



17 North Second Street
12th Floor
Harrisburg, PA 17101-1601
717-731-1970 Main
717-731-1985 Main Fax
www.postschell.com

Christopher T. Wright

cwright@postschell.com
717-612-6013 Direct
717-731-1985 Direct Fax
File #: 159334

January 8, 2015

VIA HAND DELIVERY

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

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2015 JAN -8 PM 3:40
SECRETARIAT'S OFFICE

Re: Joint Application of PPL Interstate Energy Company and PPL Electric Utilities Corporation for All of the Necessary Authority, Approvals, and Certificates of Public Convenience (1) for the Transfer of PPL Corporation's Ownership Interests in PPL Interstate Energy Company to Talen Energy Corporation, and Certain Post-Closing Transactions Associated therewith; (2) for the Transfer of Certain Property Interests Between PPL Electric Utilities Corporation and PPL Energy Supply, LLC and its Subsidiaries in Conjunction with the Transfer of All of the Interests of PPL Energy Supply, LLC and its Subsidiaries to Talen Energy Corporation; (3) for any Modification or Amendment of Associated Affiliated Interest Agreements; and (4) for any Other Approvals Necessary to Complete the Contemplated Transactions Docket Nos. A-2014-2435752 & A-2014-2435833

Dear Secretary Chiavetta:

Enclosed for filing on behalf of PPL Interstate Energy Company, PPL Electric Utilities Corporation ("Joint Applicants"), and the Office of Small Business Advocate, is the Joint Stipulation for Admission of Evidence ("Joint Stipulation") for the above-referenced proceeding.

Also enclosed for filing are two copies of the following filings and exhibits, along with verifications from each of the applicable sponsoring witnesses, for inclusion in the official case record upon approval of the Joint Stipulation:

- (a) Joint Applicants' Exhibit No. 1 - "Joint Application of PPL Interstate Energy Company and PPL Electric Utilities Corporation for All Necessary Authority, Approvals, and Certificates of Public Convenience (1) for the Transfer of PPL Corporation's Ownership Interests in PPL Interstate Energy Company to Talen

Energy Corporation, and Certain Post-closing Transactions Associated therewith; (2) for the Transfer of Certain Property Interests Between PPL Electric Utilities Corporation and PPL Energy Supply, LLC and its Subsidiaries in Conjunction with the Transfer of All of the Interests of PPL Energy Supply, LLC and its Subsidiaries to Talen Energy Corporation; (3) for any Modification or Amendment of Associated Affiliated Interest Agreements; and (4) for any Other Approvals Necessary to Complete the Contemplated Transactions.”

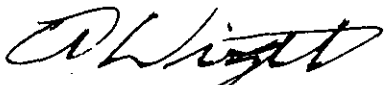
- (b) Joint Applicants’ Exhibit No. 1, Appendix A – Separation Agreement [**HIGHLY CONFIDENTIAL treatment is required for the Separation Agreement Schedules (ALL FILED UNDER SEAL)**]
- (c) Joint Applicants’ Exhibit No. 1, Appendix B – Transaction Agreement [**HIGHLY CONFIDENTIAL treatment is required for the Parent Disclosure Letter and RJS Disclosure Letter (ALL FILED UNDER SEAL)**]
- (d) Joint Applicants’ Exhibit No. 1, Appendix C – Employee Matters Agreement
- (e) Joint Applicants’ Exhibit No. 1, Appendix D – Organizational chart showing PPL Corp. and its relevant domestic subsidiaries prior to the closing of the Proposed Transaction (June 1, 2014)
- (f) Joint Applicants’ Exhibit No. 1, Appendix E – Organizational chart showing Riverstone, the RJS Entities and its relevant affiliates prior to the closing of the Proposed Transaction
- (g) Joint Applicants’ Exhibit No. 1, Appendix F – Organizational chart showing PPL Corp. and its first-tier domestic subsidiaries following the closing of the Proposed Transaction
- (h) Joint Applicants’ Exhibit No. 1, Appendix G – Organizational chart showing Riverstone, the RJS Entities and relevant affiliates following the closing of the Proposed Transaction
- (i) Joint Applicants’ Exhibit No. 1, Appendix H (REVISED) – List of properties owned by PPL Energy Supply and/or its subsidiaries that currently are encumbered by PPL EU transmission rights-of-way
- (j) Joint Applicants’ Exhibit No. 1, Appendix I – List of properties owned by PPL Energy Supply and/or its subsidiaries that currently are encumbered by PPL EU distribution rights-of-way
- (k) Joint Applicants’ Exhibit No. 1, Appendix J (REVISED) – List of properties owned by PPL Energy Supply and/or its subsidiaries at which PPL EU substation facilities are located

- (l) Joint Applicants' Exhibit No. 1, Appendix K – List of miscellaneous properties and interests owned by PPL Energy Supply and/or its subsidiaries that currently are used by PPL EU
- (m) Joint Applicants' Exhibit No. 1, Appendix L (REVISED) – List of miscellaneous properties and interests owned by PPL EU that currently are used by PPL Energy Supply and/or its subsidiaries
- (n) Joint Applicants' Exhibit No. 1, Appendix M (REVISED) – List of certain of the intercompany affiliate agreements with PPL EU and PPL IEC that will remain in place unchanged after closing of the Proposed Transaction
- (o) Joint Applicants' Exhibit No. 1, Appendix N (REVISED) – List of intercompany affiliate agreements that will remain in place unchanged after closing, but PPL Energy Supply and its subsidiaries will no longer be parties
- (p) Joint Applicants' Exhibit No. 1, Appendix O (REVISED) – List of interconnection agreements between PPL Energy Supply and its subsidiaries and PPL EU
- (q) Joint Applicants' Statement No. 1 – Direct Testimony of Jeremy R. McGuire
- (r) Joint Applicants' Statement No. 2 – Direct Testimony of Dennis A. Urban, Jr.
- (s) Joint Applicants' Statement No. 3, Direct Testimony of Drew D. Cummings
- (t) Joint Applicants' Statement No. 4 – Direct Testimony of Marc A. Jackson, including Exhibit MAJ-1.

Upon approval of the Stipulation, the above-listed filings, exhibits and statements enclosed with the Stipulation **should replace, in their entirety**, those filings, statements, and exhibits previously filed with the Secretary's Bureau.

Copies of this correspondence and the Stipulation will be provided as indicated on the Certificate of Service.

Respectfully submitted,


Christopher T. Wright

CTW/jl
Enclosures

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Rosemary Chiavetta, Secretary
January 8, 2015
Page 4

cc: Certificate of Service
Honorable Susan D. Colwell

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of PPL Interstate Energy :
Company and PPL Electric Utilities :
Corporation for All of the Necessary : Docket Nos. A-2014-2435752
Authority, Approvals, and Certificates of : A-2014-2435833
Public Convenience (1) for the Transfer of :
PPL Corporation's Ownership Interests in :
PPL Interstate Energy Company to Talen :
Energy Corporation, and Certain Post- :
Closing Transactions Associated therewith; :
(2) for the Transfer of Certain Property :
Interests Between PPL Electric Utilities :
Corporation and PPL Energy Supply, LLC :
and its Subsidiaries in Conjunction with :
the Transfer of All of the Interests of PPL :
Energy Supply, LLC and its Subsidiaries to :
Talen Energy Corporation; (3) for any :
Modification or Amendment of Associated :
Affiliated Interest Agreements; and (4) for :
any Other Approvals Necessary to :
Complete the Contemplated Transactions :

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JOINT STIPULATION FOR ADMISSION OF EVIDENCE

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE SUSAN D. COLWELL:

PPL Interstate Energy Company ("PPL IEC"), PPL Electric Utilities Corporation ("PPL EU") (hereinafter, PPL IEC and PPL EU are collectively referred to as the "Applicants"), and the Office of Small Business Advocate ("OSBA"), parties to the above-captioned proceeding (hereinafter, collectively referred to as the "Stipulating Parties"), file this "Joint Stipulation for Admission of Evidence" ("Stipulation") in the above-captioned proceeding.¹ In support of the Stipulation, the Stipulating Parties represent as follows:

¹ The Office of Consumer Advocate ("OCA") and the International Brotherhood of Electrical Workers, Local 1600 ("IBEW"), intervenors in this proceeding, are not parties to this Stipulation but have indicated that they do not object.

1. On July 30, 2014, the Applicants filed the above-captioned Joint Application. (Joint Applicants' Exhibit No. 1) Together with the Joint Application, the Applicants filed Appendices A through O. (Joint Applicants' Exhibit No. 1, Appendices A through O)

2. By Secretarial Letter dated August 5, 2014, the Applicants were directed to publish notice of the Joint Application in newspapers having general circulation in the areas involved, and to file proof of publication with the Commission on or before September 5, 2014. The notice was published on August 11, 12 and 13, 2014. On August 29, 2014, the Applicants filed Affidavits for Proof of Publication.

3. On August 16, 2014, notice of the Joint Application was published in the Pennsylvania Bulletin, 44 Pa.B. 5547.

4. On August 25, 2014, a Hearing Notice was issued scheduling an Initial Prehearing Conference on September 18, 2014, at 1:30 p.m. in Hearing Room 1, Plaza Level, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120. On August 29, 2014, the Honorable Administrative Law Judge Susan D. Colwell ("ALJ") issued a Prehearing Order describing the requirements for interested parties to participate in this proceeding and directing parties to file Prehearing Conference Memoranda.

5. On August 27, 2014, the Applicants served the following written direct testimony in support of the Joint Application: Joint Applicants' Statement No. 1, the Direct Testimony of Jeremy R. McGuire; Joint Applicants' Statement No. 2, the Direct Testimony of Dennis A. Urban, Jr.; Joint Applicants' Statement No. 3, the Direct Testimony of Drew D. Cummings; and Joint Applicants' Statement No. 4, the Direct Testimony of Marc A. Jackson, including Joint Applicants' Exhibit MAJ-1.

6. No other parties served testimony or exhibits in this proceeding.

7. Pursuant to the notice published in the Pennsylvania Bulletin and the August 29, Prehearing Order, protests and petitions to intervene were required to be filed on or before September 5, 2014. Timely notices of appearance and/or petitions to intervene were filed by the OCA, IBEW, and Allegheny Electric Cooperative, Inc. (“AEC”).² The OSBA was the only active party to protest the transactions contemplated in the Joint Application.³

8. A prehearing conference was held as scheduled on September 18, 2014. The timely petitions to intervene were unopposed and granted in the Second Prehearing Order dated September 22, 2014. A litigation schedule was established at the prehearing conference and adopted in the Second Prehearing Order.

9. On September 23, 2014, the Applicants filed a Motion for Protective Order. No active parties objected to the Motion and the Protective Order was issued September 24, 2014.

10. The active parties engaged in discovery and settlement discussions throughout the proceeding. As a result of settlement discussions, the Applicants and the OSBA reached a settlement in principle prior to the November 21, 2014 due date for non-Applicant parties’ direct testimony. The settlement in principle resolved all of the issues and concerns raised by the OSBA, and the remaining active parties all indicated that they have no objection to the settlement in principle.

11. On November 20, 2014, the active parties advised the ALJ of the settlement in principle and requested that the procedural schedule be suspended. On November 21, 2014, the ALJ suspended the procedural schedule.

² On October 15, 2014, AEC filed a Petition for Leave to Withdraw its Petition to Intervene. On November 21, 2014, the ALJ issued an order granting AEC’s Petition and removed AEC as a party from the service list.

³ On September 26, 2014, Monitoring Analytics, LLC acting as the Independent Market Monitor for PJM Interconnection, L.L.C. (“Market Monitor”) filed Comments and Motion to Intervene Out of Time. On October 17, 2014, the ALJ issued an Initial Decision denying the Market Monitor’s Motion to Intervene Out of Time, and striking the Market Monitor’s Comments from the record. No exceptions to the Initial Decision were filed. Accordingly, the Initial Decision became a Final Order on December 8, 2014.

12. The Applicants and the OSBA have agreed to the submission of a Joint Petition for Approval of Settlement of All Issues (“Settlement”), together with Statements in Support, and are in full agreement that the transactions set forth in the Joint Application, as modified by the terms and conditions of the Settlement, are in the public interest and should be approved without modification.⁴ The Settlement and accompanying Statements in Support were filed with the Commission and submitted to the Presiding Officers on December 30, 2014.

13. On December 31, 2014, the Applicants circulated to the parties updates to certain Appendices to the Joint Application. No parties objected to the update and replacement of the original Appendices with these revised Appendices. On January 6, 2015, the Applicants formally served the updates to Appendices to the Joint Application.

14. In conjunction with the Settlement, the Stipulating Parties have entered into this Stipulation with regard to the authenticity and admission of the following testimony and exhibits into the record:

- (a) Joint Applicants’ Exhibit No. 1 – “Joint Application of PPL Interstate Energy Company and PPL Electric Utilities Corporation for All Necessary Authority, Approvals, and Certificates of Public Convenience (1) for the Transfer of PPL Corporation’s Ownership Interests in PPL Interstate Energy Company to Talen Energy Corporation, and Certain Post-closing Transactions Associated therewith; (2) for the Transfer of Certain Property Interests Between PPL Electric Utilities Corporation and PPL Energy Supply, LLC and its Subsidiaries in Conjunction with the Transfer of All of the Interests of PPL Energy Supply, LLC and its Subsidiaries to Talen Energy Corporation; (3) for any Modification or Amendment of Associated Affiliated Interest Agreements; and (4) for any Other Approvals Necessary to Complete the Contemplated Transactions.”
- (b) Joint Applicants’ Exhibit No. 1, Appendix A – Separation Agreement [**HIGHLY CONFIDENTIAL treatment is required for the Separation Agreement Schedules (ALL FILED UNDER SEAL)**]

⁴ The OCA and IBEW, intervenors in this proceeding, are not parties to the Settlement but have indicated that they do not object to the Settlement.

- (c) Joint Applicants' Exhibit No. 1, Appendix B – Transaction Agreement [**HIGHLY CONFIDENTIAL treatment is required for the Parent Disclosure Letter and RJS Disclosure Letter (ALL FILED UNDER SEAL)**]
- (d) Joint Applicants' Exhibit No. 1, Appendix C – Employee Matters Agreement
- (e) Joint Applicants' Exhibit No. 1, Appendix D – Organizational chart showing PPL Corp. and its relevant domestic subsidiaries prior to the closing of the Proposed Transaction (June 1, 2014)
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15. This Stipulation is presented by the Stipulating Parties in conjunction with the Joint Petition for Settlement, which is intended to settle all issues in the above-captioned proceeding. If the Commission rejects or otherwise modifies the Joint Petition for Settlement, the Stipulating Parties reserve their respective procedural rights to object to the admission of the above-referenced statements and exhibits, submit additional testimony and exhibits, and cross-examine witnesses at on-the-record evidentiary hearings.

16. This Stipulation is being presented only to resolve issues in the above-captioned proceeding. Regardless of whether this Stipulation is approved or not, no adverse inference shall be drawn, nor shall prejudice result to any Stipulating Party in this or any future proceeding as a consequence of this Stipulation, or any of its terms or conditions.

17. Two copies of the above-listed filings, exhibits and testimony, along with verifications from each of the applicable sponsoring witness, are being filed with the Commission's Secretary for inclusion in the official case record upon approval of this Stipulation.

18. As explained above, certain Appendices to Joint Applicants' Exhibit No. 1 have

been updated since originally filed with the Secretary's Bureau. Upon approval of this Stipulation, the above-listed filings, exhibits and testimony being filed with this Stipulation should replace the original filings in their entirety.

19. "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL" materials being filed under seal with the Secretary's Bureau of the Commission are so marked and should be placed in non-public folders by the Secretary's Bureau.

20. Attached hereto as Appendix A is a proposed "Order Granting Joint Stipulation for Admission of Evidence" for consideration by the Presiding Officer.

WHEREFORE, PPL Interstate Energy Company, PPL Electric Utilities Corporation and the Office of Small Business Advocate, by their respective counsel, respectfully request that the Honorable Administrative Law Judge Susan D. Colwell admit the foregoing testimony and exhibits into the record in this proceeding.

Respectfully submitted,

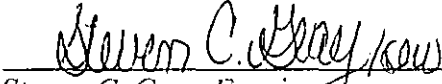


David B. MacGregor, Esquire
Michael W. Gang, Esquire
Christopher T. Wright, Esquire
Post & Schell, P.C.
17 North Second Street,
12th Floor
Harrisburg, PA 17101-1601

*Counsel for PPL Electric Utilities Corporation
and PPL Interstate Energy Company*

1/7/15
Date

Paul E. Russell (ID # 21643)
Associate General Counsel
PPL Services Corporation
Two North Ninth Street
Allentown, PA 18101



Steven C. Gray, Esquire
Office of Small Business Advocate
300 North Second Street, Suite 1102
Harrisburg, PA 17101

Counsel for the Office of Small Business Advocate

1/7/2015
Date

SECRETARY'S OFFICE

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of PPL Interstate Energy :
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**ORDER GRANTING JOINT STIPULATION
FOR ADMISSION OF EVIDENCE**

On January 7⁶, 2015, PPL Interstate Energy Company, PPL Electric Utilities Corporation, and the Office of Small Business Advocate, parties to the above-captioned proceeding (hereinafter, collectively referred to as the “Stipulating Parties”), filed a “Joint Stipulation for Admission of Evidence” (“Stipulation”) in the above-captioned proceeding.⁵ Each of the Stipulating Parties stipulated to the authenticity of the filings and exhibits listed in the Stipulation, requested that they replace the filings, statements, and exhibits previously filed with Secretary’s Bureau of Pennsylvania Public Utility Commission, and requested that they be admitted into the record of this proceeding on the terms and conditions set forth in the

⁵ The Office of Consumer Advocate and the International Brotherhood of Electrical Workers, Local 1600, intervenors in this proceeding, are not parties to this Stipulation but have indicated that they do not object.

Stipulation. Certain filings contain information marked as “CONFIDENTIAL” or “HIGHLY CONFIDENTIAL.” The Stipulating Parties requested that such materials be placed in non-public folders by the Secretary’s Bureau. The Stipulation is attached to this Order.

As this request is reasonable, it will be granted.

THEREFORE,

IT IS ORDERED:

1. That the Stipulation, filed on January 7, 2015, is granted;
2. That filings, statements, and exhibits listed therein are admitted into the record of this proceeding on the terms and conditions set forth in the Stipulation;
3. That two copies of each filing, statement, and exhibit listed in the Stipulation, together with verifications from the appropriate sponsoring witnesses, be filed with the Secretary’s Bureau of the Pennsylvania Public Utility Commission;
4. That the filings, statements, and exhibits listed in the Stipulation replace in their entirety those filings, statements, and exhibits previously filed with the Secretary’s Bureau of the Pennsylvania Public Utility Commission; and,
5. That all filings designated as “CONFIDENTIAL” or “HIGHLY CONFIDENTIAL” be placed in non-public folders by the Secretary’s Bureau of the Commission.

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Date: _____

Susan D. Colwell
Administrative Law Judge

CERTIFICATE OF SERVICE

Docket Nos. A-2014-2435752 & A-2014-2435833

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL & FIRST CLASS MAIL

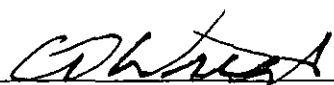
Darryl Lawrence, Esquire
Aron J. Beatty, Esquire
Brandon J. Pierce, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
Counsel for Office of Consumer Advocate

Steven C. Gray, Esquire
Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101
Counsel for Office of Small Business Advocate

Scott J. Rubin, Esquire
Public Utility Consulting
333 Oak Lane
Bloomsburg, PA 17815
Counsel for IBEW

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S. J. RUBIN

Date: January 8, 2015



Christopher T. Wright