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File #: 140074

August 24, 2015

***VIA ELECTRONIC FILING***

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

**Re: Alan Haulman d/b/a AJH Pizza Inc. v. PPL Electric Utilities Corporation**  
**Docket No. C-2014-2415273**

Dear Secretary Chiavetta:

Enclosed for filing please find the Answer of PPL Electric Utilities Corporation in Opposition to Complainant's Motion for Summary Judgment in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

  
Jessica R. Rogers

JRR/skr  
Enclosure

cc: Certificate of Service

**CERTIFICATE OF SERVICE**

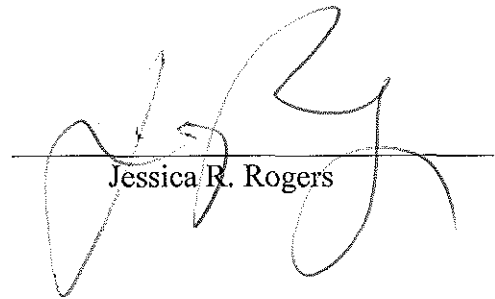
I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

**VIA E-MAIL & FIRST CLASS MAIL**

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Date: August 24, 2015



Jessica R. Rogers

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Alan Haulman, d.b.a. AJH Pizza Inc.,	:	
	:	
Complainant,	:	
	:	
v.	:	Docket No. C-2014-2415273
	:	
PPL Electric Utilities Corporation	:	
	:	
Respondent.	:	
	:	

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**ANSWER OF PPL ELECTRIC UTILITIES CORPORATION IN OPPOSITION  
TO COMPLAINANT’S MOTION FOR SUMMARY JUDGMENT**

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TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

PPL Electric Utilities Corporation (“PPL Electric”) files this Answer in Opposition to the *Motion for Summary Judgment* (“Motion”) filed by Alan Haulman, d.b.a. AJH Pizza Inc. (“Complainant”) pursuant to Section 5.102(b) of the Pennsylvania Public Utility Commission’s (“Commission”) regulations, 52 Pa. Code § 5.102(b).<sup>1</sup> There are a number of facts in controversy in this proceeding, and therefore this case is not appropriate for summary judgment.

PPL Electric responds to each of the separately-numbered paragraphs of the Motion as follows:

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<sup>1</sup> PPL Electric notes that the Motion for Summary Judgment was filed on July 31, 2015, but was served via First Class mail, as indicated on the certificate of service included with the filing. Pursuant to 52 Pa. Code § 1.56(b), 3 days should be added to the 20 day period for answers to a motion as a result of the service via First Class mail. Therefore, PPL Electric’s answer is timely if filed by August 24, 2015.

## **I. SUMMARY**

Complainant has filed a Motion for Summary Judgment, arguing that he is entitled to judgment as a matter of law because Blue Pilot Energy (“Blue Pilot”), the electric generation supplier (“EGS”) for the Complainant during the billing period in dispute in this proceeding, has relinquished its license to provide electric generation supply in Pennsylvania. Complainant, however, fails to acknowledge in his Motion for Summary Judgment that he has not paid for the electric service he received during the period February 2014 through May 2014, that PPL Electric has fully paid Blue Pilot for the electric supply provided to the Complainant during this period under PPL Electric’s Purchase of Receivables (“POR”) program, and that the Complainant still owes PPL Electric \$34,398.43 for electric service and supply received during that time period.<sup>2</sup> There simply is no mention in the Complainant’s Motion for Summary Judgment of any payment that would be owed to PPL Electric if the Motion was granted. Complainant should not be allowed to avoid his obligation to pay for service rendered to him by PPL Electric, particularly where PPL Electric has provided such service in accordance with its Commission-approved POR program, and has no ability to adjust the rates being charged by the EGS.

Based on the documents relied upon by the Complainant, there appears to be no dispute that the switch to Blue Pilot was authorized by Ashley Killinger, when Ms. Killinger owned, operated, and was responsible for paying the bills associated with the business at 6581 Carlisle Pike, Mechanicsburg, Pennsylvania (“6581 Carlisle Pike”). Ms. Killinger entered into an option agreement to purchase the business location in question in late 2012. (*See* Appendix A.) Ms.

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<sup>2</sup> Even the period and the amount in controversy are facts that are contested in this proceeding. The complaint, and the Motion for Summary Judgment, specified the relevant period as February and March 2014. However, Complainant received supply from Blue Pilot until May 2014, and has not paid for the service received for April and May. PPL Electric considers those months to be subject to this complaint. As noted in Footnote 8, below, Complainant also failed to pay for default service rendered from June 2014 through December 2014. PPL Electric does not consider those months to be the subject of the complaint.

Killinger submitted an affidavit in this proceeding stating that she owned the business location at the time of the switch to Blue Pilot and authorized the switch. (*See Appendix B.*) Complainant's account history indicates that on November 21, 2012, PPL Electric received an enrollment request for the business account located at 6581 Carlisle Pike to transfer the account from default service to competitive electric generation supplied by Blue Pilot, effective January 3, 2013. (*See Appendix C.*) Pursuant to its standard practice regarding selection of competitive generation supply, on November 22, 2012, PPL Electric sent a notification letter to the address indicated on the account. (*See Answer, Paragraph 4.*) Blue Pilot also sent a welcome letter with terms of service in December of 2012. (*See Appendix D.*) PPL Electric does not have any record indicating that anyone contacted the Company regarding the contents of the letter or the selection of Blue Pilot as its EGS until the events underlying this complaint. (*See Appendix C.*)

Ms. Killinger defaulted on the sales agreement on or before October 28, 2013, and Complainant took over the account from Ms. Killinger in October 2013. (*See Motion, Paragraph 29; see also Appendix B; Appendix C.*) In doing so, the Complainant paid the arrears on the account to maintain it. (*See Motion, Paragraph 29; see also Appendix C.*) Complainant received three months of bills showing that Blue Pilot was the supplier of record prior to the period disputed in this complaint. Each of those bills indicated that Blue Pilot was the EGS for the account associated with 6581 Carlisle Pike. (*See Appendix E.*) Further, each bill indicated the rate being charged. (*See Appendix F.*) Based on PPL Electric's records, there was a rate change during the three months Complainant received bills prior to the period at issue in the complaint. (*See Appendix H.*) At no point during this period did Complainant contact PPL Electric or Blue Pilot to question the situation or to request that his supplier be changed.

Complainant admitted in the complaint that the business located at 6581 Carlisle Pike was provided electricity for the months of February and March 2014. PPL Electric's records indicate that Complainant's use during this period totaled 24,769 kWh in February and 23,977 kWh in March of 2014 which was supplied by Blue Pilot. (See Appendix H.) In addition, although not stated in the complaint or in the Motion for Summary Judgment, Complainant was supplied by Blue Pilot for the months of April and May 2014. The total amount owed under this period calculated at the variable rate charged by Blue Pilot, according to PPL Electric's records, is \$34,398.43. (See Appendix H.) This amount includes both the supply charge associated with Blue Pilot and distribution charges applied to all PPL Electric distribution customers. Complainant was billed for this service by PPL Electric, but has not paid any amount for this service.

Complainant now files a Motion for Summary Judgment to dismiss the debt owed for services provided from February to May 2014. Complainant has erroneously attributed this debt as being owed to Blue Pilot, rather than to PPL Electric. (See Motion, Paragraph 21). Complainant claims that dismissing the case as to Blue Pilot would resolve this proceeding, however if true, then Complainant would be awarded four months of free electric service, including both supply and distribution components, which is prohibited by law and therefore cannot be the correct conclusion of this proceeding.

The Motion for Summary Judgment claims that Ms. Killinger could not bind the Complainant in a variable rate agreement with Blue Pilot, however PPL Electric has provided evidence that shows that Ms. Killinger had sufficient authority to alter the account, that no changes to the supplier were made or were attempted after the account was switched to Blue Pilot, and that the Complainant had sufficient notice and opportunity in the months prior to the

disputed charges in which to switch suppliers. The Motion for Summary Judgment identifies only February and March of 2014 as disputed bills, but PPL Electric maintains that the appropriate period at issue in this proceeding is February through May of 2014. The Motion for Summary Judgment identifies only “over \$20,000” at issue, whereas PPL Electric has identified \$34,398.43 at issue. The Motion for Summary Judgment argues that the debt is owed to Blue Pilot, however PPL Electric was the entity that billed for the services and is owed the debt. Discharging the case based on the averments in the Motion for Summary Judgment would result in no payment for services rendered from February through May of 2014, and would result in PPL Electric being denied payment for both the supply component of the charges for those months as well as its distribution service charges made pursuant to its then effective tariff. For these reasons, and as described in greater detail below, the Complainant’s Motion for Summary Judgment should be denied.

## **II. ANSWER**

1. Denied. The complaint speaks for itself, and any characterization thereof is denied.

2. Denied. The Answer of Blue Pilot speaks for itself, and any characterization thereof is denied. In addition, PPL Electric filed an Answer to the complaint on April 30, 2014.

3. Denied. The Complainant’s Reply to Blue Energy’s New Matter speaks for itself, and any characterization thereof is denied.

4. Denied. The Commission issued a “Telephonic Hearing Notice” on July 7, 2014, not June 7, 2014.

5. Denied. The Administrative Law Judge issued an “Order Continuing Hearing” on July 17, 2014. On August 27, 2014, the Commission issued a notice in furtherance of the ALJ’s July 17 Order.

6. Denied. PPL Electric’s Request for Relief speaks for itself, and any characterization thereof is denied.

7. Denied. While the document was dated October 13, 2014, the Commission’s website indicates that Blue Pilot filed its Motion for Summary Judgment on October 14, 2014.

8. Denied. While the document was dated October 10, 2014, the Commission’s website indicates that the Complainant’s response to PPL Electric’s Request for Relief was received on October 14, 2014. Neither of these dates matches the Complainant’s assertion in Paragraph 8 that the filing was made on October 16, 2014.

9. Denied. The hearing had been scheduled for November 5, 2014, not November 4, 2014, as indicated in Complainant’s Paragraph 9. Further, the “Order Continuing Hearing” speaks for itself, and any characterization thereof is denied.

10. Denied. While the document was dated October 21, 2014, the Commission’s website indicates that the Complainant’s “Reply to Motion of Blue Pilot Energy, LLC for Summary Judgment” was received on October 23, 2014. Neither of these dates matches the Complainant’s assertion in Paragraph 10 that the filing was made on October 24, 2014.

11. Admitted.

12. Denied. The “Motion to Dismiss” speaks for itself, and any characterization thereof is denied.

13. Admitted.

14. Denied. In response to the Motion for Summary Judgment filed by the Complainant on July 31, 2015, Blue Pilot filed its “Answer of Blue Pilot Energy, LLC Opposing Complainant’s Motion for Summary Judgment” (“Answer Opposing Motion”) on August 20, 2015, saying definitively that it intends to proceed with this case. Further, it is undisputed that at the time Blue Pilot was the Complainant’s EGS, that it was licensed and operating in Pennsylvania. Subsequent cessation of service is immaterial to a determination regarding the existence and nature of a contract maintained entirely while Blue Pilot was in operation in Pennsylvania, and its current status does not prevent Blue Pilot from maintaining a defense in this proceeding.

In addition, as a matter of law, Complainant is mistaken about the lack of an existing agreement. As specified in PPL Electric’s Commission approved tariff, Rule 2.B(3) states:

Acceptance or use of service is deemed a request for the supply of such service and constitutes a contract to pay for the service under these rules and the applicable rate schedule. The receipt of electric service makes the receiver a customer of the Company.

Complainant has admitted in the complaint that the business located at 6581 Carlisle Pike was provided electricity totaling 24,769 kWh in February and 23,977 kWh in March of 2014.<sup>3</sup> The existence of a written contract is not a requirement for payment for electric services under PPL Electric’s tariff. Complainant has not paid for service he has received, and there is clearly a dispute as to what amount is appropriate given the facts of this case. However, the Motion for Summary Judgment makes no mention of paying for the service received, and the appropriate amount to be paid is not the variable rate from Blue Pilot. As described more fully below, PPL

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<sup>3</sup> While April and May 2014 are not identified in the complaint, the Complainant continued to receive supply from Blue Pilot during that period, and failed to pay for electric service totaling 18,782 kWh for April and 10,740 kWh for May. PPL Electric considers these months to be subject to the outcome of this proceeding. As noted in Footnote 8, below, Complainant also failed to pay for default service received from June 2014 through December 2014. PPL Electric does not consider the amount due under default service as part of this proceeding.

Electric has no discretion in the process of billing a customer being served by an EGS, and has already paid Blue Pilot for electric supply received by the Complainant as required by its Commission-approved POR plan. Finally, were Complainant's bills for the months in dispute to be waived, he would receive electric service for free, which is prohibited by 66 Pa.C.S. § 1304.<sup>4</sup> This cannot be the proper outcome of this proceeding. Therefore, summary judgment is not appropriate.

Further, regarding the existence of a contract, Complainant does not dispute that Ashley Killinger, who owned and operated the business location in question on the date of the switch to Blue Pilot, orally authorized that switch. (*See* Appendix B.) Rather, Complainant appears to assert that either (a) Ms. Killinger was not authorized to make business decisions, or (b) that Ms. Killinger's business decision cannot be binding on Mr. Haulman, a subsequent owner who took over operation of the business location and did not establish new electric service with PPL Electric. PPL Electric submits that these material facts are clearly in dispute and, therefore, the Complainant's request for summary judgment must be denied.

Appendix A to this Answer is a copy of a contract obtained by PPL Electric from the Complainant which shows that Ms. Killinger had entered into an option agreement to purchase the business location in question. Further, Ms. Killinger has submitted an affidavit in this proceeding, attached to this Answer as Appendix B, stating that she owned the business location at the time of the switch to Blue Pilot and authorized the switch.<sup>5</sup> Finally, Complainant states in

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<sup>4</sup> This is the apparent outcome, because Complainant has indicated in his Motion that granting the Motion for Summary Judgment would entirely resolve this proceeding and has not indicated anywhere in his Motion that he would be required to pay PPL Electric for the service provided or how the payment for such service would be calculated.

<sup>5</sup> PPL Electric notes that Ms. Killinger's affidavit identifies the date of the call as "on or about February 4, 2013", which is inconsistent with both PPL Electric's records and Blue Pilot's introduction letter. PPL Electric's customer contact records are provided as Appendix C. Blue Pilot's December introduction letter is provided as Appendix D.

Paragraph 29 of his Motion for Summary Judgment that he spoke with PPL Electric representatives at the time he took over the account from Ms. Killinger, and continued the existing service. The existing service included electric supply from Blue Pilot. After that point, Complainant had three additional months of notice that he was receiving supply from Blue Pilot, as that information appeared each month on his bill, and he still did not take any action to inform PPL Electric that he did not wish to be supplied by Blue Pilot. (*See* Appendix C; Appendix F.) A copy of Complainant's bills from early 2014, indicating that his supplier was Blue Pilot, are included as Appendix E. Each bill received from January 2013 through May 2014 reflected the same information.

Contrary to Complainant's assertions in the Motion for Summary Judgment, the record reflects that the business entity was provided notice of the oral authorization to switch from Blue Pilot both at the time it was agreed to and on an ongoing basis on its bills for more than a year, and at no point prior to the bills in February and March of 2014 was there a dispute as to Blue Pilot being the supplier of record. (*See* Appendix B; Appendix C.) Complainant's account history indicates that on November 21, 2012, PPL Electric received an enrollment request for the business account located at 6581 Carlisle Pike to transfer the account from default service to competitive electric generation supplied by Blue Pilot, effective January 3, 2013. (*See* Appendix C.) Pursuant to its standard practice regarding selection of competitive generation supply, on November 22, 2012, PPL Electric sent a notification letter to the address indicated on the account. (*See* Answer, Paragraph 4). The letter informed Complainant of the selected EGS and the date the selection would become effective. The letter also informed the business that if it did not select the indicated EGS, PPL Electric should be contacted directly. The letter included a contact number for the Company. PPL Electric does not have any record indicating that anyone

contacted the Company regarding the contents of the letter or the selection of Blue Pilot as its EGS until the events underlying this complaint. (*See Appendix C.*)

Consistent with the information received from Blue Pilot on November 21, 2012, Complainant began receiving competitive electric generation supply from Blue Pilot effective January 3, 2013. Every bill received by the Complainant after January 3, 2013 indicated that Blue Pilot was Complainant's EGS. (*See Appendix E, Appendix F.*) While there were a number of contacts between PPL Electric and the business from the time of the switch through the time of the complaint, no concerns were raised to PPL Electric regarding the receipt of competitive electric generation supply from Blue Pilot. (*See Appendix C.*)

Considering this evidence in the light most favorable to PPL Electric, as required by law and as stated in Paragraph 17 of the Complainant's Motion for Summary Judgment, it is clear there are material facts that remain in dispute and, therefore, Complainant is not entitled to judgment as a matter of law.

15. It is admitted that the Complainant has provided the correct references to Section 5.102 of the Commission's Regulations.

16. It is admitted that Complainant has properly summarized the holding in *Pennsylvania State Univ. v. County of Centre*, 532 Pa. 142, 615 A.2d 303 (Pa. 1992).

17. It is admitted that Complainant has properly summarized the holdings in *First Mortgage Co. of Pennsylvania v. McCall*, 459 A.2d 406 (Pa. Super. 1983) and *Thomas Coal Co. v. Pike Coal Co.*, 412 A.2d 466 (Pa. 1979).

18. PPL Electric admits that *Stover v. The United Telephone Co. of Pennsylvania*, 1992 Pa. PUC LEXIS 103, 7 (Pa. PUC 1992)<sup>6</sup> cites Pa. R.C.P. No. 1035(d) for the proposition

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<sup>6</sup> It appears that Complainant incorrectly references the case as *Stover v. The UGI Penn Telephone Co. of Pennsylvania*. PPL Electric could not find a case by that name, however, the docket number and the date

that “the adverse party must set forth specific facts showing that there is a genuine issue for trial.” It is admitted that Complainant has properly cited *South River Power Partners, L.P. v. West Penn Power Co.*, 1996 Pa. PUC LEXIS 175 (Pa. PUC 1996) for the Commission’s determination to interpret 52 Pa. Code § 5.102(c) consistent with the Pennsylvania Rules of Civil Procedure. It is admitted that Complainant has properly summarized the holdings in *Nicastro v. Cuyler*, 467 A.2d 1218 (Pa. Cmwlth. 1983), *Pennsylvania Gas & Water Co. v. Nenna & Frain, Inc.*, 467 A.2d 330 (Pa. Cmwlth. 1983), and *Geriot v. Council of Borough of Darby*, 457 A.2d 202 (Pa. Cmwlth. 1983). It is also admitted that the Complainant has provided the correct reference to Pa. R.C.P. 1035.

19. Denied. PPL Electric denies that the statutory provision or any of the cases cited in Complainant’s Paragraph 19 are relevant to a motion for summary judgment. While PPL Electric agrees that if the Administrative Law Judge were to find no issue of material fact present in this case and that judgment could be rendered as a matter of law, findings which PPL Electric does not believe can be made in this proceeding, then a hearing would be unnecessary. However, 66 Pa. C.S. § 703(a) and the cases cited in Paragraph 19 do not stand for that proposition, particularly within the context of a motion for summary judgment.

By way of further response, it is denied that 66 Pa. C.S. § 703(a) stands for the general proposition that if there is no factual issue pertinent to a case, a hearing is unnecessary. Rather, it is quite clear that § 703(a) applies to satisfaction of a complaint through the actions of the party complained against prior to hearing, which obviates the need for a hearing. No such actions have occurred by either PPL Electric or Blue Pilot, and therefore § 703(a) does not apply here.

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of the order identified at the Lexis citation provided by PPL Electric in Paragraph 18 match those referenced in Complainant’s Motion.

Further, none of the three cases cited relate to a motion for summary judgment or look procedurally similar to this complaint. In *Lehigh Valley Power Committee v. Pa. P.U.C.*, 563 A.2d 557 (Pa. Cmwlth. 1989), the Court addressed a case where the Commission entered a final order without a hearing because the contract rate at issue had already been reviewed in a prior case that provided full due process protections, and only ongoing recovery was at issue in the current proceeding. The Court also found that because the contract rate had been previously approved and the appellant did not challenge any factual determination of the rate, there was no factual issue as to the justness and reasonableness of the rates and the Commission could approve their ongoing recovery as a matter of law. In *S.M.E. Bessemer Cement, Inc. v. Pa. P.U.C.*, 540 A.2d 1006 (Pa. Cmwlth. 1988), the Court reviewed a final Commission Order on a Petition after a hearing had already been conducted, as well as associated Commission orders rejecting a Petition for Reconsideration and a Petition for Ex Parte Emergency Order claiming that new evidence existed that required a hearing. Finally, *White Oak Borough Authority v. Pa. P.U.C.*, 103 A.2d 503 (Pa. Super. 1954), involved a certificate of public convenience, wherein the Commission found it lacked jurisdiction and the Court found that the case was decided as a matter of law. None of these cases are relevant to the determination of a motion for summary judgment.

20. Denied. Blue Pilot's Motion to Dismiss speaks for itself, and any characterization thereof is denied.

21. Denied. Complainant does not owe Blue Pilot for service in February and March of 2014, and therefore Blue Pilot's ability to maintain a defense in this proceeding is irrelevant to whether Complainant must pay the amounts that remain outstanding and owed to PPL Electric.

However, as indicated in Blue Pilot's Answer Opposing Motion, it *does* intend to maintain a defense in this proceeding.

By way of further response, PPL Electric billed the Complainant for the competitive electric generation supply received from Blue Pilot for the business located at 6581 Carlisle Pike, Mechanicsburg, Pennsylvania during all times material to the Complaint.<sup>7</sup> PPL Electric offers consolidated billing to competitive EGSs, such as Blue Pilot, that participate in PPL Electric's Commission approved POR program. PPL Electric's current POR program applies to Residential and Small Commercial and Industrial customers. The accounts receivable purchased by PPL Electric under the POR program are the monies owed by shopping customers to the EGSs for the competitive electric generation supply provided to the shopping customers. Under its Commission approved POR program, PPL Electric reimburses EGSs for their customer billings regardless of whether PPL Electric receives payment from the shopping customer. The accounts receivable purchased by PPL Electric under the Commission-approved POR program belong to and are owed to PPL Electric upon purchase.

Complainant owes PPL Electric \$34,398.43 for service provided from February through May of 2014, when electric supply was being provided by Blue Pilot under a variable rate. (See Appendix H.) Whether Blue Pilot is still in business in Pennsylvania is irrelevant to whether Complainant owes PPL Electric for service provided to the Complainant.<sup>8</sup>

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<sup>7</sup> As indicated in Footnote 2, the complaint, as well as the Motion for Summary Judgment, only address the months of February and March 2014. However, the Complainant received supply from Blue Pilot from February through May 2014, and has not paid for any of the service supplied during that time. In addition, as described in Footnote 8, Complainant has not paid for bills from June 2014 through December 2014 under default service supply. PPL Electric does not consider those bills subject to this proceeding.

<sup>8</sup> Further, PPL Electric notes that Complainant did not pay *undisputed* bills for default service from June 2014 through December 2014. During that period, Complainant accrued an additional \$24,360.65 in services and late fees, of which \$10,660.65 is still outstanding as the date of this Answer. Resolution of this proceeding does not impact Complainant's obligation to pay PPL Electric for the amount owed for default service.

22. Denied. Blue Pilot has made no assertion as to its intentions in this proceeding, and, as indicated in Blue Pilot's Answer Opposing Motion, it does intend to maintain a defense in this proceeding.

23. Denied. As discussed in Paragraph 21, *supra*, Complainant's dispute of the underlying rate charged by Blue Pilot does not negate his obligation to pay PPL Electric for the service it has provided. Entry of judgment against Blue Pilot would therefore not end Complainant's obligation to pay PPL Electric. Further, if such an entry of judgment did discharge the obligation to pay PPL Electric, then Complainant would have received four months of electric service for free, which is contrary to law. Clearly, the appropriateness of a complete discharge of Complainant's debt, or the calculation of a debt different from what has been charged – as was originally proposed in the complaint, is a material fact in dispute and provides sufficient grounds, alone, for denying the Complainant's Motion.

24. Denied. The referenced regulation speaks for itself, and any characterizations thereof are denied. By way of further response, there is evidence that a direct oral confirmation from the customer of record occurred in November of 2012, followed by written confirmation to the address indicated on the account.

25. Denied. According to the customer contact records, Mr. Haulman called in September of 2012 to establish the account; however, there is no evidence that the Complainant paid any bills associated with that account until December 2013. (See Appendix C; Appendix G.) Further, the first bill after the September 2012 contact was paid with a personal check by Ashley Killinger on October 10, 2012.<sup>9</sup>

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<sup>9</sup> Appendix G includes a number of cancelled checks from October 2012 through late 2013.

26. Denied. Complainant sold the location in question to Ashley Killinger and James Killinger in November of 2012, at which point they operated the business at 6581 Carlisle Pike. (See Appendix A.) Ms. Killinger identified herself as the owner of the business. Ms. Killinger authorized the switch from default service to Blue Pilot.<sup>10</sup> Confirmation letters from both PPL Electric and Blue Pilot were sent to the service address, and no one disputed the switch. (See Appendix D; Appendix C). The business was billed for electric service at the property located at 6581 Carlisle Pike.

27. Admitted.

28. Admitted. In further response, as of October 18, 2013, Ms. Killinger was no longer responsible for the charges associated with the account for the business located at 6581 Carlisle Pike. (See Appendix C.)

29. Admitted. By way of further response, Complainant eventually paid the arrears associated with the account, but did not terminate the account previously used by Ms. Killinger for the business. (See Appendix C.)

30. Denied. Each of Complainant's monthly bills stated that he was receiving electric generation supply from Blue Pilot. (See Appendix E.) The per kilowatt hour charges, as well as the price to compare, are all available on the monthly bill. While PPL Electric does not maintain records of every monthly bill sent to every customer, PPL Electric has generated an example of a shopping customer bill, which shows the components of the bill including the identification of the EGS and the rate being charged as Appendix F.

31. Admitted.

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<sup>10</sup> PPL Electric notes, however, that the date identified by Ms. Killinger in her affidavit is incorrect. See Appendix B.

32. Denied. Ms. Killinger represented that she was the owner of record and was authorized to switch the account. (See Appendix B.) Ms. Killinger also paid the bills. (See Appendix G.) Complainant does not deny that, at the time of the switch, Ms. Killinger was responsible for the day to day operations of the business location in question. Further, subsequent to her authorizing the switch to Blue Pilot, Ms. Killinger defaulted on her sales agreement and the business came back under the ownership of Mr. Haulman, the Complainant. (See Appendix B.)

33. Denied. PPL Electric sent all correspondence to the address identified on the account. Complainant appears to claim that he should have been receiving bills and notices while Ms. Killinger operated the business and paid the electric bills associated with the business location in question. (See Appendix B; Appendix C; and Appendix G.) Complainant did not pay a single bill from September 2012 through November 2013, and made no attempts to contact PPL Electric to question why he had not received any bills during that time period for the business at 6581 Carlisle Pike. (See Appendix C; Appendix G.) Complainant's behavior during this period casts serious doubt on his claim that he should have been receiving notice for the account and that Ms. Killinger lacked sufficient corporate authority to switch the account. This is a material fact at issue in this case, and therefore based on the contents of this Paragraph summary judgment is not appropriate.

34. Denied. The customer of record in this proceeding is a business entity, AJH Pizza. The person in charge of a business account may change from time to time, but such changes do not relieve the business of the obligation to pay for electric services rendered to the business under an existing and ongoing account. Ms. Killinger stated that she was authorized to switch the electric supplier on the account in 2012. (See Appendix B.) She had apparent

corporate authority, and based on the records and documents obtained by PPL Electric, she was both the operator of the business location at the time and was responsible for paying the electric bills. (See Appendix A; Appendix G.) Complainant did not contact PPL Electric between September 2012 and October 2013 to notify the Company that he was not receiving bills or other account notices. (See Appendix C.)

Further, Complainant admits in Paragraph 29 of his Motion for Summary Judgment that he contacted PPL Electric regarding the account in October of 2013. The charges in question occurred in February of 2014. (See Appendix H.) Complainant did not terminate the existing account that was in arrears, and instead paid the arrears and continued the service that was already established for the business location at 6581 Carlisle Pike. (See Motion Paragraph 29; Appendix C.) This included supply from Blue Pilot. PPL Electric maintains that these steps make AJH Pizza, and therefore the Complainant, obligated to pay the variable rates charged by Blue Pilot. This is a material fact disputed by the parties, and makes summary judgment inappropriate.

Further, Complainant was given notice on three billing statements subsequent to his communication with PPL Electric in October of 2013, all of which identified Blue Pilot as his supplier, and he took no action to question this information or change suppliers. (See Appendix E; Appendix F.) The statements reflected a change in the rates being charged each month, which should have provided notice to the Complainant that he was subject to a variable rate. (See Appendix H).<sup>11</sup> Complainant's failure to take action cannot excuse payment for services rendered under the existing Blue Pilot arrangement. The issue of the nature and sufficiency of

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<sup>11</sup> While Complainant's bill statements reflect this more clearly, as shown in the sample bill produced in Appendix F, PPL Electric's records reflect that the rate increased between November and December of 2013. Using the total charged and the kilowatt hour information presented in Appendix H, PPL Electric has calculated that Complainant's rate in November was 8.9 cents per kilowatt hour, and his rate in December and January was 10.9 cents per kilowatt hour.

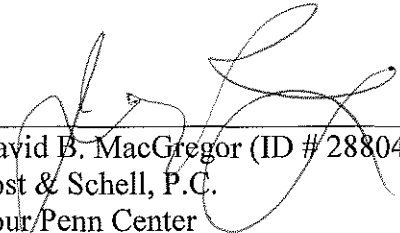
the notice Complainant received on each of the three bills is another material fact disputed by the parties, and is further grounds for denying the Motion for Summary Judgment.

**III. CONCLUSION**

WHEREFORE, for all the foregoing reasons, PPL Electric Utilities Corporation respectfully requests that the “Motion of Complainant, Alan Haulman d.b.a. AJH Pizza, Inc., For Summary Judgment” be denied.

Respectfully submitted,

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\_\_\_\_\_  
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Date: August 24, 2015

Attorneys for PPL Electric Utilities Corporation



# **APPENDIX A**

## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (the "Agreement") is made on this the \_\_\_\_\_ day of November, 2012, by and between Ashley Killinger and James Killinger (the "Purchasers"), and Al Haulman and Al's Pizza (the "Seller").

### WITNESSETH:

WHEREAS, the Seller is the owner of Al's Pizza, located at 6581 Carlisle Pike, Mechanicsburg, PA 17050, and certain equipment, inventory and certain other assets, which Purchaser may use in the Business (hereinafter "Mechanicsburg Business Assets");

WHEREAS, Seller currently leases the premises in which the Mechanicsburg Business Assets are located which has an address of 6581 Carlisle Pike, Mechanicsburg, PA 17050 (hereinafter "Leased Premises"); and

WHEREAS, the Seller desires to sell and the Purchaser desires to purchase Mechanicsburg Business Assets as further defined herein.

NOW, THEREFORE, in consideration of the mutual promises and conditions herein contained and for good and valuable consideration, the receipt of which is hereby acknowledged, the parties covenant and agree as follows:

I. Sale of the Assets

(a) Sale and Purchase. At the Closing (as hereinafter determined), upon the terms and conditions herein set forth, the Purchaser agrees to purchase from the Seller and the Seller agrees to sell, convey, assign, transfer and deliver to the Purchaser, all of the Mechanicsburg Business Assets for the payment specified in Section 2 hereof. As used herein, the term "Mechanicsburg Business Assets" shall mean: all assets and equipment of Al's Pizza located at 6581 Carlisle Pike, Mechanicsburg, PA 17050 ("Company") only, as specifically set forth on the equipment list attached hereto as "Exhibit A".

(b) Excluded Assets. The following tangible and intangible assets and property (collectively, the "Excluded Assets") shall be excluded from this Agreement and shall not be assigned or transferred to the Purchaser:

(i) Any prepaid expenses that are not transferable;

(ii) Accounts receivable held by Seller prior to the Closing Date;

(iii) All insurance policies, binders, and reserves of the Seller, and all rights of the Seller under such policies including, without limitation, any prepaid premiums and any insurance claims or insurance proceedings arising from or relating to the operation of the Company prior to the Closing (as hereinafter defined);

(iv) All claims of the Seller for refunds or credits with respect to, and prepaid

items relating to, all federal, state and local taxes of any nature whatsoever for any taxable year or period ending on or before the Closing Date (as hereinafter defined), as well as the portion of any such refunds or credits for a taxable year or period beginning before and ending on the Closing Date that are attributable to the portion of such year or period;

(v) All books and records of the Seller directly relating to the Excluded Assets, and any worksheets, notes, files, or documents primarily related thereto;

(vi) All investments, cash and cash equivalents on hand or in bank accounts;

(vii) Claims by the Seller against third parties; and

(viii) Assets related to any and all employee retirement and/or benefit plans.

(ix) All assets not listed in "Exhibit "A"

(c) Purchaser Assumes No Debts or Liabilities of Seller. The purchase of the Mechanicsburg Business Assets shall be free and clear of all liens, claims and encumbrances of any kind and nature, and without any assumption by Purchaser of any debts, taxes, obligations or liabilities whatsoever of Seller or any other persons who at any time may have been in possession of the Mechanicsburg Business Assets, whether such liabilities are actual or contingent, known or unknown, liquidated or unliquidated, whether liabilities for Taxes hereinafter defined), accounts payable, liabilities to creditors, liabilities arising under or related to any pension, retirement, vacation, insurance, option or other form of benefit plan of Seller, or obligations to Seller's employees for severance, termination, liabilities to governmental agencies or third parties, liabilities assumed or incurred by Purchaser by operation of law or otherwise (collectively, and together with all liabilities or obligations with respect to Excluded Assets, the "Unassumed Debts and Liabilities"). Seller agrees promptly to pay and discharge, as and when due, the Unassumed Debts and Liabilities, and will indemnify Purchaser for and hold Purchaser harmless from and against any and all Unassumed Debts and Liabilities, even if Purchaser voluntarily pays the Unassumed Debts and Liabilities.

2. Purchase Price and Payment.

(a) Purchase Price. The purchase price to be paid by the Purchaser to the Seller for the Mechanicsburg Business Assets shall be two hundred twenty thousand (~~\$220,000.00~~) dollars which shall be paid as follows:

- Three thousand (\$3,000.00) per month until paid in full, with the first payment beginning on ~~December 1, 2012~~ *Sept 1/2 payment*
- Interest shall accrue on the unpaid balance at a rate of six percent (6%) per month.
- On November 1, 2019, the loan is callable. If no pre-payments of principle are made and the loan is called on or before November 1, 2019, the payoff will be calculated according to Exhibit D (Attached hereto).

240,000  
~~220,000.00~~ - 20,000.00  
\$210,000  
Aff  
OK

(i) Purchase Price Allocation. The purchase price of ~~two hundred twenty thousand~~ (~~\$220,000.00~~) dollars shall be allocated as follows:

6 210,000.00

- Eighty thousand (\$80,000.00) dollars – Equipment, as more particularly outlined on Schedule I of Asset Purchase Agreement
- Twenty thousand (\$20,000.00) dollars – Improvements
- One hundred twenty thousand (\$120,000.00) dollars – Goodwill

(b) Allocation. The parties hereto agree that the Purchase Price shall be allocated among the Mechanicsburg Business Assets as set forth in Exhibit "A" attached hereto. Neither the Purchaser nor the Seller shall, in connection with any tax return, any refund claim, any litigation or investigation or otherwise, take position with respect to the allocation of the Purchase Price which is inconsistent with the manner of allocation, provided herein.

(c) Possession. As long as the conditions precedent as set forth in Paragraph 7 herein are met, possession to the Mechanicsburg Business Assets and Leased Premises shall be given to Purchaser at the signing of the Warranty Bill of Sale.

3. Documents to be Delivered

(a) Documents to be Delivered by the Seller. At the time of signing of this agreement, the Seller shall deliver to the Purchaser:

- (i) A Bill of Sale, in the form of Exhibit "B"; and
- (ii) Any documents necessary to transfer the telephone service and telephone number into the name of the Purchaser and for the Purchaser's use and enjoyment.

4. Representations, Warranties and Covenants of the Parties.

(a) Representations, Warranties and Covenants of the Seller. The Seller hereby represents, warrants and covenants to the Purchaser as follows:

- (i) Power. Seller has the power and authority to own the Mechanicsburg Business Assets and to carry on the Business as now being conducted.
- (ii) Purchased Assets. The Seller has good and marketable title to the Mechanicsburg Business Assets. As of the this agreement, none of the said Mechanicsburg Business Assets are subject to any liens, encumbrances financing statements, or UCC filings. All fixtures, machinery and equipment to be purchased and sold hereunder are sold in an "as-is" condition.
- (iii) Assignment of Agreements and Contracts. Seller is not a party to or bound by any written, oral or implied contract, agreement, lease, power of attorney, warranty, guaranty, surety arrangement or other commitment, including but not limited to any contract or agreement for the purchase or sale of merchandise or for the rendition of services, correct and complete copies (or descriptions of oral

service contracts terminable at will without penalty) of all of the Company Agreements (including all amendments thereto) have been delivered to the Purchaser. The Seller and all other parties to all of the Company Agreements have performed all obligations required to be performed under the Company Agreements and neither the Seller nor any other party is in default or in arrears under the terms thereof, and no condition exists or event has occurred which, with the giving of notice or lapse of time or both, would constitute a default thereunder. The Seller is not aware of any intention by any party to terminate or amend any Company Agreement or, if the Seller intends to request a renewal, of any intention to refuse to renew the same upon expiration of its term.

(iv) No Third Party Options. There are no existing agreements, options, commitments or rights with, to or in any person to acquire any of the Purchased Assets or Security interest therein, except for this Agreement and those contracts entered into in the Seller's normal course of business.

(v) Employees. Seller represents and warrants that all of its employees are at-will employees. Seller shall encourage employees to remain and continue to work as employees of Purchaser.

(vi) Compliance with Law and Regulations. Seller is in compliance with all requirements of law, federal, state and local, and all requirements of all governmental bodies or agencies having jurisdiction over it, the conduct of the Business. Without limiting the foregoing, Company has obtained and now holds all franchises, licenses, permits, consents, approvals, waivers, certificates and other authorizations (collectively, the "Permits") needed or required for the current conduct of its business and the use of its properties and the premises occupied by it. Seller has properly filed all reports and other documents required to be filed with any federal, state, local and foreign government or subdivision or agency thereof. Seller has not received any notice, not previously complied with, from any federal, state or local authority or any insurance or inspection body that any of its properties, facilities, equipment, or business procedures or practices fails to comply with any applicable ordinance, regulation, building or zoning law, or requirement of any public authority or body.

(vii) Conduct of Business. Until the possession is delivered to Purchaser, the Seller covenants:

(a) to preserve the business organization and goodwill of the Business,

(b) to keep available the services of its employees as a group, and to maintain satisfactory relationships with suppliers and others having business relationships with the Business,

(c) except as otherwise contemplated in this Agreement, not to allow the Business to enter into any transaction other than in the ordinary course of business, or any other transaction which is not at arm's length with any person or entity, and (d) to promptly notify the Purchaser of any emergency or other material change in the normal course of business and of any material governmental, regulatory or third party complaints,

investigations or hearings (or communications indicating that the same may be contemplated) such emergency, change, complaint, investigation or hearing would be material, individually or the aggregate, to the business, assets or condition (financial or otherwise) to the Seller's ability to consummate the transaction contemplated in this Agreement.

(viii) Insurance. All inventory, buildings and fixed assets owned or leased by the Seller are and will be adequately insured to the Closing Date, and valid policies are and will be outstanding and duly in force, and the premiums thereon to the date of the possession by Purchaser. As of the execution of this Agreement, the Purchaser shall procure its own insurance coverage, and the Seller may cancel its insurance coverage and receive a refund of any unused premiums.

(ix) ERISA, Employee Benefits. Seller represents and warrants that there are no violations of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") or any other applicable laws relating to any employee benefits.

(x) Agreement not in Breach of Other Agreements Affecting Seller. The execution and delivery of this Agreement, the consummation of the transactions provided for herein, and the fulfillment of the terms hereof by the Seller do not and will not, with or without the giving of notice, the lapse of time, or both, result in the breach of any of the terms and provisions or constitute a default under, or conflict with, or cause any acceleration of any obligation of the Seller, under any Agreement, any judgment, decree, order or award of any court, governmental body, or arbitrator, or any applicable law, rule or regulation.

(xi) Compliance with the Agreement. The Seller covenants not to undertake any course of action which is or may be inconsistent with satisfaction of the conditions applicable to it set forth in this Agreement and covenants to do all such acts and take all such measures as may be reasonably necessary to comply with the representations, warranties, agreements, covenants, conditions and other provisions of this Agreement.

(xii) Labor. Without limiting the generality of Subsection (v) of this Agreement, (A) Seller is not a party to any other written employment agreement, consulting agreement, personal service agreement with any employee or agreement with any independent contractor; and (B) there is no employee of Seller whose employment is not terminable at will. Seller is in full compliance with all requirements, including, without limitation, filing and reporting requirements, applicable to employees, employment relations, and collection, withholding and payment of any taxes relating to employment. Seller has not engaged in any transaction prohibited by any law relating to employees or employment relationships. Seller is not in arrears or default in payment of any obligation with respect to wages, fringe benefits, bonuses, overtime, sick pay, severance pay, improper discharge, vacation pay, time off, insurance premiums or any other amounts due to employees.

(xiii) Legal Proceedings. There is no claim, action, suit, proceeding, investigation or inquiry pending before any federal, state or other court or governmental or administrative agency or threatened against the Seller or any of Seller's

properties, assets, operation or businesses.

(xiv) Tax Matters. As used herein, "Taxes" shall mean any tax (whether income, excise, customs, sales or use, value added, ad valorem, real or personal property, license, transfer, employment, social security or any other kind of tax or payment in lieu of tax no matter how denominated), or any assessment, levy, impost, withholding, or other governmental charge in the nature of a tax, and shall include all additions to tax, interest, penalties and fines with respect thereto; and "Returns" shall mean all reports, estimates, information statements and returns of any nature, including amended versions of any of the foregoing, relating to or required to be filed connection with any Taxes pursuant to the statutes or regulations of any federal, state, local or foreign government taxing authority. Seller has filed all Returns that are required to be filed. As such, Returns are or will be true, correct and complete in all material respects as of their respective filing dates. All Taxes for which Seller is or will be liable and that are due including, without limitation, Taxes shown to be due on all filed Returns) have been paid, and all Taxes that are required to be withheld or collected by Seller have been duly withheld and collected and, to the extent required, have been paid to the appropriate governmental authority or properly deposited as required by applicable law, rule or regulation. No taxing authority has asserted or, to the knowledge of Seller threatened to assert any adjustment, deficiency or assessment for any Taxes against Business; no basis exists for any such adjustment, deficiency or assessment; and, to the knowledge of Seller, there is no audit or investigation pending or threatened by any taxing authority with respect to any liability for Taxes of Company.

(xv) Statements and Other Documents Not Misleading. Neither this Agreement, including all Schedules, Exhibits and other attachments hereto, nor the Closing documents, nor any other financial information, statement, document or other instrument heretofore or hereafter furnished by Seller to Purchaser in connection with the transactions contemplated hereby contains or will contain any untrue statement of any material fact or omits or will omit to state any material fact necessary to be stated in order to make any statement contained therein not misleading. There is no fact known to Seller which materially adversely affects Business, prospects, financial condition or affairs or any of its properties or assets which has not been set forth in this Agreement, including the Schedules.

(b) Representations, Warranties and Covenants of the Purchaser. The Purchaser hereby represents, warrants and covenants to the Seller as follows:

(i) Authorization. The Purchaser has power and authority to enter into this Agreement and the related documents to which he is a party, to perform the obligations as noted herein, and to carry out the transactions contemplated herein. This Agreement and the related documents have been duly executed and delivered by the Purchaser and collectively are the valid and binding obligations of the Purchaser, enforceable according to their terms.

(ii) Agreement not in Breach of Other Agreements Affecting Purchaser. Execution and delivery of this Agreement, the consummation of the transaction provided for herein, and the fulfillment of the terms hereof by the Purchaser do

not and will not, with or without the giving of notice, the lapse of time, or both, result in the breach of any of the terms and provisions of, or constitute a default under, or conflict with, or cause any acceleration of any obligation of the Purchaser under, any agreement, indenture or other instrument by which the Purchaser is bound, any judgment, decree, order or award of any court, governmental body, or arbitrator, or any applicable law, rule or regulation.

(iii) Legal Proceedings. There is no action, suit, proceeding, investigation or inquiry pending before any federal, state or other court or governmental or administrative agency or threatened against the Purchaser and/or any or all of the Guarantors or any of the Purchaser's properties, assets, operations or businesses.

(iv) Compliance with the Agreement. The Purchaser covenants not to undertake any course of action which is or may be inconsistent with satisfaction of the conditions applicable to him set forth in this Agreement and covenants to do all such acts and take all such measures as may be reasonably necessary to comply with the representations, warranties, agreements, covenants, conditions and other provisions of this Agreement.

(v) Assignment of Agreements, Contracts and Leases. Subject to the representations, warranties and covenants of Seller contained elsewhere herein, Purchaser shall accept at the Closing the assignment of the Company Agreements, and shall thereafter be responsible for any breach of said Company Agreements from and after the Closing Date. All of the Seller's charges, expenses and revenues pursuant to the said Company Agreements shall be prorated between the Seller and the Purchaser as of the Closing Date.

(vi) Statements and Other Documents Not Misleading. Neither this Agreement, including all Schedules, Exhibits and other attachments hereto, nor the Closing documents, nor any other financial information, statement, document or other instrument heretofore or hereafter furnished by the Purchaser to the Seller in connection with the transaction contemplated hereby contains or will contain any untrue statement of any material fact or omits or will omit to state any material fact necessary to be stated in order to make any statement contained therein not misleading. There is no fact known to the Purchaser which materially adversely affects their respective financial condition or affairs or any of their properties or assets which has not been set forth in this Agreement, including the Schedules.

6. Survival of Representations and Warranties, Covenants and Agreements. All representations and warranties made by the Seller and the Purchaser in this Agreement or pursuant hereto shall survive the Closing. Except as otherwise expressly provided in this Agreement, all covenants, agreements, undertakings and indemnities set forth in this Agreement shall survive for a period of two years from the date of closing, unless otherwise noted in this Agreement. No representation or warranty contained herein shall be deemed to have been waived, affected or impaired by any investigation made by or knowledge of any party to this Agreement.

7. Conditions Precedent to the Purchaser's Obligations. All obligations of the Purchaser to consummate the transactions contemplated hereby are subject to the fulfillment or waiver by the Purchaser of each of the following conditions:

(a) Representations, Warranties and Covenants. The representations, warranties and covenants of the Seller contained in this Agreement or in any related documents and instruments (including all schedules and exhibits thereto) and in all certificates and documents delivered by the Seller, shall be true and accurate as of the Execution of this Agreement in all material respects and shall have been true and accurate in all material respects as of the date hereof. The Seller shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with prior to or on the Date of the Execution of this Agreement.

(b) Purchaser Consents and Approvals. The Purchaser shall have obtained all necessary third party consents and approvals required by it in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby.

(c) No Material Change. As of the date of possession of Purchaser, no portion of the Mechanicsburg Business Assets shall be damaged, destroyed, or taken by condemnation and no material adverse change shall have occurred in the business, assets or material condition of the Business.

(d) Closing Documents. The Seller shall have delivered or shall cause to be delivered to the Purchaser the documents and instruments described in Section 3(a) hereof.

(e) Landlord Approval. Purchaser, in Purchaser's sole discretion, shall negotiate a favorable Lease or Assignment with the landlord and shall receive landlord's approval with respect to the Purchaser becoming the Lessee of the leased premises.

8. Conditions Precedent to the Seller's Obligations. The obligations of the Seller under this Agreement shall be subject to the satisfaction, on or before the date of the execution of this Agreement, of each of the following conditions:

(a) Representations, Warranties and Covenants. The representations, warranties and covenants of the Purchaser and Seller contained herein and in any related documents and instruments (including all schedules and exhibits thereto) and in all certificates and documents delivered by the Purchaser and Seller, shall be true and accurate as of the Closing Date in all material respects and shall have been true and accurate in all material respects as of the date hereof.

(b) Performance. The Purchaser shall have performed and complied with all agreements, obligations and conditions required by this Agreement to be performed or complied with by him on or before the Closing Date.

(c) Payment. At closing, Purchaser shall have paid Seller all sums due to Seller pursuant to the terms of this Agreement.

(d) Bill of Sale. The Purchaser shall have executed and delivered to the Seller, the Bill of Sale attached hereto as Exhibit "B."

(e) Assignment Agreements. The Seller shall have executed and deliver to the Purchaser, each of the Assignment Agreements attached hereto as Exhibit "C."

(f) Leases. Purchaser shall negotiate a favorable lease with Landlord. Seller

shall be fully released from any and all obligation with respect to the current or any future leases with respect to the Leased Premises.

(g) Closing Documents. The Purchaser shall have delivered or caused to be delivered to the Seller the documents and instruments described in Sections 4(b) hereof.

9. Default. If a Purchaser fails to make a payment in accordance with Paragraph 2(a) herein for a period of more than thirty (30) days, Seller may foreclose and regain the business assets.

10. Mutual Indemnification. Purchaser agrees to indemnify and hold Seller harmless with respect to all matters of action, causes of action, suits, bills, contracts, controversies, promises, damages, judgments, and demands relative to the operation of the practice arising from the date of closing into the future. The Seller agrees to indemnify and hold Purchaser harmless with respect to all matters of action, causes of action, suits, bills, contracts, controversies, promises, damages, judgments, and demands relative to the operation of the practice arising prior to the date of closing.

11. Entire Agreement. This Agreement, including any and all exhibits and schedules attached hereto and other documents referred to herein that form a part of this Agreement, sets forth the entire understanding of the parties hereto with respect to the subject matter hereof. Any previous agreements or understandings between the parties regarding the subject matter hereof are merged into and are superseded by this Agreement. The parties hereto agree that this Agreement is the product of negotiation between and among the parties and, as such, its interpretation shall not be construed against either party.

12. Amendments. This Agreement may be amended, modified or supplemented only by written instrument duly executed by the Seller and the Purchaser.

13. Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of and be enforceable by the respective heirs, personal representatives, successors and permitted assigns of the parties hereto, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of all the other parties.

14. Confidentiality. Before and after the execution of this Agreement, each party to this Agreement shall, and shall cause its officers, accountants, counsel and other authorized representatives and affiliated parties, to hold in strict confidence and not use or disclose to any other party without the prior written consent of the other party, all information obtained in connection with the transaction contemplated hereby, except such information may be used or disclosed (i) when required by any regulatory authorities or governmental agencies, (ii) if required by court order or decree or applicable law, or (iii) if it is otherwise contemplated herein. Subject to the requirements of applicable law, neither party to this Agreement may make any news, release or any other public disclosure with respect to the transaction contemplated hereby without the prior written consent of the other party, which consent shall not be unreasonably withheld. The Purchaser and the Guarantors each agrees to maintain in strict confidence and secrecy any and all information of the Company related to the Mechanicsburg Business Assets and the Company's business, patients, and contracts, including, but not limited to, financial information, technology and proprietary information. In the event the transaction contemplated herein does not occur, any documents received or provided with respect

hereto shall immediately be returned to the party furnishing the same and the parties hereto, their affiliates, agents, representatives, successors and/or assigns agree not to retain any such documents or copies of any such documents.

15. Security Agreement. Purchaser shall simultaneously with the execution of this Agreement, execute a Security Agreement for the purpose of providing security to Seller for the performance of Purchaser's obligations under this Agreement.

16. Confession of Judgment. PURCHASER HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR THE PROTHONOTARY OR CLERK OF ANY COURT IN THE COMMONWEALTH OF PENNSYLVANIA, OR ELSEWHERE, TO APPEAR AT ANY TIME FOR PURCHASER AFTER A DEFAULT UNDER THIS AGREEMENT, AND WITH OR WITHOUT COMPLAINT FILED, AS OF ANY TERM, CONFESS OR ENTER JUDGMENT AGAINST PURCHASER FOR THE ENTIRE PRINCIPAL BALANCE OF THIS AGREEMENT, ALL ACCRUED INTEREST, LATE CHARGES, AND ANY AND ALL AMOUNTS EXPENDED OR ADVANCED BY SELLER RELATING TO ANY COLLATERAL SECURING THIS AGREEMENT TOGETHER WITH INTEREST ON SUCH AMOUNTS, TOGETHER WITH COSTS OF SUIT, AND AN ATTORNEY'S COMMISSION OF TEN PERCENT (10%) OF THE UNPAID PRINCIPAL BALANCE AND ACCRUED INTEREST FOR COLLECTION, BUT IN ANY EVENT NOT LESS THAN FIVE HUNDRED DOLLARS (\$500) ON WHICH JUDGMENT OR JUDGMENTS ONE OR MORE EXECUTIONS MAY ISSUE IMMEDIATELY; AND FOR SO DOING, THIS AGREEMENT OR A COPY OF THIS AGREEMENT VERIFIED BY AFFIDAVIT SHALL BE SUFFICIENT WARRANT. THE AUTHORITY GRANTED IN THIS AGREEMENT TO CONFESS JUDGMENT AGAINST PURCHASER SHALL NOT BE EXHAUSTED BY ANY EXERCISE OF THAT AUTHORITY, BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL PAYMENT IN FULL OF ALL AMOUNTS DUE UNDER THIS AGREEMENT. PURCHASER HEREBY WAIVES ANY RIGHT PURCHASER MAY HAVE TO NOTICE OR TO A HEARING IN CONNECTION WITH ANY SUCH CONFESSION OF JUDGMENT, EXCEPT ANY NOTICE AND/OR HEARING REQUIRED UNDER APPLICABLE LAW WITH RESPECT TO EXECUTION OF THE JUDGMENT, AND STATES THAT EITHER A REPRESENTATIVE OF LENDER SPECIFICALLY CALLED THIS CONFESSION OF JUDGMENT PROVISION TO PURCHASER'S ATTENTION OR PURCHASER HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL.

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17. Notices. All notices and other communications that are required or permitted hereunder shall be sufficient if given in writing and delivered by registered or certified mail, return receipt requested, postage prepaid, as follows (or to such other addressee or address as shall be set forth in a notice given in the same manner):

If to Purchaser:

Ashley Killinger and James Killinger

6581 Carlisle Pike

Mechanicsburg, PA 17056

If to the Seller:

Al's Pizza

c/o Al Haulman

409 North Enola Road

Enola PA 17025

18. Governing Law. This Agreement shall be interpreted and enforced in accordance with the substantive laws of the Commonwealth of Pennsylvania, without reference to the principles governing the conflicts of laws applicable in that or any other jurisdiction. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement brought against any of the parties only in the courts of the Commonwealth of Pennsylvania, County of Cumberland, and each of the parties consents to the exclusive jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and irrevocably waives any objection to venue laid therein.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original instrument, but all such counterparts together shall constitute one and the same instrument. In offering any counterpart in proof, it shall not be necessary to establish the existence or location of any other counterpart.

20. Cooperation. Subject to the terms and conditions hereof, each of the parties hereto shall use his/her/its best efforts to take, or cause to be taken, such action, to execute and deliver, or cause to be executed and delivered, such additional documents and instruments and to do, or cause to be done, all things necessary, proper or advisable under the provisions of this Agreement and under applicable law to consummate and make effective the transactions and undertakings contemplated by this Agreement and to vest in the Purchaser all right, title and interest in and to the Mechanicsburg Business Assets, whether at or after the Closing.

21. Severability. Any provision of this Agreement which is invalid or unenforceable in any jurisdiction or under any circumstance shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof in such jurisdiction or under such circumstances, and any such invalidity or unenforceability shall not invalidate or render unenforceable such provision in any other jurisdiction or under any other circumstances.

22. Fees and Expenses. Except as otherwise provided herein, each of the parties hereto will pay its own fees and expenses (including attorneys' and accountants' fees, legal costs, and

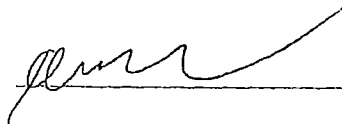
expenses) incurred in connection with this Agreement and the other related documents.

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written.

ATTEST:

SELLER: AL'S PIZZA

\_\_\_\_\_

  
\_\_\_\_\_

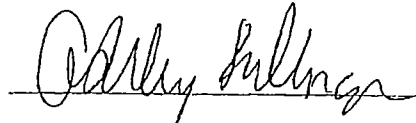
By: Al Haulman

ATTEST:

PURCHASER: ASHLEY KILLINGER AND

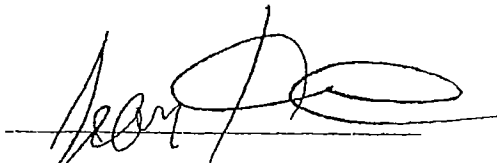
JAMES KILLINGER

\_\_\_\_\_

  
\_\_\_\_\_

By: Ashley Killinger

\_\_\_\_\_

  
\_\_\_\_\_

By: James Killinger

EXHIBIT "A"

Mechanicsburg Business Assets

- 1 - 5ft- Freezer United- Commercial Heavy Duty- Model # M5180-AAJWH Rheem- Name
- 2 - 7 ½ ft by 8 ft- True Freezer- Model # T3SF Unit # KAMB-007E-CAA
- 1 - 4 ft Chest Freezer- Gibson Fifteen Model # 81-2635-0414851151
- 1 - Safe
- 2 - Panasonic
- 1 - National- Commercial Heavy Duty by Rheem- 4 ½ ft Freezer
- 1 - Commercial Microwave Oven Model # TMW-1100E- Name: N/A
- ~~5~~ - Can/Food/Item Holding Rack
- ~~40~~ - Booth 9
- 8 - Table
- ~~40~~ - Chair 37 High Top
- 1 - Fax- Name: N/A (back up)
- 1 - Fax/Printer: HP Office Jet 650 / Printer: HP Disk Jet D2560
- 1 - Key Board
- 3 - PC Screens E/O Wire Head
- 3 - Computers E/O Wire Head
- 2 - Register Drawer
- 3 - Ithaca, Therm 200- Trasact Register Printer
- 2 - Cook Printer- Epson Model: M188B
- 1 - Salad Bar
- 1 - Hot Bar
- ~~4~~ - Crock Pot Buffet Bar- Name: Crock Pot c/o Tony took
- ~~3~~ - Chip Rack
- 3 - TV
- 3 - TV Stand
- 2 - Special Board
- 3 - Menu Board
- ~~1~~ - Cheese Sauce Machine- Gehls
- 1 - Pepsi Machine
- ~~1~~ - Pepsi Cooler Chage
- ~~1~~ - Red Bull Cooler
- 1 - Coffee Maker
- 4 - Trash Bins
- 1 - Oven-Marshall-PS200
- 1 - Stove-Anvill Model # HPA1004
- 1 - Grill- Champion- Cook Series Model # A-DWWYOTI
- 2 - Fryers
- 4 - Fryer Basket

AF (AK)

- 3 - True Cooler
- 2 - Sub Side
- ~~1 - Pizza Board (marble top cutting board)~~
- 2 - Cutting Broad on Sub-Coolers
- 1 - Silver Rack Pizza Side (2 ft by 4 ft)
- 1 - Silver Rack Subside Sink (built-in) (5 ft by 2 ½ ft)
- 3 - Rack (in cooler walk-in)
- 1 - Sauce Trash Bin
- 4 - Bus-Boy Bin
- 1 - Dough Maker, HoBart Model #L800
- 1 - Dough Bowl
- 1 - Dough Hook/Spinner
- 1 - Cheese Grater (3 parts)
- 1 - Slicing Machine- Gravity Globe Food
- 2 - Silver Prep Table
- 1 - Air Conditioner- Commercial Cool
- 1 - Ice Machine
- 2 - Fan
- 4 - Frying pan
- 2 - Sauce Pan
- 2 - Kettle
- 3 - Deep Bowls Silver Sauce Bin
- ~~22 - Small Clear Bin~~
- ~~8 - Medium Clear Bin~~
- ~~8 - Large Clear Bin~~ Tony took
- ~~22 - Small Bin~~
- ~~8 - Medium Bin~~
- ~~8 - Large Bin~~
- 49 - Dough Tray or 100-50
- ~~2 - Scale (weight)~~ Tony took

AH (OK)

EXHIBIT "B"

Warranty Bill of Sale

WARRANTY BILL OF SALE

KNOW ALL PERSONS BY THESE PRESENTS: Al's Pizza, ("Grantor"), in consideration of Two Hundred Twenty Thousand (\$220,000.00) Dollars and other good and valuable consideration paid by Ashley and James Killinger, ("Grantee"), the receipt of which is hereby acknowledged, does hereby grant, sell, transfer and deliver unto Grantee, with WARRANTY COVENANTS the following:

All equipment as set forth in Exhibit A attached hereto

Grantor hereby warrants that it is the true and lawful owner of the Personal Property with good right to transfer the same as provided herein. The Personal Property hereby conveyed is conveyed **AS IS, WHERE IS**. Grantor disclaims all warranties of **MERCHANTABILITY** and **FITNESS**.

TO HAVE AND TO HOLD, all and singular the Personal Property to the Grantee, its successors and assigns, to its own use and behoof forever, all right, title and interest of the Grantor.

And Grantor does hereby **covenant** with the said Grantee that it is the lawful owner of the Personal Property; that the Personal Property is free from all encumbrances; that it has good right to sell the same as aforesaid; and that it will **warrant and defend** the same unto the said Grantee, its successors and assigns, against the lawful claims and demands of all persons.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed this \_\_\_\_ day of November, 2012.

ATTEST:

GRANTOR: Al's Pizza



By: Al Haulman

EXHIBIT "C"

Contracts to be Assigned

None

## SECURITY AGREEMENT

November \_\_\_\_, 2012

The undersigned, Ashley Killinger and James Killinger, (herein collectively referred to as "Debtor"), hereby agrees in favor of Al Haulman and Al's Pizza with an office for the transaction of business located at 409 North Enola Road, Enola, PA 17025, (herein collectively referred to as "Secured Party"), intending to be legally bound, as follows:

1. **THE INDEBTEDNESS**. In consideration of one or more loans, advances, or other financial accommodations at any time before, at or after the date hereof made or extended by the Secured Party to or for the account of Debtor, directly or indirectly, as principal, guarantor or otherwise (the "Indebtedness") Debtor hereby grants to Secured Party a continuing security interest in and a right of set-off against, and Debtor hereby assigns to Secured Party, the Collateral described in Paragraph 2, to secure the payment, performance and observance of (i) all indebtedness, obligations, liabilities and agreements of any kind of Debtor to the Secured Party, now existing or hereafter arising, direct or indirect, absolute or contingent, secured or unsecured, due or not, arising out of or relating to the Indebtedness and (ii) all agreements, documents and instruments evidencing any of the foregoing or under which any of the foregoing may have been issued, created, assumed or guaranteed (all of the foregoing being herein referred to as the "Obligations").

2. **THE COLLATERAL**. The Collateral is described on Schedule "A" annexed hereto as part hereof and also includes all attachments, accessions and equipment now or hereafter affixed to the Collateral or used in connection therewith, substitutions and replacements therefor (unless the description of Collateral expressly excludes after-acquired Collateral), all items of Collateral now owned or existing and hereafter acquired, created or arising, and all proceeds thereof (including, without limitation, claims of Debtor against third parties for loss or damage to or destruction of any Collateral).

3. **WARRANTIES, REPRESENTATIONS AND COVENANTS**. Debtor warrants, represents and covenants that:

(a) The chief executive office and other places of business of Debtor, the Collateral and the books and records relating to the Collateral and the Collateral are, and have been during the four month period prior to the date hereof (or in the case of a new business, from the date of commencement of said business), located at the addressees) set forth below and Debtor will not change the same, or merge or consolidate with any person or change its name, without prior written notice to and consent of the Secured Party;

(b) Debtor will use the Collateral for lawful and business purposes only, with all reasonable care and caution and in conformity with all applicable laws, ordinances and regulations;

(c) Debtor will keep the Collateral in first-class order, repair, running and marketable condition, at Debtor's sole cost and expense;

(d) The Secured Party shall at all times have free access to and right of inspection of the Collateral and any records pertaining thereto (and the right to make extracts from and to receive from Debtor originals or true copies of such records and any papers and instruments relating to any Collateral upon request therefor) and Debtor hereby grants to the Secured Party a security interest in all such records, papers and instruments to secure the payment, performance and observance of the Obligations;

(e) The Collateral is now and shall remain personal property, is not now a fixture and Debtor will not permit any Collateral which is not now a fixture to become a fixture without prior written notice to and consent of the Secured Party and without first making all arrangements, and delivering, or causing to be delivered, to the Secured Party all instruments and documents, including, without limitation, waivers and subordination agreements by any landlords or mortgagees, requested by and satisfactory to the Secured Party to preserve and protect the primary security interest granted herein against all persons;

(f) Debtor, at its sole cost and expense, will insure the Collateral in the name of and with loss or damage payable solely to the Secured Party, as its interest may appear, against such risks, with such companies and in such amounts, as may be required by the Secured Party from time to time (all such policies providing ten (10) days minimum written notice of cancellation to the Secured Party) and Debtor will deliver to the Secured Party the original or duplicate policies, or certificates or other evidence satisfactory to the Secured Party attesting thereto, and Debtor will promptly notify the Secured Party of any loss or damage to any Collateral or arising from its use;

(g) Debtor will, at its sole cost and expense, and at all times, pay and discharge all taxes and assessments and keep the Collateral free and clear of any and all liens, security interests or encumbrances (other than in favor of or approved by the Secured Party), perform all acts and execute all documents requested by the Secured Party from time to time to evidence, perfect, maintain or enforce the Secured Party's primary security interest granted herein or otherwise in furtherance

of the provisions of this Security Agreement;

(h) At any time and from time to time, Debtor shall, at its sole cost and expense, execute and deliver to the Secured Party such financing statements pursuant to the Uniform Commercial Code ("UCC"), applications for certificates of title and other papers, documents or instruments as may be requested by the Secured Party in connection with this Security Agreement, and Debtor hereby authorizes the Secured Party to execute and file at any time and from time to time one or more financing statements or copies thereof or of this Security Agreement with respect to the Collateral signed only by the Secured Party;

(i) In its discretion, the Secured Party may, at any time and from time to time, after a Default (as hereinafter defined) has occurred and is continuing, in its name or Debtor's or otherwise, notify any account debtor or obligor of any account, contract, document, instrument, chattel paper or general intangible included in the Collateral to make payment to the Secured Party;

(j) In its discretion, Secured Party may, at any time and from time to time, after a Default has occurred and is continuing, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for, or make any compromise or settlement deemed desirable by Secured Party with respect to, any Collateral, and/or extend the time of payment, arrange for payment in installments, or otherwise modify the terms of, or release, any Collateral or Obligations, all without notice to or consent by Debtor and without otherwise discharging or affecting the Obligations, the Collateral or the security interest granted herein;

(k) In its discretion, Secured Party may, at any time and from time to time, for the account of Debtor, pay any amount or do any act required of Debtor hereunder and which Debtor fails to do or pay, and any such payment shall be deemed an advance by Secured Party to Debtor payable on demand together with interest at the highest rate then payable on any of the Obligations;

(l) Debtor will pay Secured Party for any sums, costs, and expenses which Secured Party may pay or incur pursuant to the provisions of this Security Agreement or in negotiating, executing, perfecting, defending, or protecting the security interest granted herein or in enforcing payment of the Obligations or otherwise in connection with the provisions hereof, including but not limited to court costs, collection charges, travel expenses, and reasonable attorneys' fees, all of which, together with interest at the highest rate then payable on any of the Obligations, shall be part of the Obligations and be payable on demand;

(m) All proceeds of any other Collateral received by Debtor after the occurrence of a Default shall not be commingled with other property of Debtor, but shall be segregated, held by Debtor in trust for Secured Party, and

immediately delivered to Secured Party in the form received, duly endorsed in blank where appropriate to effectuate the provisions hereof, the same to be held by Secured Party as additional Collateral hereunder or, at Secured Party's option, to be applied to payment of the Obligations, whether or not due and in any order; and

(n) In its sole discretion, Secured Party may, at any time and from time to time, assign, transfer or deliver to any transferee of any Obligations, any Collateral, whereupon Secured Party shall be fully discharged from all responsibility and the transferee shall be vested with all powers and rights of Secured Party hereunder with respect thereto, but Secured Party shall retain all rights and powers with respect to any Collateral not assigned, transferred or delivered.

4. **DEFAULT.** It shall constitute an event of default ("Default") under this Security Agreement if an Event of Default shall have occurred under any of the Asset Purchase Agreement Documents executed on even date herewith from Debtor to Secured Party or if anyone or more of the following shall occur:

(a) Debtor shall fail to perform any covenant, agreement or obligation contained in this Security Agreement; or

(b) The Collateral shall be subjected to waste, sale, transfer or other disposition or any lien, encumbrance or other imposition is placed upon said Collateral; or

(c) Any levy, seizure, attachment, condemnation, forfeiture or other proceeding shall be brought against or with respect to the Collateral.

5. **REMEDIES.** Within thirty (30) days after written notice of any Default and at any time thereafter, Secured Party shall have the following rights and remedies (to the extent permitted by applicable law) in addition to all rights and remedies of a secured party under the UCC or of Secured Party under the Obligations, all such rights and remedies being cumulative, not exclusive and enforceable alternatively, successively or concurrently:

(a) Secured Party may at any time and from time to time, with or without judicial process or the aid and assistance of others, enter upon any premises in which any Collateral may be located and, without resistance or interference by Debtor, take possession of the Collateral; and/or dispose of any Collateral on any such premises; and/or require Debtor to assemble and make available to Secured Party at the expense of Debtor any Collateral at any place and time designated by Secured Party which is reasonably convenient to both parties; and/or remove any Collateral from any such premises for the purpose of effecting sale or other disposition thereof (and if any of the Collateral consists of motor vehicles, secured Party may use Debtor's license plates); and/or sell, resell, lease, assign and deliver, grant options for or otherwise dispose of any Collateral in its then

condition or following any commercially reasonable preparation or processing, at public or private sale or proceedings or otherwise, by one or more contracts, in one or more parcels, at the same or different times, with or without having the Collateral at the place of sale or other disposition, for cash and/or credit, and upon any terms, at such place(s) and time(s) and to such person(s) as Secured Party deems best, all without demand, notice or advertisement whatsoever except that where an applicable statute requires reasonable notice of sale or other disposition Debtor hereby agrees that the serving of five days' notice by ordinary mail, postage prepaid, to any address of Debtor set forth in this Security Agreement shall be deemed reasonable notice thereof. If any Collateral is sold by Secured Party upon credit or for future delivery, Secured Party shall not be liable for the failure of the purchaser to pay for same and in such event Secured Party may resell such Collateral. Secured Party may buy any Collateral at any public sale and, if any Collateral is of a type customarily sold in a recognized market or is of the type which is the subject of widely distributed standard price quotations, Secured Party may buy such Collateral at private sale and in each case may make payment therefor by any means. Secured Party may apply the sale proceeds actually received from any sale or other disposition to the reasonable expenses of retaking, holding, preparing for sale, selling, leasing and the like, to reasonable attorneys' fees and all legal, travel and other expenses which may be incurred by Secured Party in attempting to collect the Obligations or enforce this Security Agreement or in the prosecution or defense of any action or proceeding related to the subject matter of this Security Agreement; and then to the Obligations in such order and as to principal or interest as Secured Party may desire; and Debtor shall remain liable and will pay Secured Party on demand any deficiency remaining, together with interest thereon at the highest rate then payable on the Obligations and the balance of any expenses unpaid, with any surplus to be paid to Debtor, subject to any duty of Secured Party imposed by law to the holder of any subordinate security interest in the Collateral known to Secured Party;

(b) Secured Party may appropriate, set off and apply to the payment of the Obligations, any Collateral in or coming into the possession of Secured Party or its agents, without notice to Debtor and in such manner as Secured Party may in its discretion determine.

6. **DESIGNATION AND AUTHORIZATION.** To effectuate the terms and provisions hereof, Debtor hereby designates and appoints Secured Party and each of its designees or agents as attorney-in-fact of Debtor, irrevocably and with power of substitution, with authority, after the occurrence of a Default, to: receive, open and dispose of all mail addressed to Debtor and notify the Post Office authorities to change the address for delivery of mail addressed to Debtor to such address as Secured Party may designate; endorse the name of Debtor on any notes, acceptances, checks, drafts, money orders, instruments or other

evidences of Collateral that may come into Secured Party's possession; sign the name of Debtor on any invoices, documents, drafts against and notices to account debtors or obligors of Debtor, assignments and requests for verification of accounts; execute proofs of claim and loss' execute endorsements assignments of other instruments of conveyance or transfer; adjust and compromise and; claims under insurance policies or otherwise; execute releases; and do all other acts and things necessary or advisable in the sole discretion of Secured Party to carry out and enforce this Security Agreement or the Obligations. All acts done under the foregoing authorization are hereby ratified and approved and neither Secured Party nor any designee or agent thereof shall be liable for any acts of commission or omission, for any error of judgment or for any mistake of fact or law. This power of attorney being coupled with an interest is irrevocable while any Obligations shall remain unpaid.

**7. PRESERVATION AND DISPOSITION OF COLLATERAL;**

**MISCELLANEOUS.** Secured Party shall have the duty to exercise reasonable care in the custody and preservation of any Collateral in its possession, which duty shall be fully satisfied if Secured Party maintains safe custody of such Collateral. Except as hereinabove specifically set forth, Secured Party shall not be deemed to assume any other responsibility for, or obligation or duty with respect to, any Collateral, or its use, of any nature or kind, or any matter or proceedings arising out of or relating thereto, including, without limitation, any obligation or duty to take any action to collect, preserve or protect its or Debtor's rights in the Collateral or against any prior parties thereto, but the same shall be at Debtor's sole risk and responsibility at all times. Debtor hereby releases Secured Party from any claims, causes of action and demands at any time arising out of or with respect to this Security Agreement, the Obligations, the Collateral and its use and/or any actions taken or omitted to be taken by Secured Party with respect thereto, and Debtor hereby agrees to hold Secured Party harmless from and with respect to any and all such claims, causes of action and demands. Secured Party's prior recourse to any Collateral shall not constitute a condition of any demand, suit or proceeding for payment or collection of the Obligations. No act, omission or delay by Secured Party shall constitute a waiver of its rights and remedies hereunder or otherwise. No single or partial waiver by Secured Party of any Default or right or remedy which it may have shall operate as a waiver of any other Default, right or remedy or of the same Default, right or remedy on a future occasion. Debtor hereby waives presentment, notice of dishonor and protest of all instruments included in or evidencing any Obligations or Collateral, and all other notices and demands whatsoever (except as expressly provided herein). In the event of any litigation with respect to any matter connected with this Security Agreement, the Obligations or the Collateral, Debtor hereby waives the right to a trial by jury and all defenses, rights of set-off and rights to interpose counterclaims of any nature. Debtor hereby irrevocably consents to the jurisdiction of the Courts of the Commonwealth of Pennsylvania and of any Federal Court located in such State in connection with any action or proceeding arising out of or relating to the Obligations, this Security Agreement or the

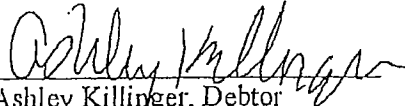
Collateral, or any document or instrument delivered with respect to any of the Obligations. Debtor hereby waives personal service of any process in connection with any such action or proceeding and agrees that the service thereof may be made by certified or registered mail directed to Debtor at any address of Debtor set forth in this Security Agreement. Debtor so served shall appear or answer to such process within thirty (30) days after the mailing thereof. Should Debtor so served fail to appear or answer within said thirty (30) day period, Debtor shall be deemed in default and judgment may be entered by Secured Party against Debtor for the amount or such other relief as may be demanded in any process so served. In the alternative, in its discretion, Secured Party may affect service upon Debtor in any other form or manner permitted by law. All capitalized terms used and not otherwise defined shall have the meanings set forth in the Note and other terms herein shall have the meanings as defined in the UCC, unless the context otherwise requires. No provision hereof shall be modified, altered or limited except by a written instrument expressly referring to this Security Agreement and to such provision, and executed by the party to be charged. This Security Agreement and all Obligations are binding upon the successors, or assigns of Debtor and shall, together with the rights and remedies of Secured Party hereunder, inure to the benefit of Secured Party and its successors, endorsees and assigns. This Security Agreement and the Obligations shall be governed in all respects by the laws of the Commonwealth of Pennsylvania applicable to contracts executed and to be performed in such State. If any term of this Security Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby. Secured Party is authorized to annex hereto any schedules referred to herein. Debtor acknowledges receipt of a copy of this Security Agreement.

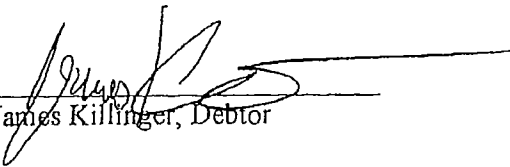
**8. ACKNOWLEDGMENT.** THIS SECURITY AGREEMENT CONTAINS A POWER OF ATTORNEY COUPLED WITH AN INTEREST THAT IS FOR THE SOLE BENEFIT OF THE SECURED PARTY. THIS SECURITY AGREEMENT IS BEING EXECUTED IN CONNECTION WITH THE SALE OF A BUSINESS AND THE EXECUTION OF AN ASSET PURCHASE AGREEMENT OR OTHER FINANCIAL TRANSACTION FOR BUSINESS PURPOSES AND NOT PRIMARILY FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES. THE SECURED PARTY UNDER THE POWER OF ATTORNEY IS NOT A FIDUCIARY FOR THE DEBTOR IN EXERCISING ANY OF THE SECURED PARTY'S RIGHTS OR POWERS PURSUANT TO THE POWER OF ATTORNEY AND MAY DO SO FOR THE SOLE BENEFIT OF THE SECURED PARTY AND NOT FOR THE DEBTOR. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE PROVISIONS OF TITLE 20, PENNSYLVANIA CONSOLIDATED STATUTES, SECTION 5601 ET SEQ. AS AMENDED (SPECIFICALLY INCLUDING ACT 39 OF 1999) SHALL NOT BE APPLICABLE TO THE POWER OF ATTORNEY.

IN WITNESS WHEREOF, the undersigned has executed or caused this Security Agreement to be executed in the Commonwealth of Pennsylvania as of the date first above set forth.

DEBTOR(S):

Ashley Killinger and James Killinger

By:   
Ashley Killinger, Debtor

By:   
James Killinger, Debtor

## SCHEDULE "A"

All tangible and intangible personal property and assets of the Borrower, whether now owned or hereafter acquired or arising and wherever located, including but not limited to:

- (a) All Accounts, including Health-Care-Insurance Receivables;
- (b) Chattel Paper, including, without limitation, Tangible Chattel Paper and Electronic Chattel Paper;
- (c) Deposit Accounts;
- (d) Documents;
- (e) General Intangibles, including without limitation, Payment Intangibles and Software;
- (f) Goods, including without limitation, Equipment, Inventory, Fixtures and Accessories;
- (g) Instruments, including Promissory Notes;
- (h) Letter-of-credit rights; Supporting Obligations;
- (j) All monies which at any time the Secured Party shall have or have the right to have in its possession;
- (k) All books and records evidencing or relating to the foregoing, including, without limitation, billing records of every kind and description, customer lists, data storage and processing media, software and related material, including computer programs, computer tapes, cards, disks and printouts, and including any of the foregoing which are in the possession of any affiliate or any computer service bureau;
- (l) All substitutions and replacements for and products of any of the foregoing, and all accessories, accessions, attachments, parts and repairs now or hereafter attached or affixed to or made part of or used in connection with any of the foregoing; and
- (m) Proceeds of the above Collateral. In addition, if the Borrower shall at any time, acquire a Commercial Tort Claim, the Borrower shall immediately notify the Secured Party in a writing signed by the Borrower of the brief details thereof and grant to the Secured Party in such writing a security interest therein and in the Proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory

to the Secured Party.

As used herein, all terms that are defined in the UCC shall have the meanings ascribed to them in the UCC.

220,000.00

0.005

240

6 2/3

New

Ashley

MONTHLY PAYMENT

3,000.00

717-856-8226

210,000.00 ↓

Sept 1/2 payment  
Oct Full payment

1	220,000.00	1,100.00	221,100.00	218,100.00
2	218,100.00	1,090.50	219,190.50	216,190.50
3	216,190.50	1,080.95	217,271.46	214,271.46
4	214,271.46	1,071.36	215,342.81	212,342.82
5	212,342.82	1,061.71	213,404.53	210,404.53
6	210,404.53	1,052.02	211,456.55	208,456.56
7	208,456.56	1,042.28	209,498.84	206,498.84
8	206,498.84	1,032.49	207,531.34	204,531.34
9	204,531.34	1,022.66	205,553.99	202,554.00
10	202,554.00	1,012.77	203,566.77	200,566.77
11	200,566.77	1,002.83	201,569.60	198,569.60
12	198,569.60	992.85	199,562.45	196,562.45
13	196,562.45	982.81	197,545.26	194,545.27
14	194,545.27	972.73	195,517.99	192,517.99
15	192,517.99	962.59	193,480.58	190,480.59
16	190,480.59	952.40	191,432.99	188,432.99
17	188,432.99	942.16	189,375.16	186,375.16
18	186,375.16	931.88	187,307.03	184,307.03
19	184,307.03	921.54	185,228.57	182,228.57
20	182,228.57	911.14	183,139.71	180,139.72
21	180,139.72	900.70	181,040.41	178,040.42
22	178,040.42	890.20	178,930.62	175,930.62
23	175,930.62	879.65	176,810.27	173,810.27
24	173,810.27	869.05	174,679.33	171,679.33
25	171,679.33	858.40	172,537.72	169,537.73
26	169,537.73	847.69	170,385.41	167,385.42
27	167,385.42	836.93	168,222.34	165,222.34
28	165,222.34	826.11	166,048.46	163,048.46
29	163,048.46	815.24	163,863.70	160,863.70
30	160,863.70	804.32	161,668.02	158,668.02
31	158,668.02	793.34	159,461.36	156,461.36
32	156,461.36	782.31	157,243.67	154,243.67
33	154,243.67	771.22	155,014.89	152,014.89
34	152,014.89	760.07	152,774.97	149,774.97
35	149,774.97	748.87	150,523.84	147,523.85
36	147,523.85	737.62	148,261.46	145,261.47
37	145,261.47	726.31	145,987.77	142,987.78
38	142,987.78	714.94	143,702.71	140,702.72
39	140,702.72	703.51	141,406.23	138,406.23
40	138,406.23	692.03	139,098.26	136,098.26
41	136,098.26	680.49	136,778.76	133,778.76
42	133,778.76	668.89	134,447.65	131,447.65
43	131,447.65	657.24	132,104.89	129,104.89
44	129,104.89	645.52	129,750.42	126,750.42
45	126,750.42	633.75	127,384.17	124,384.17
46	124,384.17	621.92	125,006.09	122,006.09
47	122,006.09	610.03	122,616.13	119,616.13
48	119,616.13	598.08	120,214.21	117,214.21
49	117,214.21	586.07	117,800.28	114,800.28
50	114,800.28	574.00	115,374.28	112,374.28
51	112,374.28	561.87	112,936.16	109,936.16
52	109,936.16	549.68	110,485.84	107,485.84
53	107,485.84	537.43	108,023.27	105,023.27
54	105,023.27	525.12	105,548.39	102,548.39
55	102,548.39	512.74	103,061.13	100,061.13

56	100,061.13	500.31	100,561.44	97,561.44
57	97,561.44	487.81	98,049.25	95,049.25
58	95,049.25	475.25	95,524.50	92,524.50
59	92,524.50	462.62	92,987.12	89,987.12
60	89,987.12	449.94	90,437.06	87,437.06
61	87,437.06	437.19	87,874.24	84,874.25
62	84,874.25	424.37	85,298.62	82,298.62
63	82,298.62	411.49	82,710.11	79,710.11
64	79,710.11	398.55	80,108.66	77,108.67
65	77,108.67	385.54	77,494.21	74,494.21
66	74,494.21	372.47	74,866.68	71,866.68
67	71,866.68	359.33	72,226.02	69,226.02
68	69,226.02	346.13	69,572.15	66,572.15
69	66,572.15	332.86	66,905.01	63,905.01
70	63,905.01	319.53	64,224.54	61,224.54
71	61,224.54	306.12	61,530.66	58,530.66
72	58,530.66	292.65	58,823.32	55,823.32
73	55,823.32	279.12	56,102.44	53,102.44
74	53,102.44	265.51	53,367.95	50,367.95
75	50,367.95	251.84	50,619.79	47,619.79
76	47,619.79	238.10	47,857.89	44,857.89
77	44,857.89	224.29	45,082.18	42,082.18
78	42,082.18	210.41	42,292.59	39,292.60
79	39,292.60	196.46	39,489.06	36,489.06
80	36,489.06	182.45	36,671.51	33,671.51
81	33,671.51	168.36	33,839.87	30,839.87
82	30,839.87	154.20	30,994.07	27,994.07
83	27,994.07	139.97	28,134.04	25,134.04
84	25,134.04	125.67	25,259.71	22,259.71

# **APPENDIX B**

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**ALAN HAULMAN C/O AJH PIZZA** :  
**INC., Complainant** :  
 :  
**vs.** : **NO. C-2014-2415273**  
 :  
**PPL ELECTRIC UTILITIES CORP.,** :  
**Respondent** :

**AFFIDAVIT OF ASHLEY N. KILLINGER IN OPPOSITION TO BLUE PILOT ENERGY, LLC's MOTION FOR SUMMARY JUDGMENT**

I, Ashley N. Killinger, being duly sworn according to law, depose and say the following:

1. My name is Ashley N. Killinger, and my address is 38 South Enola Drive, Enola, Cumberland County, Pennsylvania 17025.
2. I was not an employee of AJH Pizza, Inc., at any time relevant to these proceedings.
3. James D. Killinger and I purchased business equipment from AJH Pizza, Inc., pursuant to an Asset Purchase Agreement and Security Agreement dated November 2012.
4. I operated this business under the name J & A Pizza, LLC.
5. On or about February 4, 2013, I telephonically enrolled with Blue Pilot Energy, LLC, for electric generation service.
6. James D. Killinger and I defaulted under the terms of the Asset Purchase Agreement and Security Agreement on or about November 1, 2013.

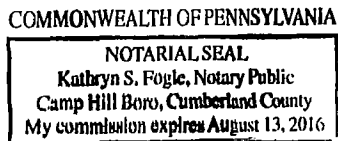
7. AJH Pizza, Inc., then bought the business equipment back from James D. Killinger and I,  
d/b/a J & A Pizza, LLC.
8. I represent that the facts set forth herein are true and correct to the best of my knowledge,  
information and belief.

Ashley N. Killinger / Ashley Bowersox  
Ashley N. Killinger - Bowersox

Sworn and subscribed before me this 20<sup>th</sup>  
Day of October 2014.

Kathryn S. Fogle  
Notary Public

My Commission expires on: 08-13-2016



# **APPENDIX C**

**Account Contact History**  
**Account: 4983079049 Customer Name: AJH PIZZA INC**  
**From 7/1/2010 to 9/29/2014**

Contact Date	Contact Type	Remarks	User
2014-09-18	Data Repair	DUPLICATE BILL Update dt_due dt_extn_to on bill_info_hdr	CSSDR044
2014-09-17	Issued Duplicate Bill With New Date	Rcvd email from our attny's that they rcvd an email from the counsel for r/p that they havent received the bills. The m/a on the acct is the same as what they always had which is the premise address. CSS shows each bill has been sent out. I am issuing a dupl bill for the most recent bill dated 9/3. Extended due date to 10/3/14. NO CONTACT WITH CUSTOMER.	MARILYN NUNEZ
2014-08-01	Miscellaneous	WATT (Formal Complaints - Open Lehigh) Work Item 899355 Created	MARILYN NUNEZ
2014-06-18	Miscellaneous	working commercial dunning, puc complaint active. no action taken	DONNA E WEBSTER
2014-06-10	Product Change	Placing PUC Formal back on the acct. Rcvd email from our attny's that while the Associate they s/w on 6/6 was fine with the Certificate of Satisfaction for his client, the partner in the firm called them back & stated he doesnt agree w/ the COS. Placing susp back on acct & canceling p/a per our attny's.	MARILYN NUNEZ
2014-06-10	SC - PUC Formal Complaint	Placing PUC Formal susp back on the acct. Rcvd email from our attny's that while the Associate they s/w on 6/6 was fine with the Certificate of Satisfaction for his client, the partner in the firm called them back & stated he doesnt agree w/ the COS. Placing susp back on acct & canceling p/a per our attny's.	MARILYN NUNEZ
2014-06-06	SC - PUC Formal Complaint	Received copy of Certificate of Satisfaction. Filed copy.	e02622
2014-06-03	PUC/Formal	cont..Blue Pilot Energy. He will still persue them for the high rates they were billed. Sent email to our attny's so that they can mail him a Certificate of Satisfaction. Satisfied.	MARILYN NUNEZ
2014-06-03	Create Special Agreement	s/w son, Bret Haulman, as a settlement for the PUC Formal re: high supplier chrges, Bret offered to pay \$1,000 plus curmt bill starting next bill. I set up 34 instalmnts starting w/ next bill. I accidently forgot to move \$0.50 of this baln, left this amt to be billed with next bill. Also, cust confirmed his dispute is w/ the supplier..cont	MARILYN NUNEZ
2014-06-03	Credit - Outbound Call	SW/mgr JASON TYNER, left msg with him to advise owner/accts payable that while PUC makes decision continue to pay curent bills/charges not in dispute. Last pymt rec'd 2/5/14.	KERI LUCKENBILL
2014-06-03	PUC/Formal	4th attempt: I called to s/w owner, Alan Haulman, not there. Was told he will be in tomorrow. His son, Bret, will be in at 10am. I will call back at that time to s/w son.	MARILYN NUNEZ
2014-05-15	Correspondence - General	Template Name Contact PPL: Created By Nunez,Marilyn: Letter Edited Yes: CS Letters ID 689189	CSLET
2014-05-15	PUC/Formal	3rd attempt: I called to s/w owner, Alan Haulman, wasnt there. Gave mesg to employee, Tom, w/ my contact #. He will have him call me. Also mailed contact letter.	MARILYN NUNEZ
2014-05-07	Special Situation	HIGH BILL ALERT	SUPP_HB
2014-05-01	PUC/Formal	cont..Per his lawyer, as long as we have the Formal we cannot shut off his svc. I offered to set up a s/a on the baln which is curmtly \$31,191.14. I can set up 16 instalmnts for this baln in the amt of \$1,949. He prefers his son s/w me. I gave him my phone # & ext. He will have his son call me.	MARILYN NUNEZ
2014-05-01	PUC/Formal	2nd attempt: I called & s/w owner, went over the suppliers high rate each mnth. There rate started increasing in Feb where their rate increased from 10.90 to 44.90 for both Feb & March. His son is the one handling this. His son, Brett, called the supplier but didnt get no where with them. This is why they have a lawyer..cont	MARILYN NUNEZ
2014-04-22	PUC/Formal	1st attempt: I called & /m for Alan Haulman to call me in re: to the PUC Formal complaint re: high supplier chrges. I also called the primary # & the gentleman there gave me another # to call him at, 717-732-8100. I tried that # but he wasnt there, I was told by the person on the line that he is on vacation. If cust calls back, transfer to ext 4369. Tks.	MARILYN NUNEZ
2014-04-14	Miscellaneous	Catherine McDonald, atty - did not provide any specific info to customer, she is representing them and wanted to know how they could protect acct from term if they filed a complaint, adv when a complaint is filed thru the PUC the acct is protected from collections until the PUC comes back with a decision, cust sat	JESSICA MARIE ROSATO
2014-04-10	SC - PUC Formal Complaint	PUC Formal Complaint Docket No. C-2014-2415273; No prior PUC Informal complaint. The customer does not agree with price per kWh he was being charged by Blue Pilot Energy. Referred to Monica Andrews for review and response to the OGC.	E02623

2014-04-09	SC - GRACE EXTENSION	s/w Brett Haulman-son and co-owner--explained no formal complaint filed with PUC per letter we received--offered spec. agree of c/b+\$8472.00 for 3 months (past due of \$25,415.48)--aware if no s/a set up acct. will go into collections--will discuss with his father Alan and call me back--added g/e to give time for him to call me back	e02902
2014-04-08	Cut Out for Non-Pay Voided	Letter rcvd today from Dethlefs-pykosh law group; indicated they filed PUC informal	SHARON R ARMBRUSTER
2014-04-05	Special Situation	HIGH BILL ALERT	SUPP_HB
2014-04-03	Cut Out for Non-Pay Issued		CUMCL024
2014-03-28	3-day call - Ratepayer	CUBCL024	CUBCL024
2014-03-27	Non-Residential Collection II	CUT DATE: 2014-04-03 AMOUNT: \$25,415.48	
2014-03-26	Customer Choice Drop	ESSCO DROP	
2014-03-26	Batch Enrollment		
2014-03-25	Choice Billing	Caller Alan Haulman, Ratepayer, CSR Comments:contd---due amt of 12,801.91 totaling \$17,006.44 (if customer calls back to request s/a please setup s/a as stated in notes) customer aware in active collections sat--ctc phone for customer is 717 557-3939	BARBARA S BZDICK
2014-03-25	Choice Billing	Caller Alan Haulman, Ratepayer, CSR Comments:High rate being chgd with egs Blue Pilot cust stated called egs to cancel to return to ppl eu cust only wanted to pay dist chgs discussed with senior--advd cust to ctc puc and if given case# callbck for 10 day hold-I offered special agreemnt for curr bill advd he would need to pay 1/3 of bill &4204.53 + past waived deposit - due to high supplier charges - rep had cst on phone - will discuss spec agmt	BARBARA S BZDICK
2014-03-25	Security Deposit One-Time Waive	Caller allen hailman, Ratepayer, CSR Comments:s/w allen hailman one of the owners cust states he only wants to stay w ppl. #80 ac	PATRICIA T JONES
2014-03-25	Credit	Deposit Notification Letter - Commercial	AMAIRANIS CONTRERAS
2014-03-24	Correspondence - Deposits	HIGH BILL ALERT	SUPP_HB
2014-03-07	Special Situation	HIGH BILL ALERT	SUPP_HB
2014-02-11	Special Situation		CUMCL024
2014-01-04	Cut Out for Non-Pay Issued	CUBCL024	CUBCL024
2013-12-30	3-day call - Ratepayer	CUT DATE: 2014-01-06 AMOUNT: \$3,640.00	
2013-12-27	Non-Residential Collection II	Deposit Warning Letter - Commercial	
2013-12-20	Correspondence - Deposits	One Time Pmt Amt: \$2,980.74, Caller name: bret haulman-owner, Relationship: Ratepayer, Previous Email Address: - New Email Address: haulman412@gmail.com, Customer Satisfied: Yes; Confirmation Number: 13111322	
2013-11-13	CSS WEB Interface Payment	Caller bret haulman-owner Updated email address from 'None' to 'haulman412@gmail.comf.	DANIELLE M YURCHO
2013-11-13	WEB Maintain Bill Account	Caller BRETT, OWNER, Ratepayer, CSR Comments:BRETT, OWNER, TERM SCHED ON ACCT SINCE 11/4 ANT DUE 2890.74, SAYS BILL IS NOT ALL THEIR RESPONSIBILITY, XFERED TO BILLING TO STRAIGHTEN OUT, SAT	DANIELLE M YURCHO
2013-11-13	Credit	CUT DATE: 2013-11-04 AMOUNT: \$2,980.74	KIMBERLY HARRIS
2013-11-02	Cut Out for Non-Pay Issued	SW BRET HAULMAN, CO-OWNER, Calling to start service under AJH PIZZA INC. Inform account opened on 09/06/12. Inform TOTAL account balance \$2980.74 and \$1716.26 is past due and \$1264.48 DD: 10/23. Provided CONSEQUENCES of NOT keeping up with payments. Understands.	CUMCL024
2013-10-21	Credit - Connect/Disconnect	WU_WALKIN paid \$1861.39	DAVID YUNEZ
2013-08-21	Credit	WU_WALKIN paid \$1485.83	SELF SERVICE USER
2013-07-26	Credit	Program Name - Efficient Equipment Commercial Lighting Job Id - PPLDI-12-2853 Install Date - 11/1/2012 Invoice Date- Incentive - 2388.07	SELF SERVICE USER
2013-01-15	Act 129	cust turned heat down also had 3 space htrs on....sat. talked to james	CSSDR044
2012-12-20	SC - GRACE EXTENSION		e19230
2012-12-17	Investigation Field-Contact	cust turned heat down also had 3 space htrs on....sat.....talked to james	MYRNA L DRAYTON
2012-12-17	HBI - Less than 75 KW Completed	Reviewed Bill Highlights? N Reviewed Bill History? N Reviewed Daily/Hourly Usage? Y Customer Satisfied? HUNG UP.	MYRNA L DRAYTON
2012-12-10	Bill Comparison		KATHLEEN A KRAYER

2012-12-10	HBI - Less than 75 KW Issued	CUSTOMER HUNG UP. LESS THAN 1 YEAR OF HISTORY. SHE MENTIONED THEY ARE HAVING PROBLEMS WITH THEIR ELECTRIC HEAT AND SOMEONE IS SCHEDULED TO COME LOOK AT IT.	KATHLEEN A KRAYER
2012-12-10	SC - HIGH BILL COMPLAINT	CUSTOMER HUNG UP. LESS THAN 1 YEAR OF HISTORY. SHE MENTIONED THEY ARE HAVING PROBLEMS WITH THEIR ELECTRIC HEAT AND SOMEONE IS SCHEDULED TO COME LOOK AT IT.	e158298
2012-12-10	Maintain Bill Account	SW ASHLEY JILLINGER OWNER. REMOVED MA 409 N ENOLA RD ENOLA PA 17025. BILLS TO BE SENT TO PREMISE.	KATHLEEN A KRAYER
2012-11-21	Cust Choice 1 Bill	ESCO ADD ONE BILL	
2012-11-21	Batch Enrollment		
2012-11-21	Electric Outage - Issuance	Cond 1: Cond 2: Cond 3: Cond 4: Note:e165236 [Call Type:80 Partial Power] Comments:Customer reset the breaker but problem still exist. All major appliances are NOT working. Overhead services.	WCT
2012-11-21	WEB Maintain Bill Account	Updated alternate phone from to 717-557-2169	JAVID YUNEZ
2012-11-19	Choice Inquiry	had a supplier on the phone, tina from blue pilot, asked for kwh useage and acct number, ashley asked that I provide that information.	CAROLYN K GRANTZ
2012-09-12	Connect Lighting Completed	CONNECT LIGHTS	JENNIFER L TOMEL
2012-09-12	Connect Lighting Maintained		JENNIFER L TOMEL
2012-09-06	Electric Choice New Customer Kit		CUBSO214
2012-09-06	Choice Inquiry	New Connect, Privacy Release: Default - OK to Release All	SYSTEM SYSTEM
2012-09-06	Connect Completed		PATRICIA WOODWORTH
2012-09-05	Customer Maintained	sw alan haulman, owner - states fed tax id is same as acct # 56380-83007 in name of "a'l's pizza & subs. added ln tax id #. sat	PATRICIA WOODWORTH
		TYPE OF CONNECT REQUEST: BOTH	
		RATEPAYER OWNS THE PROPERTY:	
		RATEPAYER WILL OCCUPY THE PROPERTY:	
		NON-RESIDENTIAL USE ASSOCIATED WITH THE PROPERTY:	
		TYPE OF PROPERTY:	
		RESIDENTIAL ELECTRIC HEAT:	
		RESIDENTIAL USE ASSOCIATED WITH THE PROPERTY: NONE	
		RESIDENTIAL USE WILL BE FOR THE RATEPAYERS SOLE BENEFIT:	
2012-09-05	Connect Questions	sw alan haulman, owner. issued connect eff 9/6/12. no sec dp. current cust. sat.	PATRICIA WOODWORTH
2012-09-05	Connect Lighting Issued	Electric	PATRICIA WOODWORTH
2012-09-05	Connect Issued	sw alan haulman, owner. Issued connect eff 9/6/12. no sec dp. current cust. sat.	PATRICIA WOODWORTH

**Account Contact History**  
**Account: 4983079021 Customer Name: AL'S PIZZA & SUBS**  
 From 7/2/2008 to 9/30/2014

Contact Date	Contact Type	Remarks	User
2013-10-18	Credit - Connect/Disconnect	Caller AShley Killinger- owner, Ratepayer, CSR Comments:sw rp AShley Killinger who wanted to make sure that service was no longer billing her name. sat.	VANESSA E HABEL
2011-12-14	Disconnect Lighting Issued		JENNIFER L TOMEL
2011-12-09	Call Transfer	domingo-new owner-calling to connect sergicer-transferred to #80080	GEORGEANN PICKERING
2011-11-30	Maintain Bill Account	sw alan haulman owner added mailing adrrs for final bill will have new owner call to conn does not want to disconn...sat kkb	KRISTLE K BEHLING
2011-10-03	CSS WEB Interface Payment	One Time Pmt Amt: \$2,475.86, Caller name: allen haulman - owner, Relationship: Ratepayer, Previous Email Address: -	
2011-10-03	WEB Maintain Bill Account	New Email Address: haulman412@aol.com, Customer Satisfied: Yes; Confirmation Number: 11100343	BETHANY J WEBER
2011-09-29	3-day call - Ratepayer	Updated email address from 'None' to 'haulman412@aol.com'.	BETHANY J WEBER
2011-09-28	Non-Residential Collection II	CUBCL024	CUBCL024
2011-08-21	Electric Outage - Issuance	CUT DATE: 2011-10-05 AMOUNT: \$2,475.86	
2011-08-12	IVR Account Balance Cust Inquiry	Cond 1: Cond 2: Cond 3: Cond 4: Note:IVR [Call Type:10 No	IVR
2011-08-04	IVR Account Balance Cust Inquiry	Lights] Comments:none	CS_IVR_B
2011-06-01	Leave Door Hanger Issued	IVR Account Balance Inquiry	CS_IVR_B
2011-05-27	Non-Residential Collection II	DELIVER 3 DAY NOTICE	CUMCL024
2011-05-23	Billing - ICS	CUT DATE: 2011-06-06 AMOUNT: \$2,715.55	
2011-05-23	IVR Account Balance Cust Inquiry	debbie hallman-owners wife-calling to make sure she is not on paperless billing-verified bills are sent in mail to mailing address on acct which is correct-she will make payment -offered ext.-stated not needed	GEORGEANN PICKERING
2011-04-05	Cut Out for Non-Pay Voided	IVR Account Balance Inquiry	CS_IVR_B
2011-04-05	Cut In Issued	One Time Pmt Amt: \$5,307.87, Caller name: Debbie Hollman, Relationship: Spouse, Email Not Updated, Customer Satisfied: Yes; Confirmation Number: 11040514.HR	HEATHER ROSSI
2011-04-05	CSS WEB Interface Payment	SYSTEM GENERATED ORDER BASED ON CUSTOMER PAYMENT	HEATHER ROSSI
2011-04-05	IVR Account Balance Cust Inquiry	One Time Pmt Amt: \$5,307.87, Caller name: Debbie Hollman, Relationship: Spouse, Email Not Updated, Customer Satisfied: Yes; Confirmation Number: 11040514	HEATHER ROSSI
2011-04-05	Cut Out for Non-Pay Issued	IVR Account Balance Inquiry	CS_IVR_B
2011-03-29	Non-Residential Collection II	CUT DATE: 2011-04-05 AMOUNT: \$5,307.87	CUMCL024
2011-02-22	IVR Customer Initiated Payment	Pmt made: 3040.09, Term Date 0001-01-01, ; Confirmation Number: 11022054	IVR
2011-02-22	Returned Item	RETURNED ITEM AMOUNT \$ 3040.09 DATE OF RETURNED ITEM: 2011-02-22 REASON: (R01) INSUFFICIENT FUNDS	CUBAR080
2011-02-22	Correspondence - Returned Item	Return Item - Friendly	
2011-02-22	Credit	s/w Debbie Hallman (co-owner) - made payment this a.m., but ck payment from 2/9/11 bounced - adv'd cust this payment went through & when her payment from 2/22 posts, will have excess credit on acct \$57.53; due today, 2/22/11 for \$2,982.56 - cust stated can't make both, but will ck w/bank & find out if ck okay & wcb - cust sat - sar	SUSAN A ROSSI
2011-02-22	Call Transfer	sw debbie hallman (owners wife) trans 90072	SHERRY ANN MAKUTA
2011-02-04	Electric Outage - Issuance	Cond 1: Cond 2: Cond 3: Cond 4: Note:WEB [Call Type:10 No	WEB
2011-02-02	Electric Outage - Issuance	Lights] Comments:none	WEB
		Cond 1: Cond 2: Cond 3: Cond 4: Note:WEB [Call Type:10 No	WEB

# **APPENDIX D**



250 Pilot Rd. Suite 300  
Las Vegas, NV 89119

Phone 800.451.6956  
Fax 800.451.5685

[www.bluepilotenergy.com](http://www.bluepilotenergy.com)

December 19, 2012

Al's Pizza & Subs  
6581 Carlisle Pike  
Mechanicsburg, PA 17050

Dear Ms. Ashley Killinger,

Welcome to Blue Pilot Energy, LLC! Thank you for choosing Blue Pilot for your energy needs! The team at Blue Pilot Energy has been in the utility industry for over 20 years and prides itself in providing service at competitive prices along with knowledgeable and courteous customer service. Attached, you will find a copy of Blue Pilot's disclosure statement for your review. Please keep a copy of this statement for your records.

At Blue Pilot Energy, our Customer Care representatives stand ready to answer all of your questions regarding the services that we provide. Feel free to give us a call at 877.513.0246 or log on to [www.bluepilotenergy.com](http://www.bluepilotenergy.com).

Thank you for the opportunity to earn your business - now and in the future!

Sincerely,

Your Blue Pilot Energy Customer Care Department

Blue Pilot Energy, LLC \* 250 Pilot Road, Suite 300, Las Vegas, NV 89119  
800.451.6956 \* [www.bluepilotenergy.com](http://www.bluepilotenergy.com)

*Blue Pilot Energy, LLC  
Disclosure Statement and Agreement for Electric Service*

This Disclosure Statement and Agreement (the “Agreement”) sets forth the terms and conditions that apply to your purchase of electric services from Blue Pilot Energy, LLC (“Blue Pilot” or the “Company”). In this Agreement, the terms “you,” “your” and “Customer” shall mean: (a) for residential service, the account holder and/or the person whose name appears on the invoice for service under this Agreement; (b) for small business/commercial service, the account holder and/or the person and/or entity whose name appears on the bill for service under this Agreement, or an authorized agent thereof.

**Right of Rescission.** You may rescind your election of service from Blue Pilot, this Agreement, and any related agreements without penalty at any time before 6:00 PM Eastern Time of the 3rd business day after receiving this Agreement. Please provide Blue Pilot with the following information when requesting rescission: Customer name, address and phone number(s); and account/ meter number(s). To rescind, you must contact Blue Pilot by 6:00 PM Eastern Time of the 3rd business day: Phone at 1- 877-513-0246.

**Background:** Blue Pilot is licensed by the Pennsylvania Public Utility Commission (“PA PUC”) to offer and supply electric generation and related services in Pennsylvania. Blue Pilot’s PA PUC license number is A-2011-2223888. Blue Pilot sets the generation prices and charges that you pay. The PA PUC regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services. You will receive a single bill from your Electric Distribution Company (hereinafter, “EDC”) that will contain the EDC’s charges and Blue Pilot’s charges.

**Definitions:**

- Generation Charge – Charge for production of electricity.
- Transmission Charge(s) – Charge(s) for moving high voltage electricity from a generation facility to the distribution lines of an Electric Distribution Company.
- Distribution Charge(s) – Charge(s) for delivering electricity over a distribution system to your home or business from the transmission system.

**1. CONTACT INFORMATION**

Blue Pilot Energy, LLC  
250 Pilot Rd., Ste. 300  
Las Vegas, NV 89119  
1-800-451-6956 Corporate Office  
1-877-513-0246 Customer Service

Pennsylvania Public Utilities Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265  
Choice Hotline Number: 1-800-692-7380

Any formal notices to Blue Pilot shall be sent to the address stated above (the “Notice Address”). Customer has the right to additionally receive this Agreement or any notices related to this Agreement or the services provided hereunder via electronic communications at Customer’s request.

2. **Price per Kilowatt Hour.** You have a variable rate plan with a starting price set at 8.9 cents per kWh. This initial rate will be effective for at least the first ninety (90) days of service. Thereafter, your price may vary on a month-to-month basis. This price includes Transmission Charges, but excludes applicable state and local Sales Taxes and the Distribution Charges from your local EDC. At any time after ninety (90) days of service, but not more frequently than monthly, Blue Pilot may increase or decrease your rate based on several factors, including changes in wholesale energy market prices in the PJM Markets. Your variable rate will be based upon PJM wholesale market conditions. Please log on to [www.bluepilotenergy.com](http://www.bluepilotenergy.com) or call Customer Service at 877-513-0246 for additional information and updates.
3. **Cancellation Provisions.** Customer may cancel service at any time and for any reason. The cancellation will become effective on a date determined by the EDC. Cancellation will not relieve the Customer of any payment obligations for service. In the event of a Customer bankruptcy, late payment or nonpayment, fraud or misrepresentation, Blue Pilot has the right to cancel Customer’s account, this Agreement and/or any related agreements. If Blue Pilot cancels Customer’s account, this Agreement or any related agreements for any reason other than for Customer non-payment, Blue Pilot will follow applicable rules in providing notice to you.
4. **Billing.** Customer will receive one monthly electric bill processed and provided by Customer’s local EDC. Customer consents to the EDC disclosing basic account information to Blue Pilot. Payment is due to Customer’s local EDC in accordance with the EDC’s standard billing practices. Billing cycles may change from time to time without notice. Customers may contact their EDC for information about Universal Service Programs that may be available to them. Allegheny/West Penn at 800-207-1250, Duquesne Light at 888-393-7600, or PPL at 800-342-5775.

5. **Purchase of Electric Service from Blue Pilot.** Customer agrees to purchase electric generation and related services from Blue Pilot for the service address(es) identified by Customer (the "Service Address"). Service from Blue Pilot will begin on the next regularly scheduled meter read date after your EDC has switched your account to Blue Pilot and will continue on a month to month basis until either you or Blue Pilot cancels service as provided in Section 3 above. Customer shall not resell electricity to any third party. If your electric service is terminated by your EDC, then your account, this Agreement and any related agreements with Blue Pilot shall be cancelled on the date that your electric service is terminated. You will owe Blue Pilot for amounts unpaid for its charges of electric generation service up to the date of termination. If you move from one address to another, your service may be cancelled.
6. **Security Deposit.** Blue Pilot does not require a security deposit from its Customers. If the Customer has paid a deposit to his/her current supplier, it is the Customer's responsibility to request a refund from his/her/its current supplier.
7. **Discrimination.** Blue Pilot does not discriminate, deny service, or require prepayment or a deposit for service based on a customer's race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, sexual orientation, disability, familial status, location of customer in an economically distressed geographic area or qualification for low income or energy efficiency services.
8. **Dispute Resolution and Mandatory Agreement to Arbitrate On An Individual Basis.** Blue Pilot will work with you to answer/resolve any questions or concerns that you may have regarding the terms of this Agreement, the service you receive from Blue Pilot, or any other aspect of your relationship with Blue Pilot. If you are not satisfied after discussing any issue with Blue Pilot, you are welcome to contact the PA PUC at 1-800-692-7380.

You and Blue Pilot both agree to resolve Disputes (as defined below) only by arbitration or in small claims court (for qualifying claims), subject to specific exceptions listed herein. There is no judge or jury in arbitration, the procedures may be different, and is subject to very limited review by court, but an arbitrator can award you the same damages and relief, and must honor the same terms in this Agreement, as a court would. If the law allows for an award of attorneys' fees, an arbitrator can award them too. In addition, you and Blue Pilot also both agree that:

- (a) "Disputes" are any claims or controversies against each other related in any way to, or arising from Blue Pilot's services, this Agreement, or any related agreements, including but not limited to, billing, services and practices, policies, contract practices (including enforceability), service claims, privacy, or advertising, even if it arises after your services with Blue Pilot have terminated. Disputes include any claims that: (a) you bring against Blue Pilot or any of its employees, agents, affiliates, or other representatives; (b) you bring against a third party that are based on, relate to, or arise from Blue Pilot's services, this Agreement or any related agreements; or (c) that Blue Pilot brings against you. It also includes, but is not limited to, claims related in any way to, or arising from any aspect of the relationship between Customer and Blue Pilot, whether based in contract, tort, statute, fraud, misrepresentation, or any other legal theory.
- (b) The Federal Arbitration Act ("FAA") applies to this agreement to arbitrate, and this agreement to arbitrate is intended to be broadly interpreted. The arbitrator's decision and award is final and binding, with some exceptions under the FAA, and judgment on the award may be entered in any court with jurisdiction.
- (c) A party who intends to seek arbitration must first send to the other, by certified mail, a written notice of dispute ("Dispute Notice"). The Dispute Notice to Blue Pilot should be addressed to the Notice Address listed in Paragraph 1 above. The Dispute Notice must (a) describe the nature and basis of the claim or dispute; and (b) set forth the specific relief sought ("Demand"). If Blue Pilot and you do not reach an agreement to resolve the claim within 30 days after the Dispute Notice is received, you or Blue Pilot may commence an arbitration proceeding. During the arbitration, the amount of any settlement offer made by Blue Pilot or you shall not be disclosed to the arbitrator.
- (d) Unless we each agree otherwise, the arbitration will be conducted by a single neutral arbitrator and will take place in the county (or parish) of the Service Address.
- (e) The arbitration will be conducted by: (a) a neutral third party arbitrator mutually agreed upon by Customer and Blue Pilot; or (b) the American Arbitration Association (the "AAA"). The arbitration will be governed by the Commercial Arbitration Rules and the Supplementary Procedures for Consumer Related Disputes (collectively, "AAA Rules") of the AAA, as modified by this Agreement. Where the terms of this agreement to arbitrate conflict with the AAA Rules, the terms of this agreement to arbitrate shall override and govern. The AAA Rules are available online at [adr.org](http://adr.org), by calling the AAA at 1-800-778-7879, or by writing to the Notice Address for Blue Pilot. The arbitrator is bound by the terms of this agreement to arbitrate. All issues are for the arbitrator to decide, except that issues relating to the scope and enforceability of the arbitration provision are for the court to decide. If your claim is for \$10,000 or less, we agree that you may choose whether the arbitration will be

conducted solely on the basis of documents submitted to the arbitrator, through a telephonic hearing, or by an in-person hearing as established by the AAA Rules. If your claim exceeds \$10,000, the right to a hearing will be determined by the AAA Rules. Regardless of the manner in which the arbitration is conducted, the arbitrator shall issue a reasoned written decision sufficient to explain the essential findings and conclusions on which the award is based. Except as otherwise provided for herein, Blue Pilot will pay all AAA filing, administration, and arbitrator fees for any arbitration initiated in accordance with this agreement to arbitrator. If, however, the arbitrator finds that either the substance of your claim or the relief sought in the Demand is frivolous or brought for an improper purpose (as measured by the standards set forth in Federal Rule of Civil Procedure 11(b)), then the payment of all such fees will be governed by the AAA Rules. However, nothing in this paragraph will require or allow you or Blue Pilot to arbitrate on a class-wide, representative or consolidated basis.

**You and Blue Pilot each agree that arbitration will only be pursued on an individual basis, and will not be pursued on a classwide, representative or consolidated basis. This Agreement does not allow class, representative or collective arbitrations even if the AAA procedures or rules would. If for any reason any court or arbitrator holds that this restriction is unconscionable or unenforceable, then this agreement to arbitrate doesn't apply and the dispute must be brought in court.**

- (f) You and Blue Pilot agree that notwithstanding this agreement to arbitrate, either party may bring qualifying claims in a small claims court located in Pennsylvania. In addition, this arbitration provision does not prevent you from bringing your dispute to the attention of federal, state, or local government agencies (including the PA PUC), and if the law allows, they can seek relief against Blue Pilot on your behalf.
- (g) If for any reason a claim proceeds in court rather than through arbitration, you and Blue Pilot agree that there will not be a jury trial. You and Blue Pilot unconditionally waive any right to trial by jury in any action, proceeding or counterclaim arising out of or relating in any way to this Agreement or the services provided by Blue Pilot. In the event of litigation, this paragraph may be filed to show a written consent to a trial by the court.

9. **EMERGENCY: In the event of an emergency, such as a power failure or a downed power line, Customers should contact their EDC. Allegheny/West Penn at 800-255-3443, Duquesne Light at 888-393-7000, or PPL at 800-342-5775.**

10. **Force Majeure.** Except for your obligation to make payments when due, neither party shall be liable to the other for any delay or failure to perform caused by an occurrence of *Force Majeure*. *Force Majeure* means occurrences beyond a party's reasonable control, including, without limitation, acts of God, strikes, lockouts or other industrial disturbances, acts of terrorism, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, civil disturbances, explosions, breakage, shortage or unavailability of transmission facilities, and actions of any governmental authority or your EDC that result in conditions, limitations, rules, or regulations that materially impair either party's ability to perform hereunder. The affected party shall give to the other, reasonably prompt and detailed notice of the occurrence of any Force Majeure relied upon.

11. **Limitation Of Liability.** Blue Pilot will endeavor to provide service in a commercially reasonable manner; however, the Company does not guaranty a continuous supply of electrical energy. Blue Pilot does not generate or transport electricity and the Company does not provide services in connection with Customers' meters. Customer agrees that Blue Pilot is not responsible for actions of (or inaction by) regional transmission organization(s), independent system operator(s), or other third parties involved in the production and delivery of Customer's electrical supply. In addition, Blue Pilot's liability in connection with this Agreement or the services that it provides to Customer is limited to direct actual damages. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL (INCLUDING LOST PROFITS OR REVENUE), INCIDENTAL, INDIRECT, OR PUNITIVE DAMAGES FOR CLAIMS ARISING UNDER THIS AGREEMENT.

11. **Representations and Warranties.** Blue Pilot makes no other representations or warranties, express or implied, except as expressly stated in this Agreement and expressly disclaims all other warranties, express or implied, including warranties of merchantability and fitness for a particular purpose. Electricity sold by Blue Pilot will be obtained from a number of generating sources, at the discretion of the Company. Blue Pilot does not commit to deliver electricity to Customer from any particular source, unless expressly agreed in writing between Customer and the Company.

12. **Assignment.** Customer may not assign any agreements or accounts with Blue Pilot, in whole or in part, or any of Customer's rights or obligations hereunder, without the prior written consent of Blue Pilot. Blue Pilot may, without Customer's consent: (i) transfer, sell, pledge, encumber or assign any agreement or the accounts, revenues or proceeds thereof in connection with any financing or other financial arrangement; (ii) transfer or assign agreements or accounts to an affiliate of Blue Pilot; (iii) transfer or assign agreements or accounts to any person or entity succeeding to all or substantially all of the assets of Blue Pilot; and/or (iv) transfer or assign agreements or accounts to a certified retail

electric provider. In the case of (ii), (iii) or (iv), any such assignee shall agree in writing to be bound by the terms and conditions hereof. Upon any such assignment, Customer agrees that, upon such assignment, Blue Pilot shall have no further obligations to Customer.

13. **Title, Risk of Loss and Indemnity.** Customer acknowledges that Blue Pilot does not have care, control or custody of Customer's property or premises, or of any electrical facilities, including, but not limited to, lines, wires, or the meter, located on or near Customer's property or premises. Customer further acknowledges that Customer is in exclusive control of (and responsible for any damages or injury caused by) electricity at and/or from the lines, wires, or the meter, located on or near Customer's property or premises. Title to electricity and risk of loss related to electricity shall transfer from Blue Pilot to Customer at the respective meter or the Service Address. **CUSTOMER SHALL INDEMNIFY, DEFEND, AND HOLD BLUE PILOT HARMLESS FROM ANY CLAIMS, INCLUDING CLAIMS FOR PERSONAL INJURY, DEATH, PROPERTY DAMAGE AND ATTORNEYS' FEES, ARISING FROM ANY ACT OR INCIDENT OCCURRING WHEN TITLE TO ELECTRIC SERVICE IS DEEMED TO BE IN THE EXCLUSIVE CONTROL OF THE CUSTOMER, DESPITE THE COMPANY'S NEGLIGENCE OR STRICT LIABILITY.**
14. **Waiver.** No waiver of any provision contained in this Agreement shall be deemed or shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. Failure of the Company to exercise any right hereunder shall not constitute a waiver hereunder and shall not impair the exercise of such rights at any later time.
15. **Governing Law.** With the exception of Paragraph 8 hereof, which is governed by the FAA, the terms of service under this Agreement are made under, and shall be governed by and construed in accordance with the laws of the State of Pennsylvania, exclusive of any conflict of laws provisions thereof that would apply the laws of another jurisdiction. Except as otherwise expressly provided herein, the Pennsylvania Uniform Commercial Code ("UCC") shall apply to the terms of service and electricity shall be considered a "good" (and not a "service") for purposes of the UCC.
16. **Complete Agreement.** This Agreement contains the complete understanding between Blue Pilot and the Customer and supersedes all other written or oral communications and representations. Modifications to the terms and conditions of service set forth in this Agreement will only be deemed effective when documented in a re-issued Disclosure Statement and Agreement for Electric Service approved and provided to Customer by the Company.
17. **Customer Information Release Authorization:** You agree that your EDC may release to Blue Pilot certain information that it needs to provide service to you, including your address, telephone number, account numbers, historical usage information and peak electricity demand. Blue Pilot will not give or sell your personal information to any unaffiliated party without your consent unless we are required to do so by law or except as necessary to enforce this Agreement.

# **APPENDIX E**



Electric Utilities

Questions? Please call our Business Accounts help line by Jan 22. 1-888-220-9991 Opt 4 businessaccounts@pplweb.com



Visit us online at pplelectric.com

#3021

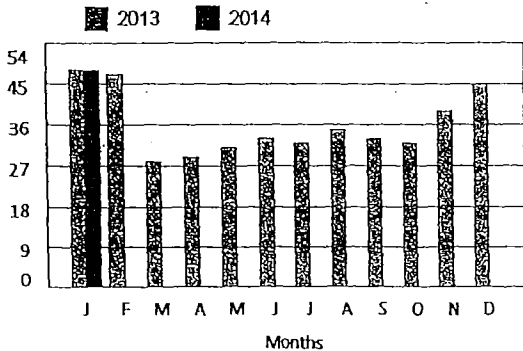
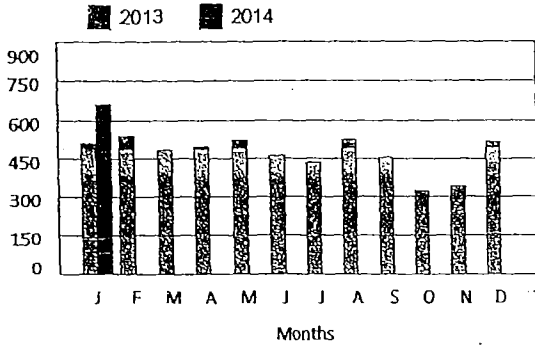
Bill Acct. No.	Due Date	Amount Due
49830-79049	Jan 22, 2014	\$2,859.66

### our Electric Usage Profile

Service to: H PIZZA INC, 81 CARLISLE PIKE, ECHANICSBURG, PA 17050

Your next meter reading is on or about Feb 3, 2014.

This section helps you understand your year-to-year electric use by month. Meter readings are actual unless otherwise noted.



### Billing Summary

(Billing details on back)

Balance as of Jan 6, 2014	\$0.00
Charges:	
Total PPL Electric Utilities Charges	\$333.85
Total Blue Pilot Energy Charges	\$2,525.81
<b>Total Charges</b>	<b>\$2,859.66</b>

<b>Amount Due By Jan 22, 2014</b>	<b>\$2,859.66</b>
Account Balance	\$2,859.66

PPL Electric Utilities' price to compare for your rate is \$0.09250 per kWh. This changes the 1st of Mar, Jun, Sept, and Dec. Visit papowerswitch.com or www.oca.state.pa.us for supplier offers.

### Your Message Center

Your account is overdue and scheduled for shut-off. A reconnect charge will be required to restore power if service is shut-off. A deposit or additional deposit may also be required.

If this balance has been paid, please notify our office between 8am to 5pm at 1-800-358-6623. You can also visit us at pplelectric.com to make arrangements, if applicable, for your overdue balance.

- You were billed for 1 area light(s).
- Peak Demand, 48.36 kW.
- Save postage and late charges - sign up for Automated Bill Payment.

### Payment Methods

Online at: pplelectric.com

By phone: 1-800-342-5775 or call BillMatrix (service fee applies) at 1-800-672-2413 to pay using Visa, MasterCard, Discover or debit card.

By Mail: 2 North 9th Street, CPC-GENN1, Allentown, PA 18101-1175

Correspondence should be sent to: Business Accounts, 827 Hausman Road, Allentown, PA 18104-9392

Other important information on the back of this bill →



Questions? Please call our Business Accounts help line by Feb 26. 1-888-220-9991 Opt 4 businessaccounts@pplweb.com

Visit us online at pplelectric.com

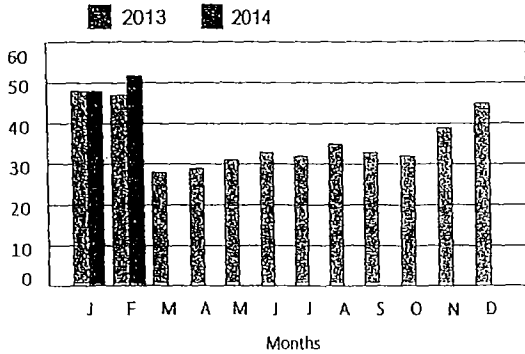
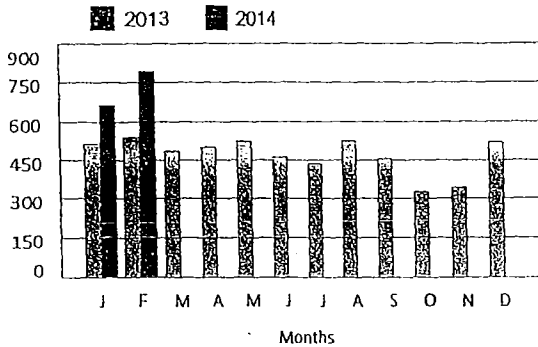
Bill Acct. No.	Due Date	Amount Due
49830-79049	Feb 26, 2014	\$12,801.91

### our Electric Usage Profile

Service to:  
 PIZZA INC  
 81 CARLISLE PIKE  
 MECHANICSBURG, PA 17050

Your next meter reading is on or about Mar 4, 2014.

This section helps you understand your year-to-year electric use by month. Meter readings are actual unless otherwise noted.



### Billing Summary

(Billing details on back)

Balance as of Feb 10, 2014	\$0.00
Charges:	
Total PPL Electric Utilities Charges	\$360.91
Total Blue Pilot Energy Charges	\$12,441.00
<b>Total Charges</b>	<b>\$12,801.91</b>
<b>Amount Due By Feb 26, 2014</b>	<b>\$12,801.91</b>
Account Balance	\$12,801.91

PPL Electric Utilities' price to compare for your rate is \$0.09250 per kWh. This changes the 1st of Mar, Jun, Sept, and Dec. Visit papowerswitch.com or [www.oca.state.pa.us](http://www.oca.state.pa.us) for supplier offers.

### Your Message Center

- You were billed for 1 area light(s).
- Peak Demand, 51.60 kW.
- With paperless billing, you can receive and pay your PPL Electric Utilities bills online. The process is free, quick, convenient and secure. To learn more or sign up, visit [pplelectric.com](http://pplelectric.com).
- Before digging around your home or property, you should always call the state's One Call notification system to locate any underground utility lines. You can do this by simply dialing 811, which will connect you to the One Call system. Be safe and call 811 before you dig.

### Payment Methods

Online at: [pplelectric.com](http://pplelectric.com)

By phone: 1-800-342-5775 or call BillMatrix (service fee applies) at 1-800-672-2413 to pay using Visa, MasterCard, Discover or debit card.

By Mail:  
 2 North 9th Street  
 CPC-GENN1  
 Allentown, PA 18101-1175

Correspondence should be sent to:  
 Business Accounts  
 827 Hausman Road  
 Allentown, PA 18104-9392

Other important information on the back of this bill →



PPL Electric Utilities

Questions? Please call our Business Accounts help line by Mar 24. 1-888-220-9991 Opt 4 businessaccounts@pplweb.com

Visit us online at pplelectric.com

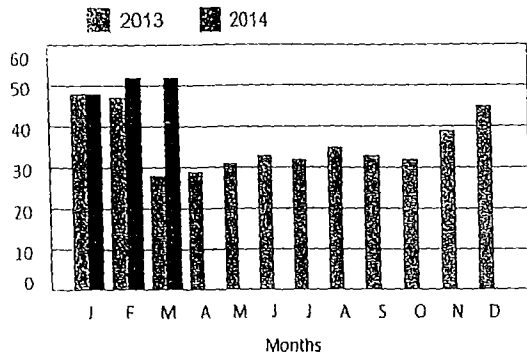
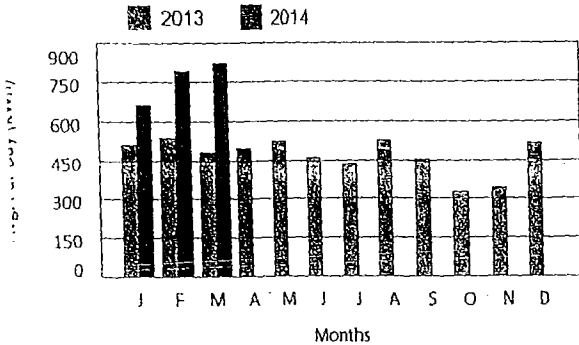
Bill Acct. No.	Due Date	Amount Due
49830-79049	Mar 24, 2014	\$25,415.48

### Your Electric Usage Profile

Service to:  
AJH PIZZA INC  
6581 CARLISLE PIKE  
MECHANICSBURG, PA 17050

Your next meter reading is on or about Apr 3, 2014.

This section helps you understand your year-to-year electric use by month. Meter readings are actual unless otherwise noted.



### Billing Summary

(Billing details on back)

Balance as of Mar 6, 2014	\$12,801.91
Charges:	
Total Blue Pilot Energy Charges	\$12,057.89
Total PPL Electric Utilities Charges	\$555.68
<b>Total Charges</b>	<b>\$25,415.48</b>
<b>Amount Due By Mar 24, 2014</b>	<b>\$25,415.48</b>
Account Balance	\$25,415.48

PPL Electric Utilities' price to compare for your rate is \$0.10391 per kWh. This changes the 1st of Mar, Jun, Sept, and Dec. Visit [papowerswitch.com](http://papowerswitch.com) or [www.oca.state.pa.us](http://www.oca.state.pa.us) for supplier offers.

### Your Message Center

- You were billed for 1 area light(s).
- Peak Demand, 51.84 kW.
- The \$12,801.91 balance includes \$68.29 in prior late payment charges.
- With paperless billing, you can receive and pay your PPL Electric Utilities bills online. The process is free, quick, convenient and secure. To learn more or sign up, visit [pplelectric.com](http://pplelectric.com).
- Save postage and late charges - sign up for Automated Bill Payment.

### Payment Methods

Online at: [pplelectric.com](http://pplelectric.com)

By phone: 1-800-342-5775 or call BillMatrix (service fee applies) at 1-800-672-2413 to pay using Visa, MasterCard, Discover or debit card.

By Mail:  
2 North 9th Street  
CPC-GENN1  
Allentown, PA 18101-1175

Correspondence should be sent to:  
Business Accounts  
827 Hausman Road  
Allentown, PA 18104-9392

Other important information on the back of this bill →

# **APPENDIX F**



PPL Electric Utilities



Pay/Manage your account online at [ppllectric.com](http://ppllectric.com)



Questions? Please contact us by May 12. 1-800-DIAL-PPL (1-800-342-5775) M-F: 8am to 5pm

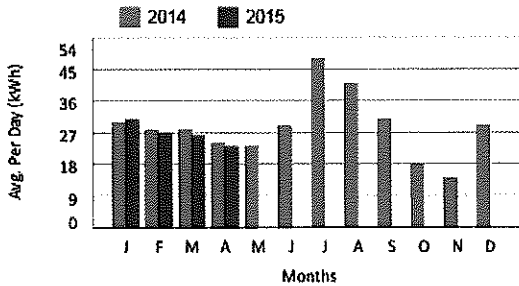
Bill Acct. No.	Due Date	Amount Due
0000-0000	May 12, 2015	\$106.62

### Your Electric Usage Profile

Service to: CUSTOMER 123 MAIN ST ANYTOWN, PA 18062

Meter: 0000-0000 Your next meter reading is on or about May 18, 2015.

This section helps you understand your year-to-year electric use by month. Meter readings are actual unless otherwise noted.



Monthly Comparison	Days Billed	kWh	Average kWh/Day	Average Temp.
Apr 2015	30	698	23	43F
Apr 2014	30	734	24	44F

Billing Period	Type	Reading
Apr 17	Actual	19207
Mar 18	Actual	18509
30 Days	kWh Billed	698

Yearly Comparison	Total Use	Avg. Monthly
May 2014 - Apr 2015	10298	858
May 2013 - Apr 2014	11208	934

### Billing Summary

(Billing details on back)

Balance as of Apr 21, 2015	\$0.00
Charges:	
Total Generation & Transmission Charges	\$64.66
Total Distribution Charges	\$41.96
<b>Total Current Charges</b>	<b>\$106.62</b>
<b>Amount Due By May 12, 2015</b>	<b>\$106.62</b>
Account Balance	\$106.62

### How To Shop For Electricity

You can choose the company that supplies your electricity. Visit [papowerswitch.com](http://papowerswitch.com) or [www.oca.state.pa.us](http://www.oca.state.pa.us) for supplier offers. If you are already shopping, know your contract expiration date.

Here's the information you need to shop:

Bill Account Number: 0000-0000 Rate Schedule: RS (Residential)  
Current Supplier: Supplier ABC

PPL Electric Utilities price to compare for your rate is \$0.09559 per kWh. This changes the 1st of June and December.

### Manage Your Account

Pay Your Bill	Online Options ( <a href="http://ppllectric.com">ppllectric.com</a> )
Online: Visit <a href="http://ppllectric.com">ppllectric.com</a> Phone: Call 1-800-342-5775 Mail: Use envelope provided ABP: Automatic Bill Pay (see back of stub to enroll) Card: MasterCard, Discover, Visa or debit, call 1-800-672-2413 (service fee applies)	<ul style="list-style-type: none"> <li>Report an outage/check outage status</li> <li>Make a payment, view your bill and usage history.</li> <li>Sign up for alerts.</li> <li>Enroll in paperless billing, automatic bill pay, budget billing.</li> <li>View your rate schedule at: <a href="http://ppllectric.com/rates">ppllectric.com/rates</a></li> </ul>

Correspondence: Customer Services, 827 Hausman Road, Allentown, PA 18104-9392

Other important information on the back of this bill →

Return this stub in the envelope provided with a check payable to PPL Electric Utilities.



PPL Electric Utilities

Sign up for Automatic Bill Pay on the back of this bill stub.

Bill Acct. No.	Due Date	Amount Due
0000-0000	May 12, 2015	\$106.62

Amount Enclosed:

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CUSTOMER 123 MAIN ST ANYTOWN, PA 18062

PPL ELECTRIC UTILITIES 2 NORTH 9TH STREET CPC-GENN1 ALLENTOWN, PA 18101-1175

**Your Message Center**

- With paperless billing, you can receive and pay your PPL Electric Utilities bills online. The process is free, quick, convenient and secure. To learn more or sign up, visit [pplelectric.com](http://pplelectric.com).
- Information about appliance energy use and tips on saving energy are available through the Energy Library on our Web site, [pplelectric.com/e-power](http://pplelectric.com/e-power)
- Before digging around your home or property, you should always call the state's One Call notification system to locate any underground utility lines. You can do this by simply dialing 811, which will connect you to the One Call system. Be safe and call 811 before you dig.
- Clean the lint filter on your dryer between loads. A clogged filter cuts air flow and wastes energy. A clean filter shortens drying time and saves money.
- Save postage and late charges - sign up for Automated Bill Payment.

**General Information**

Generation prices and charges are set by the electric generation supplier you have chosen. The Public Utility Commission regulates distribution rates and services. The Federal Energy Regulatory Commission regulates transmission prices and services.

PPL Electric Utilities uses about \$0.59 of this bill to pay state taxes and about \$2.47 is used to pay the PA Gross Receipts Tax.

**Understanding Your Bill**

**Customer Charge** - Monthly charge to recover costs of billing, meters and equipment.

**Distribution Charge** - Monthly charge to recover costs of local equipment used to deliver electricity from high-voltage transmission lines (see Transmission Charge) and safely step down voltage for use in your home or business.

**System Improvement Charge** - Monthly charge to recover costs for improving, repairing and replacing equipment that delivers electricity to your home or business.

**kWh (Kilowatt-hour)** - A measure of how much electricity your household uses. One kilowatt-hour equals the amount of electricity used by ten 100-watt lights left on for one hour.

**Late Payment Charge** - Charge added if you do not pay your bill by the due date.

**Rate RS** - Rate for service to a private home.

**State Tax Adjustment Surcharge** - Monthly charge or credit to reflect changes in various state taxes. The surcharge may vary by bill component.

**Type(s) of Meter Readings:**  
**Actual** - Measures your monthly electricity use based on an actual reading.

Enroll in Automatic Bill Pay (ABP) and your monthly electric payment will be automatically deducted from your bank checking account. To enroll, sign and date this form and return with your check payment (voided check not required). Money orders, cashier and foreign checks do not qualify for enrollment.

I authorize PPL Electric Utilities to automatically deduct from the checking account as shown on my enclosed check, all future payments for the PPL Electric Utility bill account number listed on this payment stub. I will notify PPL Electric Utilities if I decide to cancel this authorization.

Checking Account holder signature \_\_\_\_\_ Date \_\_\_\_\_

**NOTE:** To enroll using a savings account for ABP, visit the billing and payments section at [www.pplelectric.com/my-account](http://www.pplelectric.com/my-account)

\$106.62

**Billing Details - (Bill Acct. 0000-0000 )**

Previous Balance	\$137.05
Payment Received Apr 20, 2015 - Thank You!	-\$137.05
<b>Balance as of Apr 21, 2015</b>	<b>\$0.00</b>
<b>Charges for - PPL Electric Utilities</b>	
Residential Rate: RS for Mar 18 - Apr 17	
Distribution Charge:	
Customer Charge	14.13
698 kWh at 3.52500000 per kWh	24.60
System Improvement Charge at 3.15%	1.57
PA Tax Adj Surcharge at -0.13300000%	-0.05
Total Distribution Charges	\$40.25
Total Generation & Transmission Charges (see Supplier Billing Details page)	\$64.66
<b>Other Charges for PPL Electric Utilities</b>	
Late Payment Charge	1.71
Total of Other Charges	\$1.71
<b>Amount Due By May 12, 2015</b>	<b>\$106.62</b>
Account Balance	\$106.62



## Supplier Billing Details

Bill Acct. No.	Due Date	Amount Due
0000-0000	May 12, 2015	\$106.62

These are the generation and transmission charges from your supplier(s). If you have questions, please contact the supplier that served you during that period.

Supplier ABC	For questions on these charges, please contact this supplier at:	<b>Charges for - Supplier ABC</b>	
	<input type="checkbox"/> <b>Phone:</b> 1-800-555-2222  <input checked="" type="checkbox"/> <b>Supplier ABC Customer Services</b> 1234 MAIN ST ANYTOWN, PA 18102	Generation & Transmission Charges for Mar 18 - Mar 23 ENERGY CHARGE 121KH@0.129 ..... 15.61 Total Supplier ABC Charges ..... \$15.61	

Supplier 2	For questions on these charges, please contact this supplier at:	<b>Charges for - Supplier 2</b>	
	<input type="checkbox"/> <b>Phone:</b> 1-800-555-2222  <input checked="" type="checkbox"/> <b>Supplier 2 Customer Services</b> 1234 MAIN ST ANYTOWN, PA 18102	Generation & Transmission Charges for Mar 23 - Apr 17 SUPPLY CHARGE: 577 kWh @ 0.08500 ..... 49.05 GROSS RECEIPTS TAX \$2.89 Total Supplier 2 Charges ..... \$49.05	

**Total Generation & Transmission Charges: \$64.66**

# **APPENDIX G**

ASHLEY N. KILLINGER

608226/2313

409

38 S. ENOLA DRIVE  
- ENOLA, PA 17025

DATE 10/10/12

DELUXE WALLET OR DUP. DATE SAFETY PAPER

PAY TO THE ORDER OF

PPHL

\$ 1522.18

Only one thousand five hundred twenty two <sup>18</sup>/<sub>100</sub> DOLLARS



**AmeriChoice**

FEDERAL CREDIT UNION  
P.O. Box 1429, Mechanicsburg, PA 17055

JAPizza LLC

MEMO Alsipizza.mech: 49830-79049

Ashley Killinger

⑆ 231382267⑆

⑆ 5040⑆ 5610109147 ⑆ 1419010135⑆ 0409

12/18/2012 0113.12.291 OR2 Jay  
06228/2013

ASHLEY N. KILLINGER

458


38 S. ENOLA DRIVE  
ENOLA, PA 17025

DATE 12/17/12

PAY TO THE  
ORDER OF

*ppll*

\$ 823.69

*Only eight hundred twenty three <sup>69</sup>/<sub>100</sub>* DOLLARS 



**AmeriChoice** \*LATE FEE WAIVED\*

FEDERAL CREDIT UNION  
P.O. Box 1429, Mechanicsburg, PA 17055

MEMO

*4983079049: (658) Cartisue pike  
mt ch PA 17055*

*Ashley Killinger*

⑆23⑆382267⑆

⑆4⑆90⑆0⑆35⑆⑆0458

ASHLEY N. KILLINGER

38 S. ENOLA DRIVE  
ENOLA, PA 17025

608226/2313

475

DATE

1/11/13

PAY TO THE  
ORDER OF

PPAL

\$ 2,102.18

only two thousand, one hundred two dollars <sup>18</sup>/<sub>100</sub>



**AmeriChoice**

FEDERAL CREDIT UNION  
P.O. Box 1429, Mechanicsburg, PA 17055

All's PIZZA  
Mech. PA  
17055

MEMO

49830-79049

Ashley Killinger

⑆ 23 138 226 7⑆ ⑆ 14 190 10 135 ⑆ 04 75

ASHLEY KILLINGER  
J & A PIZZA LLC  
6581 CARLISLE PIKE  
MECHANICSBURG, PA 17050

60-8226/2313

1064

DATE

4/15/13

PAY TO  
THE ORDER OF

PAH

\$ 1745.46

Only one thousand seven forty five & 46/100

DOLLARS



Security Features  
Included  
Details on Back



**AmeriChoice**

FEDERAL CREDIT UNION  
P.O. Box 1429, Mechanicsburg, PA 17055

MEMO

4983079049

Ashley Killinger

MP

+ 1 23 638 226 71

1494 200 114 1064

SPECIALTY PAPER

ASHLEY KILLINGER  
J & A PIZZA LLC  
6581 CARLISLE PIKE  
MECHANICSBURG, PA 17050

80-8226/2313

1110

DATE

6/15/13

PAY TO

PP&L

THE ORDER OF

Only one thousand seven hundred thirty seven & 10/100

\$ 1,737.10

DOLLARS

Security Features  
Included  
Check at www.fedex.com



**AmeriChoice**

FEDERAL CREDIT UNION  
P.O. Box 1429, Mechanicsburg, PA 17055

MEMO

49830-79049

Ashley Killinger

RF

⑆ 1231382267⑆

⑆ 494200114⑆ 1110

SPECIALTY ONLY

AJH PIZZA, INC.  
409 NORTH ENOLA ROAD  
ENOLA, PA 17025

60-8226/2313

3008

DATE Dec 20, 2013

PAY TO THE ORDER OF PPL Electric Utilities \$ 3640.00  
Three Thousand - Six Hundred - Forty DOLLARS



FOR Electric

  
AUTHORIZED SIGNATURE



⑈003008⑈ ⑆231382267⑆ 1502810110⑈

THIS PAGE OF THIS DOCUMENT CONTAINS HEAT SENSITIVE INK. TOUCH OR BURN HERE (IMAGE IT WILL DISAPPEAR WITH HEAT)

AJH PIZZA, INC.  
409 NORTH ENOLA ROAD  
ENOLA, PA 17025

60-8226/2313

3021

DATE Feb 2 2014

PAY TO THE ORDER OF PPL Utilities

\$ 2,859.66

Two Thousand Eight Hundred Fifty Nine — 66 DOLLARS

Security Features Details on back

AmeriChoice  
Member Since 1998  
By using AmeriChoice as Air Life

FOR Electric

*[Signature]*  
AUTHORIZED SIGNATURE

SECURITY FEATURES  
Details on back

⑈00302⑈ ⑈23⑈382267⑈ ⑈5028⑈0⑈10⑈

# **APPENDIX H**

Account Activity Statement

Date: 08/06/15  
Page: 1

\*\*\* Account Information \*\*\*

Account Number:  
49830-79049

Mail To:  
AJH PIZZA INC  
6581 CARLSLE PIKE  
MECHANICSBURG PA 17050

Requested By:  
AJH PIZZA INC  
(717)691-2244 Extension:

\*\*\* Current Account Status \*\*\*

Payment Agreement  
Installment: \$0.00 Balance: \$0.00  
  
Budget Bill Amortization  
Installment: \$0.00 Balance: \$0.00  
  
Current Rate: SA

DATE	TRANSACTION TYPE	DUE DATE	TRANSACTION AMOUNT	BALANCE FORWARD	ACTUAL BILLED	DEFERRED BALANCE	DEG DAY H/C	RDG/TYPE	DAYS USED	KWH	BILLED KW
12/27/2013	Late Payment Charge		\$0.93								
12/27/2013	Late Payment Charge		\$46.72								
12/27/2013	Late Payment Charge		\$10.54								
-----											
01/06/2014	Payment		\$-3640.00								
01/06/2014	ELECTRIC SERVICE		\$254.74								
01/06/2014	Blue Pilot Energy		\$2525.81								
01/06/2014	ELECTRIC LIGHTING		\$20.92								
01/06/2014	Regular Bill	01/22	\$2859.66				1022/0000	39017A	33	20727	48.0000
-----											
01/28/2014	Late Payment Charge		\$0.98								
01/28/2014	Late Payment Charge		\$10.80								
01/28/2014	Late Payment Charge		\$56.51								
-----											
02/05/2014	Payment		\$-2859.66								
-----											
02/10/2014	ELECTRIC SERVICE		\$271.74*								
02/10/2014	Blue Pilot Energy		\$12441.00								
02/10/2014	ELECTRIC LIGHTING		\$20.88*								
02/10/2014	Regular Bill	02/26	\$12801.91				1294/0000	39634A	35	24769	52.0000
-----											
03/04/2014	Late Payment Charge		\$0.98								
03/04/2014	Late Payment Charge		\$254.82								
03/04/2014	Late Payment Charge		\$11.12								
-----											
03/06/2014	ELECTRIC SERVICE		\$271.92*								
03/06/2014	Blue Pilot Energy		\$12057.89								
03/06/2014	ELECTRIC LIGHTING		\$16.84*								
03/06/2014	Regular Bill	03/24	\$25415.48	\$12801.91			1130/0000	40232A	29	23977	52.0000
-----											
04/01/2014	Late Payment Charge		\$247.15								
04/01/2014	Late Payment Charge		\$0.79								
04/01/2014	Late Payment Charge		\$11.13								
-----											
04/04/2014	ELECTRIC SERVICE		\$261.59*								
04/04/2014	Blue Pilot Energy		\$5233.22								
04/04/2014	ELECTRIC LIGHTING		\$21.78*								
04/04/2014	Regular Bill	04/22	\$31191.14	\$25415.48			0805/0000	40700A	30	18782	49.0000
-----											
05/06/2014	ELECTRIC SERVICE		\$199.89*								
05/06/2014	Blue Pilot Energy		\$2985.62								
05/06/2014	ELECTRIC LIGHTING		\$21.78*								
05/06/2014	Regular Bill	05/22	\$34398.43	\$31191.14			0404/0005	40967A	32	10740	35.0000
-----											