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E-File

February 27, 2018

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17120-3265

**Re: PPL Electric Utilities Corporation Encroachment Agreement;
Lower Macungie Township
Macungie, Lehigh County, Pennsylvania**

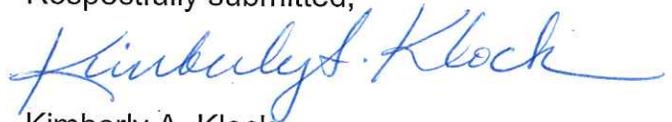
Dear Secretary Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is an Agreement between PPL Electric and Lower Macungie Township located in Macungie, Lehigh County, Pennsylvania. This agreement is being filed pursuant to 66 Pa. C.S.A. § 507.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on February 27, 2018, which is the date it was filed electronically using the Commission's E-filing system.

If you have any questions please do not hesitate to contact me.

Respectfully submitted,


Kimberly A. Klock

Enclosure

Prepared by: PPL Electric Utilities

Return to: PPL Electric Utilities
2 N. 9th Street
Allentown, PA 18101
Attn: Janet Lembach

PARCEL ID #s: N/A

ENCROACHMENT AGREEMENT

THIS ENCROACHMENT AGREEMENT (“**Agreement**”), made this 1st day of December, 2017, by and between PPL ELECTRIC UTILITIES CORPORATION, a Pennsylvania Corporation, having an address of 2 N. Ninth Street, Allentown, Pennsylvania 18101, hereinafter called “**PPL**,” and LOWER MACUNGIE TOWNSHIP, a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania, having a mailing address of 3400 Brookside Road, Macungie, Pennsylvania 18062, hereinafter called “**Requester**.”

WITNESSETH:

WHEREAS, this Agreement is between a public utility and a municipal corporation and is therefore subject to Pennsylvania Public Utility Commission (“PUC”) review pursuant to 66 Pa.C.S.A. Section 507. The Effective Date of this Agreement shall be the later of i) thirty (30) days from the date that PPL submits the Agreement to the PUC; or ii) if the PUC opens an investigation of the Agreement, on the date the PUC approves the Agreement; and

WHEREAS, PPL, has an existing electric transmission easement located in Lower Macungie Township, Lehigh County, Pennsylvania, recorded in the Lehigh County Recorder of Deeds Office at Misc. Book Volume 380, Page 297 (“**PPL ROW**”), partially located on the property identified as Tax Parcel Number 547465375006 -1 and partially located within Township legal right-of-way, with said property being more fully described in a deed recorded in the Lehigh County Recorder of Deeds Office at Instrument #2011010842 (the “**Property**”); and

WHEREAS, PPL utilizes the PPL ROW for an existing electric transmission line and will utilize the PPL ROW for future electric transmission lines (“**PPL’s Lines/Facilities**”); and

WHEREAS, Requester is desirous of entering into an agreement for the purposes of laying, constructing, maintaining, operating, repairing, replacing, and removing traffic signals and street signs (collectively the “**Facilities**”) within the PPL ROW; and

WHEREAS, Requester’s Facilities are more fully identified on the construction plan entitled “Lower Macungie Township”, Sheet 1 of 1 prepared by Traffic Planning and

Design, Inc., dated April 12, 2016, which is attached hereto as Exhibit "A" and incorporated by reference herein (the "Plans"); and

NOW THEREFORE, for and in consideration of the sum of \$10.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Recitals. The recitals set forth hereinabove are true and correct and are incorporated herein.

2. Encroachment License.

2.1 The right and authorization granted to Requester for the Facilities to occupy the PPL ROW is a non-exclusive license for the purposes of construction, operation, maintenance, repair, removal and replacement of the Facilities on the PPL ROW ("**Encroachment License**"). PPL's grant of the Encroachment License to Requester is conditioned on Requester constructing, operating, and maintaining its Facilities in accordance with the terms of this Agreement. Only the Facilities shown on the Plans are permitted and any additional buildings, structures, equipment, or facilities in addition to the Facilities shown on the Plans are prohibited unless prior written approval is received from PPL.

2.2 Requester shall not, within the PPL ROW: (i) store flammable fuels or materials above ground; (ii) park vehicles that contain highly flammable or explosive cargoes; (iii) fuel vehicles; or (iv) conduct any blasting.

2.3 PPL reserves rights of ingress and egress over the PPL ROW and Property for line maintenance, repair, reconstruction or other work. Should both the PPL and Requester need access to the PPL ROW at the same time the parties will use their best efforts to coordinate their activities so as not to interfere with the activities of the other.

2.4 Any cranes or other equipment which may be used on or near the PPL ROW for the installation or repair of the Facilities must be operated in a manner that will avoid contact with the electric lines and be in accordance with any and all applicable municipal, state or federal rules, statutes, ordinances or regulations, including but not limited to the Federal Occupational Safety and Health Act and safety standards and regulations promulgated by the Department of Labor and Industry. Requester acknowledges that it is requesting to install its Facilities in the vicinity of electric transmission and distribution facilities, and Requester agrees that Requester and its contractors shall exercise extreme caution to avoid shock hazards.

2.5 PPL utilizes the Property for an existing electric transmission line and may utilize the Property for future additional electric transmission lines. In the event that Requester requires relocation or temporary reinforcement of PPL's Lines/Facilities to accommodate the installation, operation and/or maintenance of Requester's Facilities and PPL agrees to such relocation or temporary reinforcement in advance in writing, such relocation or temporary reinforcement shall be performed by PPL at the sole expense of Requester.

2.6 PPL reserves the right to trim or remove any tree or shrub that interferes with ingress, egress, maintenance or operation of PPL Lines/Facilities without obligation to restore same.

2.7 Should PPL determine in its sole discretion that additional PPL Lines/Facilities are to be installed, operated and maintained on the PPL ROW, Requester shall cooperate with PPL to accommodate the additional PPL Lines/Facilities at Requester's sole cost and expense. Requester's accommodation shall include providing additional protection to Requester's Facilities, and any other reasonable request of PPL.

2.8 Requester's activities under this Agreement, including but not limited to, the installation, operation, and maintenance of the Facilities shall be in compliance with any and all municipal, state and/or federal laws, statutes, rules, ordinances or regulations. Requester agrees to remove, at its sole cost and expense, any and all Facilities if any of the Facilities violate any future laws, statutes, codes or regulations, including but not limited to those laws, statutes, codes or regulations governing the operation of electric transmission or distribution facilities.

3. Indemnification. Requester hereby releases, quitclaims, discharges, indemnifies, defends and holds harmless PPL, its officers, directors, employees and agents (collectively the "**Indemnified Parties**"), from and against any and all loss, liability, damages, demands, claims, suits, fines, penalties, including attorneys' and experts' fees and/or causes of action whatsoever, caused by, resulting from, or in any way related to the presence of the Facilities on the Property and/or the presence of Requester or its agents or employees on the Property, including but not limited to claims of PPL's own negligence, gross negligence, and indemnification against third-party claims or claims by employees or agents of Requester.

4. Environmental Claims. Requester hereby agrees to indemnify and save the Indemnified Parties harmless against any and all claims, losses and liabilities, including costs and reasonable counsel fees arising out of or related to the handling, disturbance, transport, storage, or disposal of Hazardous Substances brought onto, generated, or allowed to enter the Property by Requester, or its/their contractors and subcontractors. "Hazardous Substances" shall mean any chemicals, materials or substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", "hazardous constituents", "restricted hazardous materials", "extremely hazardous substances", "toxic substances", "contaminants", "pollutants", "toxic pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Laws. "Environmental Laws" shall mean all federal, state, local, tribal and foreign laws, regulations, rules, ordinances, codes and similar provisions having the force and effect of law, decrees, judgments, directives, judicial or administrative orders and determinations, and all common law concerning pollution or protection of the environment, natural resources (including threatened or endangered species and natural resource damages) or human health and safety.

5. Damages.

5.1 If Requester or its employees or agents damage any of PPL's Lines/Facilities, including, but not limited to PPL's Lines/Facilities located underground, and

counterpoise, the damage shall be reported immediately to PPL and Requester shall be responsible to reimburse PPL for all costs and expenses incurred by PPL in repairing PPL's Lines/Facilities.

5.2 Requester agrees to restore the PPL ROW to its original condition and to be responsible for any ground settling which may result from the installation of the Facilities, for a period of one (1) year from completed installation of Facilities, and one (1) year from the date any maintenance which may be required thereafter is completed.

5.3 If Requester violates any of the reservations, terms, or conditions set forth in this Agreement and fails to cure such breach within the time period set by PPL in the written notice sent to Requester, PPL may terminate this Agreement, or PPL may cure said breach at Requester's sole cost and expense. In the event that this Agreement is terminated PPL is permitted to remove the Facilities from the PPL ROW at Requester's sole cost and expense, and take whatever action necessary to extinguish the Agreement from the public record if the Agreement had been recorded prior to the termination.

5.4 Requester hereby releases PPL from any and all damages to the Facilities or losses sustained by Requester caused by PPL's use of equipment, including but not limited to trucks or other heavy equipment (up to 50 tons double-axle weight), which may be operated over and across the Property.

6. Insurance.

6.1 Requester shall, and shall cause all of its successors and assigns to, during any period where the Facilities are being installed and/or maintained on the PPL ROW, at Requester's sole cost and expense, maintain, or cause to be maintained with insurance companies having an A.M. Best Insurance Rating of 'A-' or better and financial strength category of VIII or higher, the minimum insurance coverages, hereinafter referred to as the "**Required Coverages**", as set forth below. The Commercial General Liability coverage required of Requester and each successor or assign shall be written on an occurrence basis.

6.2 Requester shall name PPL and its officers, directors and employees as additional insureds and shall include a waiver of subrogation in favor of the additional insureds. The insurance coverages afforded under the policies required hereunder shall be primary and non-contributing. The Required Coverages shall include: (a) Commercial General Liability policy for bodily injury and property damage in the amount of \$2,000,000; (b) statutory workers compensation coverage; and (3) automobile insurance at the statutory minimum. PPL reserves the right to change the Required Coverages by providing 30 days written notice to Requester.

7. Miscellaneous.

7.1 This Agreement shall run with the Property and be binding upon the respective successors and assigns of each of the parties hereto.

7.2 This Agreement shall not be amended, altered, or modified except by an instrument in writing duly executed by both parties.

7.3 If any part or provision of this Agreement shall be determined to be invalid by a court of competent jurisdiction, said part shall be ineffective to the extent of such invalidity only, without in any way affecting the remaining parts of said provision or the remaining provisions of this Agreement.

7.4 This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes any and all prior oral or written agreements, commitments or understandings with respect to the matters provided for herein.

7.5 This Agreement has been duly authorized by all required corporate or other necessary action of both parties and, upon execution hereof, shall constitute a valid and binding obligation of both parties, enforceable in accordance with its terms.

7.6 All notices, requests, claims, demands, invoices, and other communications hereunder shall be in writing and shall be given (and except as otherwise expressly provided herein, will be deemed to have been duly given if so given) by hand delivery, by electronic mail, by mail (registered or certified, postage prepaid), or by reputable overnight delivery service (prepaid or billed to sender), effective upon receipt, to the respective Parties as follows:

If to PPL:

PPL Electric Utilities Corporation
Attn: Manager-Transmission Siting/ROW/Permits/Real Estate
Two North Ninth Street
Allentown, Pennsylvania 18101

With a copy to:

PPL Services Corporation
Office of General Counsel
Two North Ninth Street
Allentown, Pennsylvania 18101

If to Requester:

Lower Macungie Township
3400 Brookside Road
Macungie, Pennsylvania 18062

7.7 The Encroachment License granted by this Agreement shall continue in force until terminated at any time by PPL giving Requester, its successors and assigns, sixty (60) days' notice of PPL's intention to terminate. Requester acknowledges that because of the nature

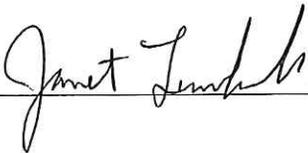
of PPL's business, it may be required at any time for PPL to invoke the herein stated termination clause in order to ensure the use of the PPL ROW for PPL's business purposes as a public utility.

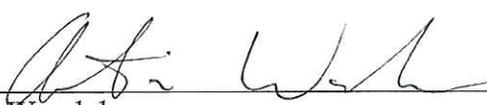
7.8 This Agreement is conditional upon the completion of Distribution line relocation as itemized in PPL WO# 58242610 located at PPL Grid#s: 60763S44483 and 60765S444503.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first written above.

WITNESS:

PPL ELECTRIC UTILITIES CORPORATION

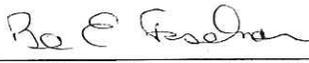


By: 
Austin Weseloh
Transmission Right of Way & Real Estate Supervisor

WITNESS:

Lower Macungie Township

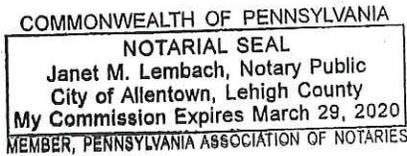


By: 
Name: BRUCE E FOSSELMAN
Title: LOWER MACUNGIE TWP MCL

COMMONWEALTH OF PENNSYLVANIA)
: SS
COUNTY OF LEHIGH)

On this the 22nd day of January, 2018 before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared Austin Weseloh, who acknowledged himself to be the Transmission Right of Way and Real Estate Supervisor of PPL Electric Utilities Corporation, a corporation, and that she as such Transmission Right of Way and Real Estate Supervisor, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Transmission Right of Way and Real Estate Supervisor.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Janet M. Lembach

Notary Public

COMMONWEALTH OF PENNSYLVANIA)
: SS
COUNTY OF LEHIGH)

On this the 3rd day of January, 2018 before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared BRUCE E. FOSSELMAN, who acknowledged himself to be the MANAGER of Lower Macungie Township, a municipal corporation, and that he/she as such MANAGER, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself/herself as MANAGER.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Donna M. Fowler

Notary Public

