\$8,413	\$56,610	\$65,023

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 regarding electrical supply to the UTCPWD.

10. Approval of this application is necessary and proper for the UTCPWD 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 the UTCPWD's right to service on the most favorable and economic basis under PPL Electric's retail tariff.

11. Attachment 2, which is attached hereto and made a part hereof, contains PPL Electric's responses to the Commission's Interrogatories regarding 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", is written over a horizontal line.

Paul E. Russell
Its Attorney

Dated: September 30, 2014
at Allentown, Pennsylvania

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SEP 30 2014

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

ATTACHMENT 1



AGREEMENT OF SALE made this _____ day of _____, 2014, 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 UNITED TECHNOLOGIES CORPORATION, PRATT & WHITNEY DIVISION, hereinafter called VENDEE, whose principal address is 400 Main St., East Hartford, CT. 06118.

WITNESSETH: That VENDOR in consideration of \$65,023.00, plus Pennsylvania State Sales Tax of \$3,901.00 does hereby agree to sell unto VENDEE, all of its right, title and interest in and to certain electric facilities located at 181 Fulling Mill Rd., Middletown, PA 17057 as described in the schedule attached hereto and made part hereof entitled "Exhibit A - LIST OF FACILITIES TO BE CONVEYED TO Pratt & Whitney-American BY PPL ELECTRIC UTILITIES CORPORATION," and as shown on plan dated 03/12/2014 entitled "Exhibit B - PLAN SHOWING LOCATION OF ELECTRIC FACILITIES TO BE CONVEYED TO Pratt & Whitney-American 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, EXCEPT TO THE EXTENT 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, EXCEPT TO THE EXTENT SAME RESULTS FROM THE NEGLIGENCE OF VENDOR OR ITS EMPLOYEES PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT TO THE EXECUTION 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.

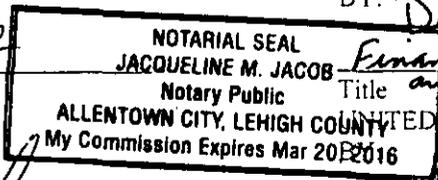
IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties hereto have caused these presents to be duly executed the day and year aforesaid.

ATTEST:

PPL ELECTRIC UTILITIES CORPORATION

BY: *Dennis Urban Jr.*
Finance & Regulatory Affairs - VP and Controller

Jacqueline M. Jacob
Title



ATTEST:

Donna M. Tully
Title



Director - Facilities Pratt & Whitney

Exhibit A

List of Facilities To Be Conveved To Pratt & Whitney-Amercon

By PPL Electric Utilities Corporation

2 - 1500KVA 480/277 PAD MOUNTED TRANSFORMERS 12.470/7.2KV -

SERIAL#S O6A139258, 9826000094

6 SETS OF 750KCM SECONDARIES, 90'CIRCUIT LENGTH - PER EACH TRANSFORMER.

TOTAL - 12 SETS

72 - 750AL CABLE LIMITERS

4" CONDUITS, BY CUSTOMER

ALL ABOVE SET IN 8/2006

EXHIBIT B

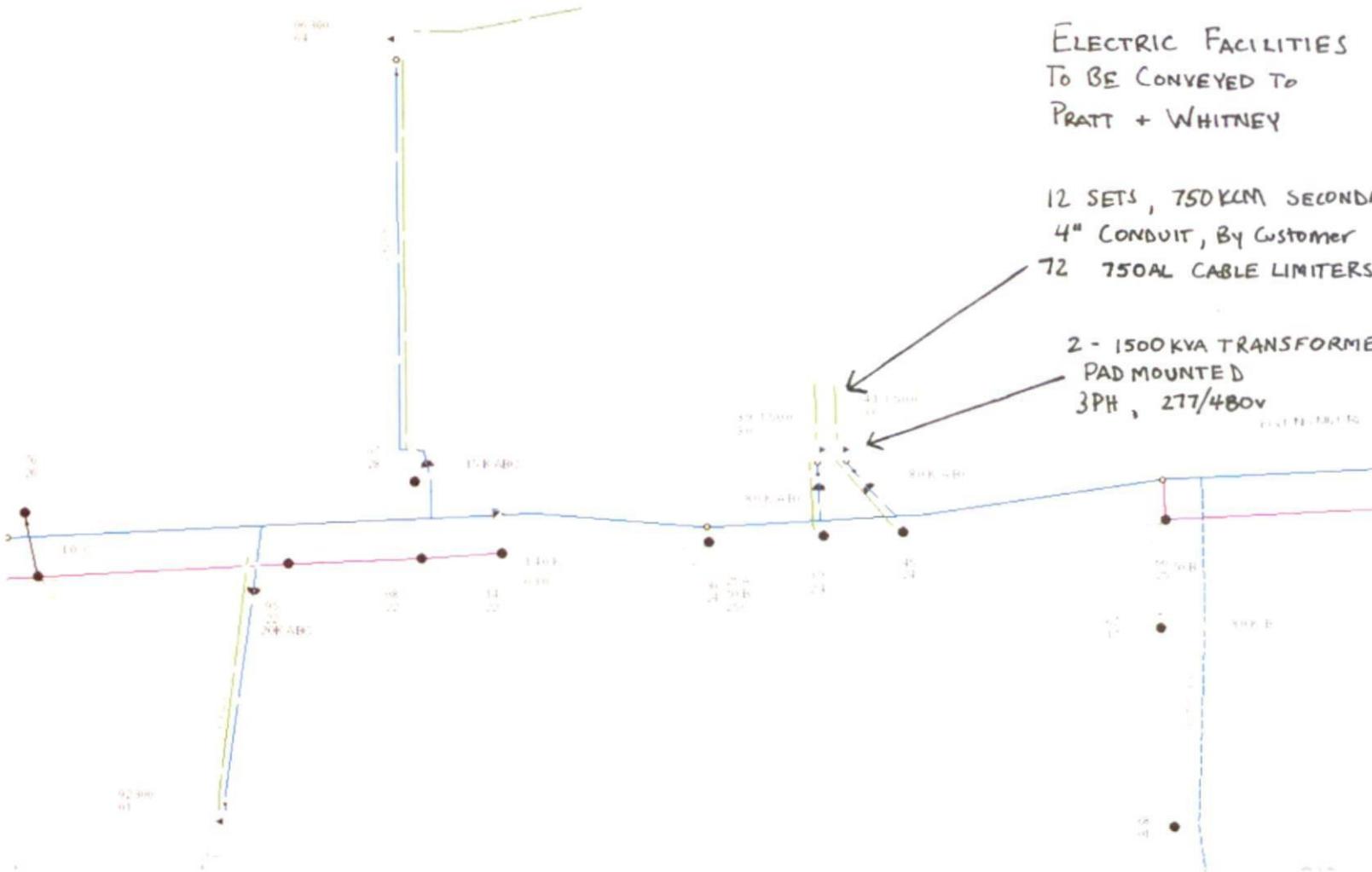


ToC

ELECTRIC FACILITIES
TO BE CONVEYED TO
PRATT + WHITNEY

12 SETS, 750KVM SECONDARIES-90'
4" CONDUIT, BY CUSTOMER
72 750AL CABLE LIMITERS

2 - 1500KVA TRANSFORMERS
PAD MOUNTED
3PH, 277/480V



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SEP 30 2014

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

ATTACHMENT 2

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of PPL Electric :
Utilities Corporation for Approval of the :
Transfer by Sale to the United : Application
Technologies Corporation, Pratt and : Docket No. _____
Whitney Division of Electric Facilities :
Located in Middletown, Dauphin :
County, Pennsylvania.

**RESPONSES OF
PPL ELECTRIC UTILITIES CORPORATION
TO INTERROGATORIES PROPOUNDED BY THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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 Attachment 1 to the Application.

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 Attachment 1 to the Application.

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 the United Technologies Corporation, Pratt and Whitney Division ("UTCPWD"), by permitting more efficient and economical operations. PPL Electric Utilities Corporation (hereafter "PPL Electric") and its customers will be benefited by no longer having to maintain the transferred facilities.

Question:

4. State the reason for the sale, lease or transfer of property.

Response:

4. The UTCPWD requested the transfer to qualify for a change from Rate Schedule GS-3 to Rate Schedule LP-4 for all of its electric service, which will result in a significant, yearly rate savings.

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 it is in the public interest for UTCPWD to receive and maintain these facilities.

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.

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 the UTCPWD.

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 been included in PPL Electric's most recently filed rate case at Docket No. R-2012-2290597, and in prior rate cases.

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 the real estate is not involved in the sale. PPL Electric agreed to sell and the UTCPWD agreed to purchase the facilities for \$69,804.

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 majority of the equipment was installed in 2006.

From: (810) 774-4254
Paul E Russell
PPL Corporation
2 N 9th Street
Allentown, PA 18101

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PA Public Utility Commission
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HARRISBURG, PA 17120

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