



RECEIVED

2019 MAR 22 PM 4:16

PA PUC  
SECRETARY'S BUREAU  
FRONT DESK

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

---

Devin Ryan

dryan@postschell.com  
717-612-6052 Direct  
717-731-1981 Direct Fax  
File #: 164740

March 22, 2019

***VIA HAND DELIVERY***

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

**Re: Joint Application of PPL Electric Utilities Corporation and Citizens' Electric Company of Lewisburg, PA for All of the Necessary Authority, Approvals and Certificates of Public Convenience for: (1) the Transfer by Sale of Facilities, Rights-of-Way, Easements, Agreements, Customer Lists, and Other Property in West Chillisquaque Township, Northumberland County by Citizens to PPL Electric; (2) Citizens' Abandonment of Service to All of Its Customers in West Chillisquaque Township, Northumberland County; (3) Citizens' Abandonment of All Electric Distribution Service in West Chillisquaque Township, Northumberland County; (4) PPL Electric's Right to Initiate and Provide Service in the Portions of West Chillisquaque Township, Northumberland County Currently Served by Citizens; and (5) any Other Approvals Necessary to Complete the Contemplated Transaction**  
**Docket No. A-2019-**

Dear Secretary Chiavetta:

Enclosed for filing is the Joint Application of PPL Electric Utilities Corporation and Citizens' Electric Company of Lewisburg, PA in the above-referenced proceeding. A CD containing a copy of the Joint Application is also enclosed. Also enclosed is a check in the amount of \$350 for payment of the filing fee.

Copies will be provided as indicated on the 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 FIRST CLASS MAIL

Tanyä J. McCloskey, Esquire  
Senior Assistant Consumer Advocate  
Office of Consumer Advocate  
555 Walnut Street  
Forum Place, 5th Floor  
Harrisburg, PA 17101-1923

John R. Evans  
Small Business Advocate  
Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, PA 17101

Richard A. Kanaskie, Esquire  
Director and Chief Prosecutor  
Bureau of Investigation & Enforcement  
Commonwealth Keystone Building  
400 North Street, 2nd Floor West  
PO Box 3265  
Harrisburg, PA 17105-3265

RECEIVED  
2019 MAR 22 PM 4:17  
PA PUC  
SECRETARY'S BUREAU  
FRONT DESK

Date: March 22, 2019

  
Devin T. Ryan

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of PPL Electric Utilities :  
Corporation and Citizens' Electric :  
Company of Lewisburg, PA for All of the :  
Necessary Authority, Approvals and :  
Certificates of Public Convenience for: (1) :  
the Transfer by Sale of Facilities, Rights- :  
of-Way, Easements, Agreements, :  
Customer Lists, and Other Property in :  
West Chillisquaque Township, : Docket No. A-2019-\_\_\_\_\_  
Northumberland County by Citizens to :  
PPL Electric; (2) Citizens' Abandonment of :  
Service to All of Its Customers in West :  
Chillisquaque Township, Northumberland :  
County; (3) Citizens' Abandonment of All :  
Electric Distribution Service in West :  
Chillisquaque Township, Northumberland :  
County; (4) PPL Electric's Right to Initiate :  
and Provide Service in the Portions of West :  
Chillisquaque Township, Northumberland :  
County Currently Served by Citizens; and :  
(5) any Other Approvals Necessary to :  
Complete the Contemplated Transaction :

RECEIVED  
2019 MAR 22 PM 4:17  
PA PUC  
SECRETARY'S BUREAU  
FRONT DESK

---

**JOINT APPLICATION OF  
PPL ELECTRIC UTILITIES CORPORATION AND  
CITIZENS' ELECTRIC COMPANY OF LEWISBURG, PA**

---

By this Application, PPL Electric Utilities Corporation ("PPL Electric") and Citizens' Electric Company of Lewisburg, PA ("Citizens"), hereinafter the "Joint Applicants," request all necessary authority, approvals, and certificates of public convenience from the Pennsylvania Public Utility Commission ("Commission") pursuant to Section 1102(a)(3) of the Public Utility Code ("Code"), 66 Pa. C.S. § 1102(a)(3), authorizing the transfer by sale of facilities, rights-of-way, easements, agreements, customer lists, and other property relating to Citizens' service to all

of its customers<sup>1</sup> in West Chillisquaque Township, Northumberland County to PPL Electric pursuant to an Asset Purchase Agreement ("Agreement"). A copy of the Agreement is attached hereto as **Appendix A**.

To effect the proposed transfer, the Joint Applicants also request all of the necessary authority, approvals and certificates of public convenience under Sections 1102(a)(1)-(2) of the Code, 66 Pa. C.S. § 1102(a)(1)-(2), for: (1) Citizens' abandonment of service to all of its customers in West Chillisquaque Township, Northumberland County; (2) Citizens' abandonment of all electric distribution service in West Chillisquaque Township, Northumberland County; (3) PPL Electric's right to initiate and provide service in the portions of West Chillisquaque Township, Northumberland County currently served by Citizens'; and (4) any other approvals necessary to complete the contemplated transaction.

In support thereof, the Joint Applicants state the following:

## **I. INTRODUCTION**

1. PPL Electric is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania. PPL Electric is a wholly-owned direct subsidiary of PPL Corporation.

2. PPL Electric furnishes electric distribution, transmission and default supply services to approximately 1.4 million customers throughout its certificated service territory, which includes all or portions of 29 counties and encompasses approximately 10,000 square miles in eastern and central Pennsylvania.

---

<sup>1</sup> As of the Joint Application's filing date, Citizens has 32 customers in West Chillisquaque Township. To the extent there are any changes in the number of customers between now and the Commission's final order, the Joint Applicants will notify the Commission of such changes.

3. PPL Electric is a "public utility," an "electric distribution company" and a "default service provider" as defined in Sections 102 and 2803 of the Public Utility Code, 66 Pa. C.S. §§ 102, 2803.

4. The complete name and address of PPL Electric is as follows:

PPL Electric Utilities Corporation  
Two North Ninth Street  
Allentown, PA 18101

5. The attorneys for PPL Electric are:

Kimberly A. Klock (ID # 89716)  
Michael J. Shafer (ID#205681)  
PPL Services Corporation  
Office of General Counsel  
Two North Ninth Street  
Allentown, PA 18101  
Phone: 610-774-5696  
Fax: 610-774-4102  
E-mail: [kklock@pplweb.com](mailto:kklock@pplweb.com)  
E-mail: [mjshafer@pplweb.com](mailto:mjshafer@pplweb.com)

David B. MacGregor (ID # 28804)  
Devin T. Ryan (ID # 316602)  
Garrett P. Lent (ID # 321566)  
Post & Schell, P.C.  
17 North Second Street  
12th Floor  
Harrisburg, PA 17101-1601  
Phone: 717-731-1970  
Fax: 717-731-1985  
E-mail: [dmacgregor@postschell.com](mailto:dmacgregor@postschell.com)  
E-mail: [dryan@postschell.com](mailto:dryan@postschell.com)  
E-mail: [glent@postschell.com](mailto:glent@postschell.com)

PPL Electric's attorneys are authorized to receive all notices and communications regarding this Application.

6. Citizens' is an investor-owned "electric distribution company" providing electric distribution services to approximately 7,060 customers in a 55-square-mile territory in and around Lewisburg, Pennsylvania. Citizens' is wholly-owned by C&T Enterprises, Inc., a holding and management services company.

7. Citizens' is a "public utility," an "electric distribution company" and a "default service provider" as defined in Sections 102 and 2803 of the Public Utility Code, 66 Pa. C.S. §§ 102, 2803.

8. The complete name and address of Citizens' is as follows:

Citizens' Electric Company of Lewisburg, PA  
1775 Industrial Boulevard  
Lewisburg, PA 17837

9. The attorney for Citizens' is:

Pamela C. Polacek (ID # 78276)  
Adeolu A. Bakare (ID # 208541)  
McNees Wallace & Nurick LLC  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166  
Phone: 717-232-8000  
Fax: 717-237-5300  
E-mail: ppolacek@mcneeslaw.com  
abakare@mcneeslaw.com

10. Effective March 18, 2019, the Joint Applicants executed the Agreement, under which PPL Electric would purchase all facilities, rights-of-way, easements, agreements, customer lists, and other property relating to Citizens' electric service to Citizens' customers in West Chillisquaque Township, Northumberland County, Pennsylvania.

11. The Joint Applicants submit, as explained in more detail herein, that all criteria necessary for granting of the required proposals pursuant to the Public Utility Code have been met and, therefore, the Application should be approved without conditions to and modification of the Agreement.

## **II. BACKGROUND**

12. On March 26, 2012, a fire occurred on an abandoned railroad bridge spanning the Susquehanna River at Lewisburg. Citizens' had a single phase 7.2 kV distribution line attached to the bridge that supplied 32 customers in East Lewisburg, West Chillisquaque Township,

Northumberland County, which is on the east side of the Susquehanna River. During the fire event, the wire was damaged, which resulted in an outage to all of those customers.

13. As a temporary solution, power was restored that evening by a connection of Citizens' facilities in West Chillisquaque Township to PPL Electric's electric distribution system.

14. Since that time, Citizens' has been sending total monthly usage information to PPL Electric based on the individual customer meter readings and has been billed by PPL Electric pursuant to PPL Electric's Rate Schedule BL (Borderline Service). *See* Supplement No. 194 to Electric Pa. P.U.C. No. 201, Twenty-Fourth Revised Page No. 33.

15. Citizens' has no other customers or distribution facilities in West Chillisquaque Township, no other customers or distribution facilities on the east side of the Susquehanna River, and no existing alternative line to serve the West Chillisquaque Township customers.

16. Citizens' evaluated several alternative solutions to ensure permanent and reliable electric service to these customers, such as constructing new facilities across the Susquehanna River to serve the customers.

17. Ultimately, Citizens' concluded that transferring the facilities and customers to PPL Electric is the best solution for ensuring that these customers continue to receive safe and reliable service, considering, among other things: (1) PPL Electric's existing facilities on the east side of the river are currently relied upon by Citizens' to provide reliable electric service to these customers; (2) the capital investment and associated costs necessary for Citizens' to construct new facilities across the Susquehanna River to serve these customers; (3) the aesthetic and safety issues regarding the potential locations for the replacement line; and (4) the permitting and engineering issues and costs associated with constructing such facilities.

### **III. DESCRIPTION OF THE PROPOSED TRANSACTION**

18. Under the Agreement, PPL Electric has agreed to purchase and Citizens' has agreed to sell all facilities, rights-of-way, easements, agreements, customer lists, and other property relating to Citizens' electric service to these customers in West Chillisquaque Township, Northumberland County. *See Appendix A, ¶ 2.*

19. The subject assets are shown in the map attached as Exhibit "A" to the Agreement. *See Appendix A, Exhibit "A".*

20. The specific facilities that are subject to the Agreement, include, but are not limited to, poles, towers, structures, transformers, conductors, wires and associated facilities, as listed in Exhibit "B" to the Agreement. *See Appendix A, Exhibit "B".*

21. Copies of the specific easements that are subject to the Agreement are also attached and incorporated into the Agreement as Exhibit "C." *See Appendix A, Exhibit "C".*

22. In addition, Citizens' has written pole attachment contracts with Windstream Communications, Inc. and Lewisburg CATV, a division of CATV Service (collectively, the "Third Party Attachers"), which are attached to the Agreement as Exhibit "D." *See Appendix A, Exhibit "D".* PPL Electric has its own written contracts with the Third Party Attachers for telecommunications facilities that the Third Party Attachers have attached to PPL Electric's poles. As part of the proposed transaction, these pole attachments will cease to be governed by the contracts with Citizens' and, instead, will be governed by the contracts with PPL Electric. *See Appendix A, ¶ 7(f).*

23. The Agreement also contemplates the purchase and sale of all customer files, lists, and records of Citizens' relating to the customer accounts to be transferred to PPL Electric. *See Appendix A, ¶ 2(c).*

24. Further, the Agreement provides for the purchase and sale of all other assets, tangible or intangible, including, but not limited to, contract rights, agreements, property rights, permits, oral or written, and shape files relating to the customer accounts. **Appendix A, ¶ 2(d).**

25. As detailed in the Agreement, PPL Electric has agreed to purchase Citizens' above-described property for \$19,239.01. **Appendix A ¶ 3.**

26. The sales price of \$19,239.01 was the result of arms-length negotiations.

27. PPL Electric currently plans to finance the acquisition of the property through internally-generated funds.

28. Attached hereto as **Appendix B** is a statement of the plant, showing the original cost and accrued depreciation of such plant by principal account that will be transferred to PPL Electric. After the closing of the transaction, PPL Electric would be willing to provide updated plant information showing the actual plant balances transferred to it.

29. The Agreement has been approved by the Boards of Directors of PPL Electric and Citizens'. Attached as **Appendix C** and **Appendix D** hereto are true and correct copies of the resolutions of the Boards of Directors of PPL Electric and Citizens', respectively, approving the Agreement.

30. Under the Agreement, the transaction shall close within 15 business days after all required regulatory approvals are obtained, including any certificates of public convenience from the Commission, and those approvals become final.

31. As of the closing, PPL Electric will commence providing electric distribution service to the newly-acquired customers located in West Chillisquaque Township. As described in Section V.C., *infra*, PPL Electric proposes to continue charging the affected residential and small commercial customers Citizens' currently-effective distribution rates and charges until

revised rates for PPL Electric are approved by the Commission. To implement this proposal, PPL Electric plans to establish in its tariff a West Chillisquaque Rate Division, whose distribution rates and charges will be the same as those currently charged by Citizens' to the affected customers.<sup>2</sup>

32. As explained below, the Commission should approve the purchase and sale all facilities, rights-of-way, easements, agreements, customer lists, and other property contemplated by the Agreement and grant all other necessary approvals pursuant to Section 1102 of the Code because the proposed transfer of assets and customers is reasonable and in the public interest.

#### **IV. LEGAL STANDARDS AND APPROVALS REQUESTED**

33. Section 1102(a)(3) of the Code provides, in pertinent part, that the Commission's prior approval, evidenced by a certificate of public convenience, is required:

For any public utility or an affiliated interest of a public utility . . . to acquire from, or to transfer to, any person or corporation . . . by any method or devise whatsoever, including the sale or transfer of stock and including a consolidation, merger, sale or lease, the title to, or the possession or use of, any tangible or intangible property used or useful in the public service.

66 Pa. C.S. § 1102(a)(3).

34. Because the transaction contemplated by the Agreement involves the purchase and sale of tangible and intangible property that is used or useful in the public service, as between two public utilities, it is subject to Commission approval under Section 1102(a)(3).

---

<sup>2</sup> As explained in Section V.C, *infra*, PPL Electric will charge its generation and transmission rates and charges, state tax adjustment surcharge, and Tax Cuts and Jobs Act ("TCJA") rider, which may be higher or lower than Citizens' corresponding rates and charges. Moreover, PPL Electric's service will be subject to the rules and requirements of its current tariff, which may or may not be different than Citizens' tariff.

35. In addition, Section 1102(a)(1)-(2) of the Public Utility Code states that a certificate of public convenience is required:

(1) For any public utility to begin to offer, render, furnish or supply within this Commonwealth service of a different nature or to a different territory than that authorized by:

(i) A certificate of public convenience granted under this part or under the former provisions of the act of July 26, 1913 (P.L.1374, No.854), known as "The Public Service Company Law," or the act of May 28, 1937 (P.L.1053, No.286), known as the "Public Utility Law."

(ii) An unregistered right, power or privilege preserved by section 103 (relating to prior rights preserved).

(2) For any public utility to abandon or surrender, in whole or in part, any service, except that this provision is not applicable to discontinuance of service to a patron for nonpayment of a bill, or upon request of a patron.

66 Pa. C.S. § 1102(a)(1)-(2).

36. Here, the transaction contemplated by the Agreement is subject to the provisions of Section 1102(a)(1)-(2) because it will result in PPL Electric's initiation of electric distribution service in the portions of West Chillisquaque Township currently served by Citizens<sup>3</sup> as well as Citizens' simultaneous abandonment of its certificated service territory in West Chillisquaque Township and its electric distribution service to all of its customers in West Chillisquaque Township.

37. Section 1103 of the Public Utility Code sets forth the procedure to obtain certificates of public convenience.

---

<sup>3</sup> The Joint Applicants note that PPL Electric's Commission-approved tariff states that West Chillisquaque Township is within PPL Electric's service territory. See Supplement No. 102 to Electric Pa. P.U.C. No. 201, Fourth Revised Page No. 4A. However, for the avoidance of doubt, the Joint Applicants request approval under Section 1102(a)(1) so that PPL Electric can initiate electric distribution service in the portions of West Chillisquaque Township that are currently served by Citizens' and provide service to Citizens' customers in West Chillisquaque Township.

38. The Commission may issue a certificate of public convenience upon a finding that "the granting of such certificate is necessary or proper for the service, accommodation, convenience, or safety of the public." 66 Pa. C.S. § 1103(a).

39. This standard requires the Commission to find that the proposed transfer of public utility facilities contemplated by the Agreement will "affirmatively promote the service, accommodation, convenience, or safety of the public in some substantial way." *City of York v. Pa. PUC*, 295 A.2d 825, 828 (Pa. 1972); see *Amended Application of UGI Utils., Inc. for Approval to Render Natural Gas Distrib. Servs. to the Pub. in Portions of N. Coventry and E. Coventry Twps., Chester Cnty., Pa.*, 2007 Pa. PUC LEXIS 249, at \*23-24 (Mar. 7, 2007) (Initial Decision) (citations omitted), *became final without further action*, Docket Nos. A-123100F0035, *et al.* (Order entered May 18, 2007).

40. The "substantial public interest" standard is satisfied by a simple preponderance of the evidence of benefits, and such burden can be met by showing a likelihood or probability of public benefits that need not be quantified or guaranteed. *Popowsky v. Pa. PUC*, 594 Pa. 583, 611, 937 A.2d 1040, 1057 (Pa. 2007). Further, the substantial public benefit test does not require that every customer receive a benefit from the Agreement. *Popowsky*, 937 A.2d at 1061.

41. Further, under Sections 1102 and 1103 of the Public Utility Code, the Joint Applicants must demonstrate that the party to whom the assets and service obligations are being transferred is legally, technically, and financially fit. See *Seaboard Tank Lines v. Pa. PUC*, 502 A.2d 762, 764 (Pa. Cmwlth. 1985); *Warminster Twp. Mun. Auth. v. Pa. PUC*, 138 A.2d 240, 243 (Pa. Super. 1958).

42. Moreover, under Section 2811(e) of the Public Utility Code, the Commission evaluates whether an electric utility's "acquisition or disposition of assets . . . is likely to result in

anticompetitive or discriminatory conduct, including the unlawful exercise of market power." 66 Pa. C.S. § 2811(e)(1).

**V. THE PROPOSED TRANSFER OF ASSETS AND CUSTOMERS IS IN THE PUBLIC INTEREST**

43. As explained in more detail below, the proposed transfer of assets and customers is in the public interest because: (1) it will confer substantial public benefits by, among other things, providing these customers with a permanent means of receiving reasonable, adequate, safe, and reliable electric distribution service from PPL Electric; (2) as an existing and long-standing electric utility, PPL Electric is technically, financially, and legally fit to provide electric distribution services to all of Citizens' customers in West Chillisquaque Township; (3) PPL Electric will provide service to those customers at their current distribution rates charges until revisions are reviewed and approved by the Commission; and (4) the proposed transfer will not result in anticompetitive or discriminatory conduct.

**A. BENEFITS OF THE PROPOSED TRANSFER OF ASSETS AND CUSTOMERS**

44. The proposed transfer of assets and customers will result in substantial public benefits and, therefore, is in the public interest.

45. The proposed transfer represents the most efficient and cost-effective solution to ensure that Citizens' customers in West Chillisquaque Township continue to receive reasonable, adequate, safe, and reliable electric distribution service.

46. First, the proposed transfer will benefit these affected customers by providing them with a permanent means of receiving reasonable, adequate, safe, and reliable electric distribution service from PPL Electric.

47. As explained previously, Citizens' has relied upon PPL Electric's existing facilities to provide service to these customers for over six years. However, the interconnection of Citizens' facilities with PPL Electric's distribution system was intended only to be a temporary solution.

48. By permanently interconnecting these facilities with PPL Electric's electric distribution system, these customers will be able to continue receiving high quality electric distribution service. Indeed, PPL Electric has extensive experience in this general geographical area, has received high marks for customer service, and continues to make significant investments to improve its electric distribution system.

49. Second, the proposed transfer will allow Citizens' and its customers to avoid the costs and capital investment associated with constructing a new distribution line spanning the Susquehanna River to interconnect these facilities with Citizens' distribution system.

50. Absent constructing a new distribution line spanning the Susquehanna River, Citizens' is unable to reconnect its customers in West Chillisquaque Township to Citizens' distribution system. Citizens' would have to invest substantial capital and incur significant costs associated with permitting and engineering to construct a new distribution line across the river.

51. Third, the damaged bridge that originally supported the overhead line is owned by a recreational authority that has a long-range plan to construct rail-to-trail facilities crossing the river. For public safety reasons, an overhead distribution line could not co-exist in close proximity to the anticipated trail. Alternative sites to cross the river were evaluated and eliminated because the only viable location would place the new line in a city park and require a number of tree removals.

52. Fourth, the transfer will relieve Citizens' of the costs of owning and maintaining these facilities, which are no longer connected to Citizens' distribution system. The reduced capital and maintenance costs will benefit Citizens' and its customers.

53. Fifth, the proposed transfer is projected to have no negative impact on Citizens' operations. The sale involves a minor portion of Citizens' assets and will not: (1) result in any interruption or curtailment of existing services; (2) cause a staff reduction or a termination of any Citizens' operations; (3) require Citizens' to acquire replacement property; or (4) affect Citizens' short or long-range plans for expanding or upgrading any services now offered to the public.

54. Sixth, the proposed asset transfer also will benefit PPL Electric and its customers. PPL Electric will realize certain operational and administrative savings by integrating the subject customers into its customer base.

55. Seventh, there will be no negative impact on PPL Electric's service to its existing customers resulting from the proposed transaction. As explained previously, PPL Electric's existing facilities are already relied upon by Citizens' to provide electric service to Citizens' customers in West Chillisquaque Township. PPL Electric also is well-equipped and staffed to continue providing service to these customers. Further, PPL Electric currently provides electric service to other customers in West Chillisquaque Township and Northumberland County and, therefore, is familiar with the community and service area.

56. Eighth, the affected customers will receive reasonably reliable electric service from PPL Electric, and PPL Electric will provide service to those customers at their current distribution rates and charges until the Commission reviews and approves any revisions.

57. Thus, the proposed transfer of assets and customers will result in substantial public benefits and is in the public interest.

**B. FITNESS OF PPL ELECTRIC TO PROVIDE ELECTRIC DISTRIBUTION SERVICE**

58. PPL Electric is technically, financially, and legally fit to provide electric distribution service to the portions of West Chillisquaque Township currently served by Citizens'.

59. Unlike a new utility seeking Commission certification for the first time, PPL Electric is presumed to be technically, financially, and legally fit to provide electric distribution services by virtue of its long-standing existence and service as a regulated and certificated electric utility in Pennsylvania. *South Hills Movers, Inc. v. Pa. PUC*, 601 A.2d 1308 (Pa. Cmwlth. 1992); *Re Blue Bird Coach Lines, Inc.*, 72 PA PUC 262, 285-286 (1990); *Re V.I.P. Travel Servs., Inc.*, 56 PA PUC 625, 631 (1982).

60. Notwithstanding, as mentioned above, PPL Electric has more than sufficient staff, experience, and resources to provide reasonable, adequate, safe, and reliable service to these customers in West Chillisquaque Township.

61. Further, PPL Electric has extensive experience in providing high quality electric distribution service to customers in Pennsylvania. PPL Electric currently serves approximately 1.4 million customers and maintains approximately 50,000 miles of power lines in central and eastern Pennsylvania. PPL Electric also handles over 7 million customer interactions each year and has earned high marks for customer satisfaction, including 25 J.D. Power and Associates awards for top-quality service to residential and business customers. Moreover, PPL Electric continues to make significant investments to improve its electric distribution system.

**C. EFFECT OF THE PROPOSED TRANSFER ON RATES**

62. The proposed transfer will not substantially affect the rates of the affected customers because PPL Electric will continue to provide service to those customers at their

current distribution rates and charges until revisions are reviewed and approved by the Commission.

63. Of the 32 active customer accounts, 28 are residential customers and four are small commercial customers of Citizens'

64. Currently, the 28 residential customers are served by Citizens' under Rate Schedule RS (Residential Service) of Citizens' tariff. *See* Supplement No. 128 to Electric-Pa. P.U.C. No. 14, Sixty-Second Revised Page No. 41.

65. The four small commercial customers are served by Citizens' under Rate Schedule GLP-1 (General Light and Power Service). *See* Supplement No. 128 to Electric-Pa. P.U.C. No. 14, Fifty-Sixth Revised Page No. 43.

66. In addition, one customer has an outdoor light, specifically an overhead 100-Watt high pressure sodium ("HPS") open fixture lamp, which is served Citizens' under Rate Schedule OL (Outdoor Lighting). *See* Supplement No. 127 to Electric-Pa. P.U.C. No. 14, Fifty-Ninth Revised Page No. 49.

67. After the proposed transfer is completed, PPL Electric proposes to continue charging the affected customers Citizens' currently-effective distribution rates and charges until revised rates are approved by the Commission. To implement this proposal, PPL Electric plans to establish in its tariff a West Chillisquaque Rate Division, whose distribution rates and charges will be the same as those currently charged by Citizens' to the affected customers.

68. However, PPL Electric will charge its generation and transmission rates and charges, state tax adjustment surcharge, and TCJA rider, which may be higher or lower than Citizens' corresponding rates and charges. Further, PPL Electric's service will be subject to the

rules and requirements of its current tariff, which may or may not be different than Citizens' tariff.

69. Only the affected customers would receive service subject to the West Chillisquaque Rate Division's rates and charges. Any existing PPL Electric customers in West Chillisquaque Township would continue to be charged PPL Electric's generally applicable tariffed rates and charges. Further, to the extent any new customers in West Chillisquaque Township begin receiving service from PPL Electric, including new customers at service locations that were subject to the West Chillisquaque Rate Division's tariff provisions, those new customers would receive service subject to PPL Electric's generally applicable tariffed rates and charges.

70. Attached hereto as **Appendix E** is a *pro forma* tariff supplement that establishes the West Chillisquaque Rate Division and sets forth the distribution rates and charges that will be charged to the affected customers. PPL Electric requests approval of these tariff provisions effective on one day's notice after a final order by the Commission approving the proposed transfer is entered in this proceeding.

71. Thus, the proposed transfer will not substantially affect the rates of the affected customers.

**D. EFFECT OF THE PROPOSED TRANSFER ON COMPETITION**

72. The proposed transfer will not result in anticompetitive or discriminatory conduct in the retail markets for electricity in Pennsylvania.

73. Before and after the proposed transfer, the affected customers have the ability to choose their own electric generation supplier.

74. None of Citizens' customers in West Chillisquaque Township are shopping customers currently.

75. Further, PPL Electric and Citizens' are not electric generation suppliers in Pennsylvania, nor do they have any affiliates who are electric generation suppliers.

76. Therefore, the proposed transfer will have no effect on the retail electric supply market in Pennsylvania.

## **VI. NOTICE**

77. A copy of this Application is being served on the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate.

78. The Joint Applicants request that the Commission publish notice of this Application in the Pennsylvania Bulletin pursuant to 52 Pa. Code § 5.14(a).

79. Further, on March 20, 2019, the Joint Applicants sent a notice to all of Citizens' customers in West Chillisquaque Township about the forthcoming filing of this Application and PPL Electric's proposed rates for electric service. A copy of the notice is attached hereto as **Appendix F**.

80. Pursuant to 52 Pa. Code § 5.14(b), the Joint Applicants will provide additional notice or service of this Application as directed by the Commission's Secretary Bureau.

**VII. CONCLUSION**

WHEREFORE, PPL Electric Utilities Corporation and Citizens' Electric Company of Lewisburg, PA respectfully request that the Pennsylvania Public Utility Commission grant all necessary authority, approvals, and certificates of public convenience under the Public Utility Code authorizing the sale of facilities, rights-of-way, easements, agreements, customer lists and other property relating to Citizens' electric service to all of its customers in West Chillisquaque Township, Northumberland County to PPL Electric set forth in the Asset Purchase Agreement, as well as the transfer of the customers' electric distribution service from Citizens' to PPL Electric.

Respectfully submitted,



Kimberly A. Klock (ID # 89716)  
Michael J. Shafer (ID# 205681)  
PPL Services Corporation  
Office of General Counsel  
Two North Ninth Street  
Allentown, PA 18101  
Phone: 610-774-5696  
Fax: 610-774-4102  
E-mail: [kklock@pplweb.com](mailto:kklock@pplweb.com)  
E-mail: [mjshafer@pplweb.com](mailto:mjshafer@pplweb.com)

David B. MacGregor (ID # 28804)  
Devin T. Ryan (ID # 316602)  
Garrett P. Lent (ID # 321566)  
Post & Schell, P.C.  
17 North Second Street  
12th Floor  
Harrisburg, PA 17101-1601  
Phone: 717-731-1970  
Fax: 717-731-1985  
E-mail: [dmacgregor@postschell.com](mailto:dmacgregor@postschell.com)  
E-mail: [dryan@postschell.com](mailto:dryan@postschell.com)  
E-mail: [glent@postschell.com](mailto:glent@postschell.com)

*Attorneys for PPL Electric Utilities Corporation*



Pamela C. Polacek (ID # 78276)

Adeolu A. Bakare (ID # 208541)

McNees Wallace & Nurick LLC

100 Pine Street

P.O. Box 1166

Harrisburg, PA 17108-1166

Phone: 717-232-8000

Fax: 717-237-5300

E-mail: [ppolacek@mcneeslaw.com](mailto:ppolacek@mcneeslaw.com)

[abakare@mcneeslaw.com](mailto:abakare@mcneeslaw.com)

*Attorney for Citizens' Electric Company of Lewisburg, PA*

Date: March 22, 2019

# **APPENDIX "A"**

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement"), dated as of the 18<sup>th</sup> day of March, 2019, by and between Citizens' Electric Company of Lewisburg, PA, a Pennsylvania corporation (hereinafter referred to as "Citizens" or "Seller") and PPL Electric Utilities Corporation, a Pennsylvania corporation (hereinafter referred to as "PPL" or "Buyer").

WHEREAS, Citizens' owns facilities, rights-of-way, easements, agreements, customer lists and other property relating to service to certain customers located in West Chillisquaque Township, Northumberland County ("Customer Accounts"); and

WHEREAS, Seller desires to sell and Buyer desires to purchase the assets relating to service to the Customer Accounts hereinafter specified from Citizens' in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises herein contained, the consideration hereinafter provided and intending to be legally bound hereby, the parties hereto agree as follows:

1. LOCATION. The assets to be conveyed are located in West Chillisquaque Township, Northumberland County, as shown on the map attached hereto as **Exhibit "A"**; and

2. SALE AND PURCHASE OF ASSETS. At the Closing hereinafter provided for, Seller shall sell, transfer, and assign to Buyer, and Buyer shall purchase all of Seller's right, title, and interest in and to the designated assets of Buyer (hereinafter referred to as the "Assets"), including all property described below, free and clear of all liens and encumbrances, which Assets include:

- a. All facilities, including, but not limited to, poles, towers, structures, transformers, conductors, wires and associated facilities, as listed on the attached **Exhibit "B"**;
- b. Easements, copies of which are incorporated hereby as **Exhibit "C"**. Seller represents and warrants that these are the only easements required for all facilities located on private property and that those facilities to be transferred hereunder on the Road Right-of-Way on Old Route 45 are an existing permitted use, and no further permits are required;
- c. All customer files, lists, and records of Seller relating to the Customer Accounts to be transferred to Buyer. As of the date of this Agreement, there are thirty-two (32) Customer Accounts. The number of Customer Accounts may fluctuate between the date of this Agreement and the date of Closing. The number of active Customer Accounts as of the date of Closing shall be the Customer Accounts transferred to Buyer; and
- d. Such other assets, tangible or intangible, including, but not limited to contract rights, agreements, property rights, permits, oral or written, shape files relating to the sale of the facilities and the Customer Accounts.

3. PURCHASE PRICE. As full consideration for the Assets of Seller, Buyer shall pay to Seller a purchase price of NINETEEN THOUSAND TWO HUNDRED THIRTY-NINE AND

01/100 (\$19,239.01) DOLLARS (the "Purchase Price"). The Purchase Price shall be paid at closing in cash, by certified check, or by wire transfer.

4. LIABILITIES. Except for the indemnification provisions of Section 11(c), Buyer is assuming no liabilities of Seller. Seller will comply with the Pennsylvania Bulk Sales Act, if applicable.

5. CLOSING. The date of Closing ("Closing") of this transaction shall occur 15 business days after the date upon which all required regulatory approvals are obtained and become final.

6. REGULATORY AND OTHER APPROVALS. The respective obligations of the parties under this Agreement are subject to and contingent upon receipt of all appropriate orders, approvals and determinations necessary to support this Agreement, without any unreasonable conditions or limitations that are unacceptable to the parties, which acceptance shall not be unreasonably withheld. The parties further agree as follows:

a. The parties shall use reasonable best efforts to file, as soon as practicable, all applications, notices, registrations, filings, reports, petitions and other documents, if any, required to be filed with any governmental authority which are necessary or advisable to consummate the transactions set forth in this Agreement;

b. Each party shall promptly supply the other with any information or reasonable assistance required or reasonably requested in order to obtain any and all approvals necessary or advisable to consummate the transactions set forth in in this Agreement;

c. The parties shall keep each other apprised of the status of matters relating to the completion of the transactions set forth in this Agreement, including promptly furnishing the other with copies of notices or other communications received by a party from any third party and/or any governmental authority with respect to the transactions set forth in this Agreement; and

d. The parties shall use reasonable best efforts to (i) consult and cooperate with one another, and (ii) permit the other party or their counsel to review in advance any proposed written communication or filing by such party to any governmental authority (excluding any communication related to taxes) in connection with any analyses, appearances, presentations, memoranda, briefs, arguments, opinions or proposals made or submitted by or on behalf of any party in connection with any proceedings, inquiry or investigation in connection with the transactions set forth in this Section.

e. The parties shall use reasonable best efforts to cooperate with one another for a reasonable period of time after the Required Approval (as defined below) is obtained to complete the transactions set forth in this Agreement.

7. BUYER'S CONDITIONS OF CLOSING. The obligations of the Buyer hereunder to purchase the Assets and close hereunder shall be subject to the satisfaction of the conditions set forth below:

a. The Required Approval (as defined below) shall have been received in form and substance satisfactory to both parties.

b. No action or proceeding shall have been instituted before any court, agency, or other governmental body to restrain or prohibit the transactions contemplated hereby.

c. The representations and warranties of the Seller contained in this Agreement shall be true and correct in all respects as of the date of Closing, with the same effect as though such representations and warranties had been made on such date.

d. Seller shall have performed and complied with all covenants and agreements required to be performed and complied with by it prior to or at the Closing in all material respects. All proceedings to be taken in connection with the transactions contemplated by this Agreement and all documents incident thereto shall be reasonably satisfactory in form and substance to the Buyer and its counsel, and Buyer shall have received copies of all of such documents and other evidence as the Buyer and its counsel may reasonably request in order to establish the consummation of such transactions.

e. There shall have been no material adverse change or damage to the Assets.

f. Seller has written contracts with Windstream Communications, Inc. ("Windstream") and Lewisburg CATV, a division of CATV Service, Inc. (collectively, the "Third Party Attachments") providing pole attachment rights to the Third Party Attachments, copies of which are attached hereto as **Exhibit "D"** (collectively, the "Seller Attachment Agreements"). Buyer has its own written contracts with the Third Party Attachments for telecommunications facilities that the Third Party Attachments have attached to Buyer's poles (collectively, the "Buyer Attachment Agreements"). Seller shall have provided notice to the Third Party Attachments that certain poles of the Seller have been transferred to Buyer, that Third Party Attachments' attachments attached to the transferred poles shall cease to be governed by the Seller Attachment Agreements, and those attachments shall be transferred to Buyer's attachment database to be governed by the respective Buyer Attachment Agreements.

g. Certain of Seller's facilities are attached to certain Windstream poles. Concurrent with the notice to Windstream specified in paragraph 7(f), Seller shall notify Windstream that said attachments are transferred by Buyer.

8. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller hereby represents and warrants the following to be true on the date of this Agreement and as of the date of Closing:

a. The Seller owns the Assets free and clear of all claims, liens, mortgages, security interests, encumbrances, claims, and demands of any nature and has complied and is complying with all laws applicable to the ownership and use of such Assets.

b. Seller is a corporation duly organized, validly existing, and in good standing under the laws of the Commonwealth of Pennsylvania, and is and shall be duly empowered to execute and deliver this Agreement and, subject to the Required Approval, to do any and all

things required or desirable for consummation of all transactions contemplated hereby and thereby.

c. The execution, delivery and performance of this Agreement and the documents necessary to close have been and will be duly authorized by all requisite corporate proceedings by Seller, including the approval of Seller's Board of Directors and, when so delivered, constitute a legal and binding obligation. Seller is not bound by or subject to any contractual or other obligation that would be violated by Seller's execution or performance of this Agreement, and there is no voluntary agreement between the Seller and any other party for the sale of any of the Assets to be sold under this Agreement.

d. To the best of Seller's knowledge, execution and delivery of this Agreement and consummation of the transactions contemplated hereby do not conflict with or result in a breach of any of the terms, provisions, or conditions of Seller's Certificate of Incorporation, Bylaws, or any statute, regulation, or court or administrative order or process applicable or any agreement, lease, or other agreement or instrument to which Seller is a party, or by which it is bound, nor does execution of this Agreement and consummation of the transaction contemplated hereby constitute a default thereunder.

e. Seller has operated and maintained and is now operating and maintaining the Assets in accordance with Seller's normal operating standards, except reasonable wear and tear incurred in the normal course of Seller's business.

f. Seller has not sold, disposed of, transferred, encumbered, or entered into any contracts related to any of the Assets after the execution of this Agreement except in the regular course of its business or as otherwise permitted herein.

g. Seller holds all necessary licenses and permits to own, use and operate the Assets.

h. The information set forth in each Exhibit to this Agreement is true, complete, and accurate.

i. To the best of Seller's knowledge each of the contracts and agreements attached hereto to which Seller is a party is a valid and binding obligation of the parties thereto in accordance with its terms and conditions. To the best of Seller's knowledge, no party to any such contract or agreement is in default with respect to any term or condition thereof, nor has any event occurred which, through the passage of time or the giving of notice, or both, would constitute a default thereunder or would cause the acceleration of any obligation of any party thereto or the creation of a lien or encumbrance upon the Assets being transferred hereunder.

j. Seller is not in default under or in violation of, any applicable statute, law, ordinance, decree, order, rule, regulation of any governmental body, or in default under, or in violation of, any provision of its articles of incorporation, bylaws, any promissory note, indenture or any evidence of indebtedness or security therefor, lease, purchase, or other commitment to which Seller is a party or by which Seller is bound which may result in any adverse effect on the Assets or Seller's ability to sell the Assets.

k. There is no suit, claim, action, or proceedings now pending or threatened before any court, administrative or regulatory body, or any governmental agency, nor is Seller aware of any grounds therefor, to which Seller is a party or which may result in any judgment, order, decree, liability or other determination that will, or could have any material adverse effect upon the Assets or Seller's ability to sell the Assets. No such judgment, order or decree has been entered against Seller nor any such liability incurred that has, or could have, such effect. There is no claim, action, or proceeding now pending or threatened before any court, administrative or regulatory body, or any governmental agency, that will, or could prevent, hamper, or have a material adverse effect upon the consummation of the transactions contemplated by this Agreement.

l. Seller warrants that it has and will continue to maintain general liability insurance which will cover its present and future obligations pursuant to this Agreement.

m. No representation or warranty by Seller in this Agreement or any certificate, exhibit, schedule, or other document furnished or to be furnished by Seller pursuant hereto or in connection with the transactions contemplated hereby contains or will contain any untrue statement of material fact or omits or will omit any material fact necessary to make the statements contained therein not misleading.

n. Except for the approval of the Pennsylvania Public Utility Commission (the "Required Approval"), no consent or approval of, or other action by, or any notice to or filing with, any court or administrative or governmental body or any third party (except those previously obtained and in full force and effect or that are obtained prior to Closing) is required in connection with the execution, delivery or the performance of this Agreement.

9. REPRESENTATIONS AND WARRANTIES OF BUYER. Buyer hereby represents and warrants the following to be true on the date of this Agreement and as of the date of Closing:

a. Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the Commonwealth of Pennsylvania and is and shall be duly empowered to execute and deliver this Agreement and, subject to the Required Approval, to do any and all things required or desirable for consummation of all transactions contemplated hereby and thereby.

b. No representation or warranty by Buyer in this Agreement or any statement or certificate furnished or to be furnished by Buyer pursuant hereto or in connection with the transactions contemplated hereby contains or will contain any untrue statement of material fact or omits or will omit any material fact necessary to make the statements contained therein not misleading.

c. Buyer warrants that it will maintain insurance which will cover its present and future obligations under this Agreement.

10. REPRESENTATIONS TO SURVIVE CLOSING. All of the representations and warranties contained herein (including all statements contained in any exhibit or certificate or other instrument delivered by or on behalf of Seller or Buyer pursuant to this Agreement or in connection

with the transactions contemplated by it) are a material part of the consideration for the sale of the Assets and the inducement for Buyer to buy the Assets and Seller to sell the Assets and shall survive the Closing and remain in full force and effect indefinitely or for the full period of all applicable statutes of limitation, whichever is greater. For the purposes of each representation and warranty contained herein, Seller and Buyer are materially relying upon the representations of each other.

11. INDEMNITY; CONSEQUENTIAL DAMAGES.

a. For purposes of this Section 11, the following terms have the following meanings:

i. "Claims" means claims, demands, suits, allegations, or causes of action, whether at law or in equity, and whether based on statute, regulation, rule, ordinance, code, standard or common law or on theories of contract, tort, strict liability or otherwise (even if such claims may be later proven false, fraudulent, or groundless regardless of whether a lawsuit has been filed). For the avoidance of doubt, Claims includes, but is not limited to, investigations conducted by any governmental agencies and entities;

ii. "Losses" means any and all losses, liabilities, fines, penalties, obligations, assessments, awards, deficiencies, costs and expenses whatsoever or Damages, including the costs of settlements, litigation, arbitration, judgments (including without limitation fees, penalties and interest, documented attorneys', consultants' fees and other professional fees and disbursements and expenses incurred in establishing the right to indemnify hereunder)); and

iii. "Damages" means any and all losses, costs, damages, injuries, liabilities, penalties and interest, including legal fees and expenses, suffered or incurred by any Buyer Indemnitee as a result of any Claim.

b. Seller shall indemnify, defend and hold harmless Buyer and its affiliates and its and their officers, directors, members, managers, employees, agents and representatives (each a "Buyer Indemnitee") from and against all Claims and Losses arising out of or related to:

i. The imposition of transferee liability pursuant to laws relating to sales in bulk, including the Bulk Sales Act.

ii. Any breach of any representation, warranty, agreement or covenant of the Seller contained herein or in any agreement, instrument, certificate, document, schedule, or exhibit relating to or delivered pursuant hereto.

iii. Seller's operation, maintenance or use of the Assets before the date of Closing.

c. Section 4 notwithstanding, Buyer shall, subsequent to Closing, indemnify, defend, and hold Seller harmless from any and all Claims asserted against Seller, which arise subsequent to Closing and which relate to Buyer's use of the Assets after the date of Closing.

d. Except for circumstances involving (i) fraud, willful misconduct or gross negligence or (ii) the obligation of either party to satisfy its indemnification obligations under this Agreement, neither party shall be responsible or liable to the other party for any indirect, incidental, consequential, special, exemplary, or punitive damages, even if that party has been advised of the possibility of such damages and notwithstanding any failure of essential purpose of any limited remedy of any kind, under any contract, tort or other theory, arising out of or relating in any way to this Agreement or the transactions contemplated hereunder.

12. OPERATION PENDING CLOSING. During the period from the date hereof to the date of Closing:

a. Seller shall inform Buyer in writing from time to time of the development of any material matters relating to the Assets or any litigation, proceeding, or government investigation instituted or threatened against Seller relating to the Asset or the occurrence of any factor that might give rise to any litigation, proceeding, or investigation as aforesaid.

b. Seller shall not, without the prior written consent of Buyer:

(i) Mortgage, pledge, or subject to lien, security interests, or other obligations or encumbrance any of the Assets;

(ii) Sell, dispose of, or otherwise transfer or encumber any of the Assets;

(iii) Enter into any contract or agreement relating to the Assets not in the usual ordinary course or terminate or make any material change in any of such contracts;

c. Except as otherwise provided in this Agreement, all revenues, profits, losses, and liabilities resulting from the ownership or operation of the Assets before the date of Closing shall accrue to and be the responsibility of Seller. All revenues, profit, losses, and liabilities resulting from the ownership or operation of the Assets after the date of Closing shall accrue to and be the responsibility of Buyer. If any part of the Assets is damaged or destroyed by fire or casualty before the date of Closing, such Assets shall be replaced or repaired at Seller's expense. Seller shall also report to Buyer any known incidents or potential Claims, including any Claims, Losses or Damages related to the Assets that may be reported after Closing.

d. Seller will cause the Assets to be insured against all ordinary and insurable risks and will operate, maintain, and repair all its property in a careful, prudent, and efficient manner.

e. Each party to this Agreement hereby covenants and agrees to furnish all information and to make all filings required by any statute or governmental regulation.

f. The parties shall cooperate with one another in connection with any customer communications related to the transactions set forth in this Agreement.

13. TRANSFER OF ASSETS AND CUSTOMERS. Simultaneously with the payment of the Purchase Price on the date of Closing as specified hereinabove, Seller shall convey by bill of sale absolute and assignment, all personal and real property described in Article 2 to Buyer or by

assignment or endorsement of certificates of title, as the case may be, free of all liens, encumbrances, conditions, and limitations. Within a reasonable time after the date of Closing, the parties shall cooperate: (1) to notify the electric distribution customers, who receive electric service from the Assets, about such Closing; and (2) to transition those customers from the Seller to the Buyer.

14. EXPENSES. Notwithstanding the above, each of the parties to this Agreement shall pay their or its own expenses in connection with this Agreement and the transactions contemplated thereby, including the fees and expenses of counsel, certified public accountants, or other professionals.

15. WAIVER. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

16. CUMULATIVE REMEDIES. The remedies afforded in this Agreement are cumulative to each other and non-exclusive and in addition to all other remedies provided by law or in equity.

17. UNENFORCEABILITY OF ANY PROVISIONS. The unenforceability or invalidity of any provision of this Agreement shall not affect the enforceability and validity of the remainder of this Agreement, which shall continue in full force and effect.

18. NOTICE. Notice required or permitted hereunder shall be in writing and shall be delivered by hand or sent by (a) nationally recognized overnight courier or (b) registered or certified mail, postage prepaid, return receipt requested to the Seller, Eric W. Winslow, President & CEO, Citizens' Electric Company, at 1775 Industrial Blvd., Lewisburg, PA 17837, with a copy to Pamela C. Polacek, Esquire at McNees Wallace & Nurick, LLC, 100 Pine Street, P.O. Box 1166, Harrisburg, PA 17101-1166 and to Buyer, Stephanie R. Raymond, Vice President-Distribution Operations, at Two North Ninth Street, Allentown, PA 18101, and a copy to Paula J. McDermott, Esquire at Post & Schell, P.C., 17 North 2<sup>nd</sup> Street, 12<sup>th</sup> Floor, Harrisburg, PA 17101 or to such other persons or addresses as may be designated in writing by the party to receive such notice. Notices shall be deemed given (i) when delivered if sent by hand delivery, (ii) the next business day if sent by nationally recognized overnight courier, or (iii) on the third business day after mailing if sent by registered or certified mail as set forth above.

19. ASSIGNMENT. Except with the express prior written consent of the other party hereto, this Agreement shall not be assignable or otherwise transferred in whole or in part. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

20. HEADINGS. All headings used herein are for convenience and reference only and shall not be deemed to have any substantive effect.

21. ENTIRE AGREEMENT. This Agreement and the exhibits and documents referred

to herein or delivered pursuant hereto, constitute the entire contract between the parties hereto, pertaining to the subject matter hereof, and supersede all prior and contemporaneous agreements, understandings, negotiations, and discussions, whether written or oral, of the parties; and there are no representations, warranties, or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein or therein. No supplement, modification, or waiver of this Agreement shall be binding unless executed in writing by the parties to be bound thereby.

22. FURTHER INSTRUMENTS AND ACTIONS. Each party shall use reasonable best efforts to deliver any further instruments and take any further action that may be reasonably requested by the other party in order to carry out the provisions and purposes of this Agreement.

23. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflict of laws provisions.

24. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which shall constitute one agreement. Any facsimile or electronically transmitted copies hereof, or signatures hereon, shall be deemed originals for all purposes.

25. WAIVER OF TRIAL BY JURY. Each party, to the extent permitted by law, knowingly, voluntarily and intentionally waives its right to a trial by jury in any action or other legal proceeding arising out of, under or relating to this Agreement or any transaction contemplated hereby. This waiver applies to any action or legal proceeding, whether in contract, tort or otherwise.

26. SELLER'S CLOSING OBLIGATIONS. At Closing, Seller shall deliver to Buyer the following documents:

- a. Assignments, Consents, Bills of Sale, Certificates of Title, and other documents or instruments of transfer and which shall contain full warranties of title as shall be effective to vest in Buyer all of Seller's right, title, and interest in and to all of the Assets being conveyed hereunder, free and clear of all liens, charges, encumbrances, and restrictions;
- b. All contracts, files, commitments, and rights pertaining to the Assets;
- c. Copies of notices Seller provided to the Third Party Attachers that certain poles and attachments of the Seller have been transferred to Buyer, that Third Party Attachers' attachments attached to the transferred poles shall cease to be governed by the Seller Attachment Agreements, that those attachments shall be transferred to Buyer's attachment database to be governed by the respective Buyer Attachment Agreements, and that charges for certain of Seller's attachments to Windstream's poles shall be transferred to Buyer.
- d. Seller's Certificate of Good Standing;
- e. Resolution of Seller's Board of Directors, along with a Certificate of Incumbency of Directors and Officers, authorizing execution, delivery, and performance of this Agreement

and all documents required for Closing; and

f. Transfer of all permits, license, and use rights pertaining to the Assets.

27. BUYER'S CLOSING OBLIGATIONS. At Closing, Buyer shall deliver to Seller:

a. Payment of the Purchase Price;

b. Resolution of Buyer's Board of Directors, authorizing the execution of this Agreement and all documents required for Closing;

c. Executed counterparts, where applicable, of all documents to be provided by Seller to effect the transfer of Seller's rights, title, and interest in and to, all of the Assets to Buyer.

d. Buyer's Certificate of Good Standing.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, and intending to be legally bound, the undersigned have executed this Agreement as of the date first written above.

SELLER:

CITIZENS' ELECTRIC COMPANY OF  
LEWISBURG, PA

BY: John A. Kelchner  
Name: John A. Kelchner  
Title: President & CEO

BUYER:

PPL ELECTRIC UTILITIES  
CORPORATION

BY: \_\_\_\_\_  
Name: Gregory N. Dudkin  
Title: President

IN WITNESS WHEREOF, and intending to be legally bound, the undersigned have executed this Agreement as of the date first written above.

**SELLER:**

**CITIZENS' ELECTRIC COMPANY OF  
LEWISBURG, PA**

**BY:** \_\_\_\_\_

**Name: John A. Kelchner**

**Title: President & CEO**

**BUYER:**

**PPL ELECTRIC UTILITIES  
CORPORATION**

**BY:** \_\_\_\_\_

**Name: Gregory N. Dudkin**

**Title: President**

**EXHIBIT "A"**  
**MAP**



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community. Sources: Esri, DeLorme, NAVTEQ.

**EXHIBIT "B"  
FACILITIES**

Map Location	Equipment	Wire Type	Unit	Year	To Address	Cost Per Unit	Total Installed Cost	Asset	Depreciation	Net Asst Value
N-16-4		W2TPX	87	1969	503 Old Rte 45	0.55	47.85	3690000	47.85	0.00
N-16-4	TPM15		1	1991		697.00	697.00	3680001	697	0.00
N-16-4	AROH		1	2014		273.22	273.22	3650000	43.72	229.50
N-16-4	CO1		1	2004		197.84	197.84	3650003	110.79	87.05
N-16-4	P40/3		1	1965		162.45	162.45	3640030	162.45	0.00
N-16-4 to N-16-3		W2ACSR	548	1965		0.15	82.20	3650016	82.2	0.00
N-16-3	P40/3		1	1965		162.45	162.45	3640030	162.45	0
N-16-3 to N-16-2		W2ACSR	538	1965		0.15	80.70	3650016	80.7	0.00
N-16-2-2	DDHPS		1	1996		157.79	157.79	3730012	138.86	18.93
N-16-2-2	P35/3		1	1940		37.48	37.48	3640020	37.48	0.00
N-16-2-2 to N-16-2-1		W4DPX	130	2014		3.99	518.70	3650021	82.99	435.71
N-16-2-1		W2TPX	95	2014	416 Old Rte 45	7.00	665.00	3690008	106.4	558.60
N-16-2-1		W2TPX	110	2014	388 Old Rte 45	7.00	770.00	3690008	123.2	646.80
N-16-2-1	P35/3			2014		1,119.40	1,119.40	3640020	223.88	895.52
N-16-2-1 to N-16-2		W1/OTPX	120	2014		6.58	789.60	3650025	126.34	663.26
N-16-2		W2TPX	90	1973	378 Old Rte 45	0.71	63.90	3690000	63.9	0.00
N-16-2	TPM25		1	2008		1,003.79	1,003.79	3680002	401.52	602.27
N-16-2	AROH		1	2014		273.22	273.22	3650000	43.72	229.50
N-16-2	CO1		1	2014		576.79	576.79	3650003	92.29	484.50
N-16-2	P40/3		1	2002		397.52	397.52	3640030	254.41	143.11
N-16-2 to N-16-1		W2ACSR	478	1965		0.15	71.70	3650016	71.7	0.00
N-6-1	P45/3		1	2005		602.52	602.52	3640050	337.41	265.11
N-16-1 to N-16		W2ACSR	510	1975		0.35	178.50	3650016	178.5	0.00

Map Location	Equipment	Wire Type	Unit	Year	To Address	Cost Per Unit	Total Installed Cost	Asset	Depreciation	Net Asst Value
N-16		W2TPX	85	2014	284 Old Rte 45 Apt 1	7.00	595.00	3690008	95.2	499.80
N-16		W2TPX	95	2014	292 Old Rte 45	7.00	665.00	3690008	106.4	558.60
N-16		"	"		292 Old Route 45					
N-16		"	"		292 Old Rte 45 Rear					
N-16		W2TPX	109	2008	268 Old Rte 45	5.50	599.50	3690008	239.8	359.70
N-16	TPM15		1	1974		348.24	348.24	3680001	348.24	0.00
N-16	AROH		1	2014		273.22	273.22	3650000	43.72	229.50
N-16	CO1		1	2007		305.29	305.29	3650003	134.33	170.96
N-16	P45/3		1	1975		543.14	543.14	3640050	543.14	0.00
N-16 to N-15		W2ACSR	400	1975		0.35	140.00	3650016	140	0.00
N-15		W2TPX	82	2014	262 Old Rte 45	7.00	574.00	3690008	91.84	482.16
N-15		W2TPX	130	2014	258 Old Rte 45	7.00	910.00	3690008	145.6	764.40
N-15		W2TPX	139	2014	238 Old Rte 45	7.00	973.00	3690008	155.68	817.32
N-15	TPM15		1	1974		348.24	348.24	3680001	348.24	0.00
N-15	AROH		1	2017		290.09	290.09	3650000	11.6	278.49
N-15	CO1		1	2007		305.29	305.29	3650003	134.33	170.96
N-15	P45/3		1	1975		543.14	543.14	3640050	543.14	0.00
N-15 to N-14		W2ACSR	346	1975		0.35	121.10	3650016	121.1	0.00
N-14		W4/OTPXUG	152	2007	E Lbg Pump Station Old Rte 45 Pole NI	7.46	1,133.92	3690015	498.92	635.00
N-14	TPM25		1	2006		1,127.55	1,127.55	3680001	541.22	586.33
N-14	AROH		1	2014		273.22	273.22	3650000	43.72	229.50
N-14	CO1		1	2014		576.79	576.79	3650003	92.29	484.50
N-14	P45/3		1	1975		543.14	543.14	3640050	543.14	0.00
N-14 to N-13 1/2		W2ACSR	250	1989		0.72	180.00	3650016	180	0.00
N-13 1/2		W2TPX	83	2014	204 Old Rte 45	7.00	581.00	3690008	92.96	488.04

Map Location	Equipment	Wire Type	Unit	Year	To Address	Cost Per Unit	Total Installed Cost	Asset	Depreciation	Net Asst Value
N-13 1/2		W2TPX	91	2014	190 Old Rte 45	7.00	637.00	3690008	101.92	535.08
N-13 1/2	P45/3		1	2017		3,007.74	3,007.74	3640050	240.62	2,767.12
N-13 1/2 to N-13		W2ACSR	250	1989		0.72	180.00	3650016	180	0.00
N-13 1/2 to N-13		W2TPX	129	1989		1.84	237.36	3650018	237.36	0.00
N-13		W2TPX	66	1999	168 Old Rte 45	2.52	166.32	3690000	126.4	39.92
N-13	TPM25		1	1978		418.43	418.43	3680001	418.43	0.00
N-13	AROH		1	1998		90.27	90.27	3650000	72.22	18.05
N-13	CO1		1	1998		137.40	137.40	3650002	109.92	27.48
N-13	P45/3		1	1975		543.14	543.14	3640050	543.14	0.00
N-13 to N-12-FR		W2ACSR	216	1975		0.35	75.60	3650016	75.6	0.00
N-12-FR		W2TPX	57	1998	154 Old Rte 45	2.22	126.54	3690000	101.23	25.31
N-12-FR	TPM15		1	1997		667.18	667.18	3680001	560.43	106.75
N-12-FR	AROH		1	2012		252.10	252.10	3650000	60.5	191.60
N-12-FR	CO1		1	1997		129.04	129.04	3650002	108.39	20.65
N-12-FR to N-7		W2ACSR	550	1975		0.35	192.50	3650016	192.5	0.00
N-7		W1/OTPX	81	1985	132 Old Rte 45	2.12	171.72	3690010	171.72	0.00
N-7		W2TPX	75	2000	120 Old Rte 45	3.18	238.50	3690000	171.72	66.78
N-7		"	"	"	118 Old Rte 45					
N-7		W2TPX	110	1975	107 Old Rte 45	1.05	115.50	3690000	115.5	0.00
N-7	TPM15		1	1973		311.15	311.15	3680001	311.15	0.00
N-7	AROH		1	2000		131.36	131.36	3650000	94.58	36.78
N-7	CO1		1	2000		160.94	160.94	3650002	115.88	45.06
N-7	P45/3		1	1975		543.14	543.14	3640050	543.14	0.00
N-7 to N-6 1/2		W2ACSR	270	1998		0.76	205.20	3650016	164.16	41.04
N-6 1/2		W2TPX	90	1998	104 Old Rte 45	2.22	199.80	3690000	159.84	39.96
N-6 1/2	TPM15		1	1987		582.97	582.97	3680001	582.97	0.00
N-6 1/2	AROH		1	2014		273.22	273.22	3650000	43.72	229.50
N-6 1/2	CO1		1	1998		137.40	137.40	3650002	109.92	27.48

Map Location	Equipment	Wire Type	Unit	Year	To Address	Cost Per Unit	Total Installed Cost	Asset	Depreciation	Net Asst Value
N-6 1/2	P40/3		1	1998		743.73	743.73	3640030	594.98	148.75
N-6 1/2 to N-6		W2ACSR	280	1998		0.76	212.80	3650016	170.24	42.56
N-6-1		W1/OTPX	108	1998	90 Old Rte 45	2.22	239.76	3690000	191.81	47.95
N-6-1		W1/OTPX	75	1998	64 Old Rte 45	2.22	166.50	3690000	133.2	33.30
N-6-1	P30/5		1	1976		184.31	184.31	3640010	184.31	0.00
N-6-1 to N-6		W1/OTPX	40	1976		0.94	37.60	3650025	37.6	0.00
N-6-A		W4TPX	5	2014	73 Old Rte 45	10.45	52.25	3690009	8.36	43.89
N-6-A		"	"	"	55 Old Rte 45					
N-6-A		"	"	"	73B Old Rte 45 Barn					
N-6-A		"	"	"	53 Old Rte 45					
N-6-A	P35/3		1	2014		1,119.40	1,119.40	3640020	179.1	940.30
N-6-A to N-6		W4/OTPX	120	2014		10.18	1,221.60	3650031	195.46	1,026.14
N-6		W1/OTPX	85	1998	91 Old Rte 45	2.22	188.70	3690000	150.96	37.74
N-6	TPM50		1	1986		608.28	608.28	3680001	608.28	0.00
N-6	AROH		1	2017		290.09	290.09	3650000	11.6	278.49
N-6	CO1		1	2007		305.29	305.29	3650003	134.33	170.96
N-6	P40/3		1	1974		287.42	287.42	3640030	287.42	0.00
N-6 to N-5-FR		W2ACSR	203	1998		0.76	154.28	3650016	123.42	30.86
N-5-FR		W2TPX	100	2014	46 Old Rte 45	7.00	700.00	3690008	112	588.00
N-5-FR to N-4-FR		W2ACSR	177	1998		0.76	134.52	3650016	107.62	26.90
N-5-FR to N-4-FR		W1/OTPX	95	1998		2.59	246.05	3650025	196.84	49.21
N-4-FR		W1/OTPX	115	1998	45 Old Rte 45	2.22	255.30	3690000	204.24	51.06
N-4-FR	TPM15		1	1998		748.14	748.14	3680001	598.51	149.63
N-4-FR	AROH		1	1998		90.27	90.27	3650000	72.22	18.05

Map Location	Equipment	Wire Type	Unit	Year	To Address	Cost Per Unit	Total Installed Cost	Asset	Depreciation	Net Asst Value
N-4-FR	CO1		1	1998		137.40	137.40	3650002	109.92	27.48
N-4-FR to N-3-FR		W2ACSR	220	1998		0.76	167.20	3650016	133.76	33.44
N-4-FR to N-3-FR		W4/OTPX	120	2017		10.24	1,228.80	3650031	49.15	1,179.65
N-3-FR		W2TPX	56	1998	2832 State Rte 405	2.22	124.32	3690000	99.46	24.86
N-3-FR to N-2-FR		W2ACSR	222	1998		0.76	168.72	3650016	134.98	33.74
N-3-FR to N-2-FR		W1/OTPX	111	2017		8.23	913.53	3650025	36.54	876.99
N-2-FR		W4/OTPXUG	75	2017	2832 State Rte 405	13.78	1,033.50	3690015	41.34	992.16
							42,570.77		19,484.98	23,085.79

**EXHIBIT "C"**  
**EASEMENTS**

See following pages for easements from Robert W. and Elizabeth D. Bastian, William R. Remer,  
and Robert C. Snyder Farms, Inc.

KNOW ALL MEN BY THESE PRESENTS, **Robert W. and Elizabeth D. Bastian, 416 Old Rt. 45, Milton, PA**, Received of Citizen's Electric Company, ONE DOLLAR, in consideration of which the undersigned hereby grants unto said Company, its successors, assigns and lessees, the right to construct, reconstruct, operate and maintain its electric lines consisting of wires, fixtures and apparatus, and also to permit the installation of wires and cables of any other person or company, upon, across, over, under and along a strip of land more fully described below, said strip being a part of the property which we, Robert W. and Elizabeth D. Bastian, own or in which the above named have any interest, and which is bounded:

On the North by South RW of Old Rt. 45 (T-571)

On the East by Lands N/L of Matthew W. and Jennifer R. Levanowitz (062-01-023-003-A)

On the South by Lands N/L of Lewisburg Area Recreation Authority (062-00-023-136)

On the West by Lands N/L of Julio and Margarita Bellido (062-01-023-005)

Northumberland County Atlas 062, Sheet 01-023, Parcel 004

The easement is more fully described as: A ten (10) foot wide strip, beginning at the northern property line, running in a south-southeasterly direction approximately one hundred fifty (150) feet to a pole, said strip being centered on the final installed wire location.

and as shown on map attached hereto; located in the Township of West Chillisquaque, County of Northumberland, Commonwealth of Pennsylvania; and along public streets or highways adjoining the said property, including the right of ingress and egress to and from said lines for any of the aforesaid purposes, including the privilege of opening or reopening a trench for the purpose of installing underground lines; also the right to cut down, trim and remove and keep cut down and trimmed by mechanical means or otherwise, any and all trees, brush or other undergrowth on said strip of land or adjoining the same, which in the judgment of the Company, may at any time menace, interfere with the construction, reconstruction maintenance or operation of the said lines. Any poles or other facilities constructed hereunder may, without the payment of further consideration, be relocated on said property to conform to new or relocated highway limits.

IN WITNESS WHEREOF, the undersigned has caused execution hereof, this 19<sup>th</sup> day of November, 2014.

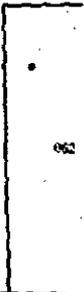
*John Kahl*  
Witness:

*Robert W. Bastian*  
Robert W. Bastian

*Elizabeth D. Bastian*  
Elizabeth D. Bastian

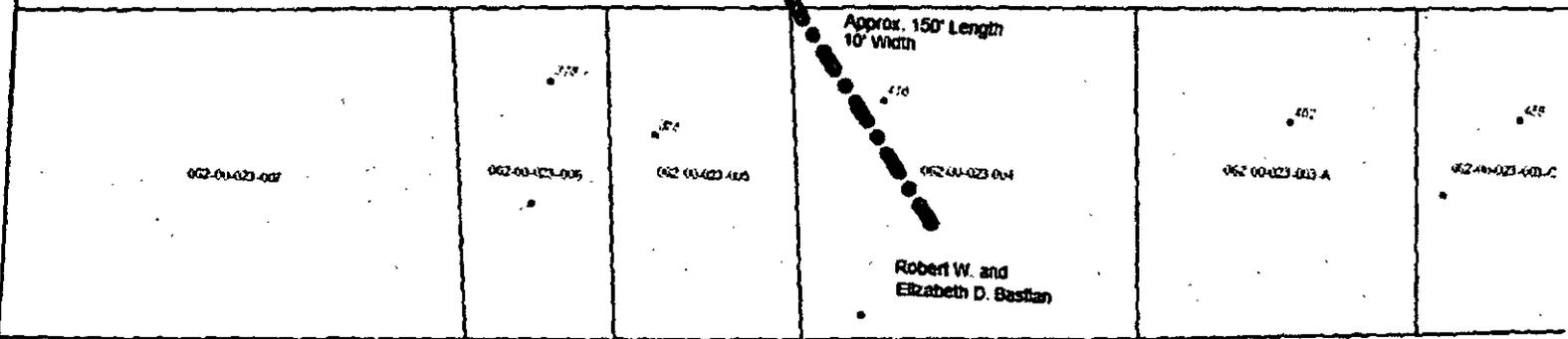


062-00-023-001



Length: 677.26 ft

West-Campbell, Twp



Approx. 150' Length  
10' Width

Robert W. and  
Elizabeth D. Bastian

062-00-023-002

062-00-023-005

062-00-023-006

062-00-023-004

062-00-023-003-A

062-00-023-003-C

062-00-023-003-B

200 ft

Latitude: 42.0000 N Longitude: 79.8000 W

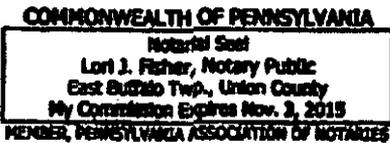
062-00-023-009

Commonwealth of Pennsylvania )  
 )  
County of Union ) SS:

On this 19<sup>th</sup> day of November, 2014, before me, the undersigned officer, a Notary Public, personally appeared, **Robert W. Bastian**, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that they executed the same for the purpose therein contained.

**IN WITNESS WHEREOF**, I have hereunto set my hand and notarial seal the day and year last above written.

My Commission Expires:



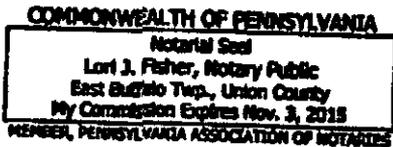
  
\_\_\_\_\_  
Notary Public

Commonwealth of Pennsylvania )  
 )  
County of Union ) SS:

On this 19<sup>th</sup> day of November, 2014, before me, the undersigned officer, a Notary Public, personally appeared, **Elizabeth D. Bastian**, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that they executed the same for the purpose therein contained.

**IN WITNESS WHEREOF**, I have hereunto set my hand and notarial seal the day and year last above written.

My Commission Expires:



  
\_\_\_\_\_  
Notary Public

KNOW ALL MEN BY THESE PRESENTS, **William R. Remer, 64 Old Rt. 45, Milton, PA 17847**, Received of Citizen's Electric Company, ONE DOLLAR, in consideration of which the undersigned hereby grants unto said Company, its successors, assigns and lessees, the right to construct, reconstruct, operate and maintain its electric lines consisting of wires, fixtures and apparatus, and also to permit the installation of wires and cables of any other person or company, upon, across, over, under and along a strip of land more fully described below, said strip being a part of the property which I William R. Remer own or in which the above named have any interest, and which is bounded:

On the North by **South RW of Old Rt. 45 (T-571)**

On the East by **Lands N/L of Spencer P. and Bree D. Allen (062-01-023-008)**

On the South by **Lands N/L of Lewisburg Area Recreation Authority (062-00-023-136)**

On the West by **Lands N/L of Douglas G. and Jill M. Bertanzetti (062-01-023-006)**

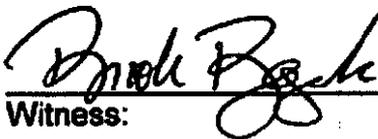
Northumberland County Atlas 062, Sheet 01-023, Parcel 007

The easement is more fully described as: A ten (10) foot wide strip, beginning at the northern property line, running in a southerly direction approximately eighty (80) feet to a pole, said strip being centered on the final installed wire location.

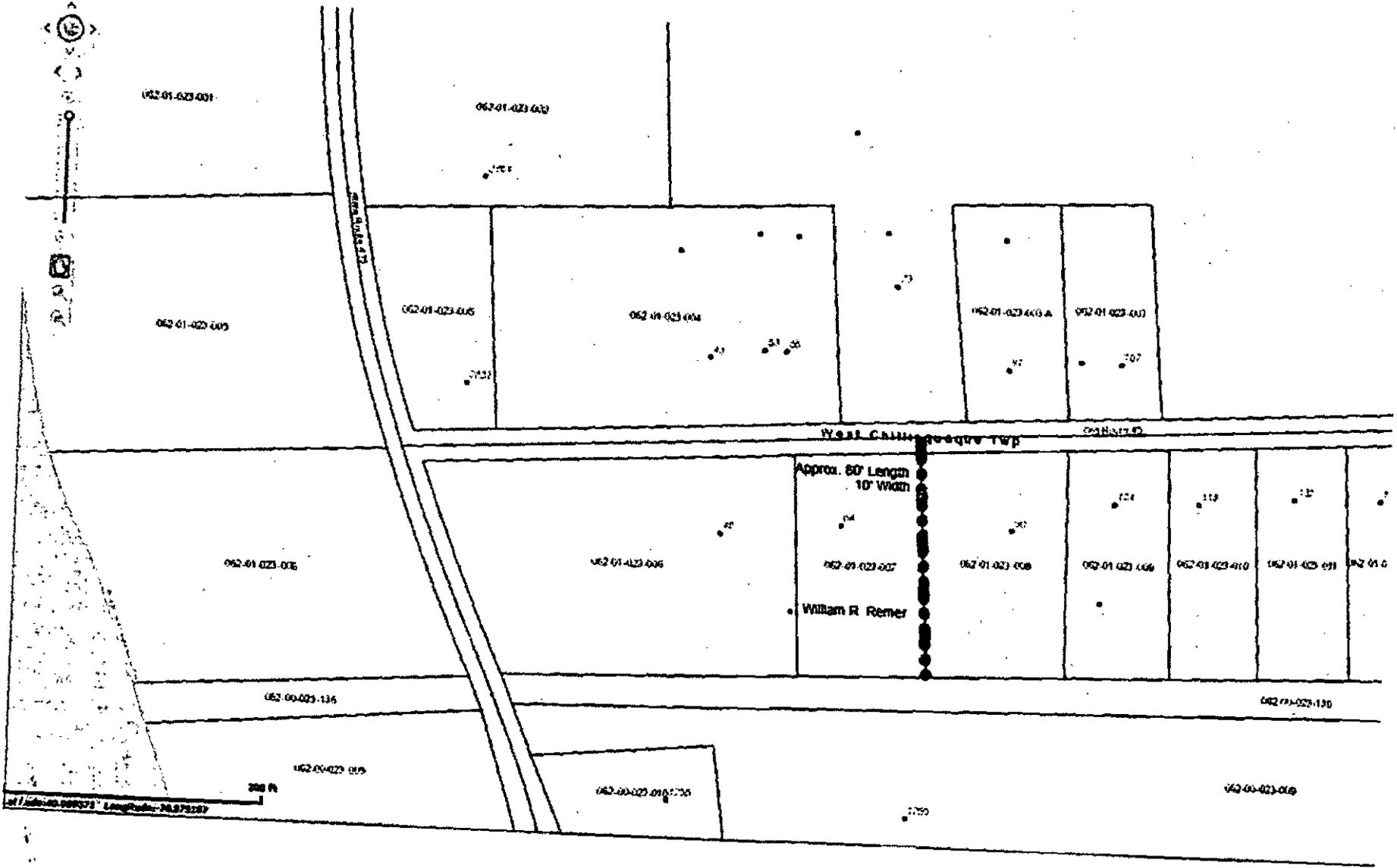
and as shown on map attached hereto; located in the Township of **West Chillisquaque**, County of Northumberland, Commonwealth of Pennsylvania; and along public streets or highways adjoining the said property, including the right of ingress and egress to and from said lines for any of the aforesaid purposes, including the privilege of opening or reopening a trench for the purpose of installing underground lines; also the right to cut down, trim and remove and keep cut down and trimmed by mechanical means or otherwise, any and all trees, brush or other undergrowth on said strip of land or adjoining the same, which in the judgment of the Company, may at any time menace, interfere with the construction, reconstruction maintenance or operation of the said lines.

Any poles or other facilities constructed hereunder may, without the payment of further consideration, be relocated on said property to conform to new or relocated highway limits.

IN WITNESS WHEREOF, the undersigned has caused execution hereof, this 20<sup>th</sup> day of November 2014.

  
Witness: \_\_\_\_\_

  
William R. Remer





KNOW ALL MEN BY THESE PRESENTS, **Robert C. Snyder Farms, Inc., 1883 Susquehanna Trail, Northumberland, PA 17857**, Received of Citizen's Electric Company, ONE DOLLAR, in consideration of which the undersigned hereby grants unto said Company, its successors, assigns and lessees, the right to construct, reconstruct, operate and maintain its electric lines consisting of wires, fixtures and apparatus, and also to permit the installation of wires and cables of any other person or company, upon, across, over, under and along a strip of land more fully described below, said strip being a part of the property which we **Robert C. Snyder Farms, Inc.** own or in which the above named have any interest, and which is bounded:

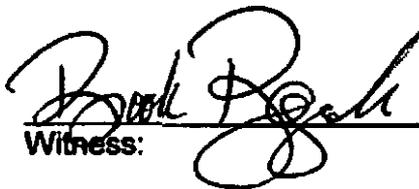
On the North by Lands N/L of Commonwealth Real Estate Investors, et al (062-00-023-001-E)  
On the East by Lands N/L of William E. and Cynthia A. Cooper (062-01-023-003-A)  
On the South by North R/W of Old Rt. 45 (T-571)  
On the West by Lands N/L of Timothy A. Witter and Angela K. Bastian-Witter (062-01-023-003-A)

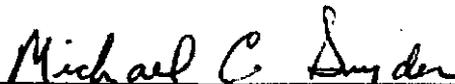
Northumberland County Atlas 062, Sheet 00-023, Parcel 001

The easement is more fully described as: A ten (10) foot wide strip, beginning at the southern property line, running in a northwesterly direction approximately one hundred twenty (120) feet to a pole, said strip being centered on the final installed wire location.

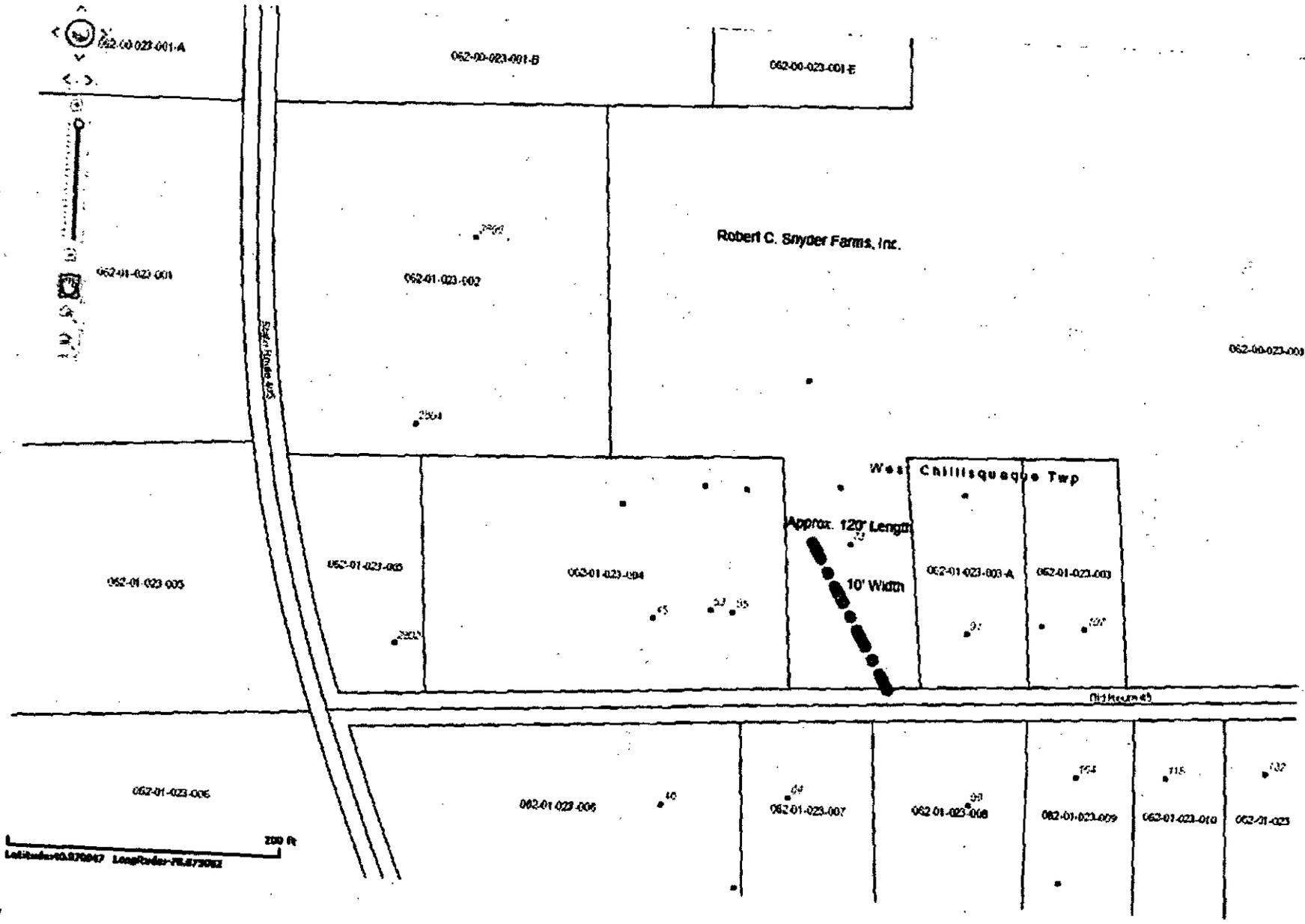
and as shown on map attached hereto; located in the Township of West Chillisquaque, County of Northumberland, Commonwealth of Pennsylvania; and along public streets or highways adjoining the said property, including the right of ingress and egress to and from said lines for any of the aforesaid purposes, including the privilege of opening or reopening a trench for the purpose of installing underground lines; also the right to cut down, trim and remove and keep cut down and trimmed by mechanical means or otherwise, any and all trees, brush or other undergrowth on said strip of land or adjoining the same, which in the judgment of the Company, may at any time menace, interfere with the construction, reconstruction maintenance or operation of the said lines. Any poles or other facilities constructed hereunder may, without the payment of further consideration, be relocated on said property to conform to new or relocated highway limits.

IN WITNESS WHEREOF, the undersigned has caused execution hereof, this 21<sup>st</sup> day of November, 2014.

  
Witness:

  
for Robert C. Snyder Farms, Inc.

Michael C. Snyder  
Printed Name





**EXHIBIT "D"**  
**SELLER ATTACHMENT AGREEMENTS**

See following pages for attachment agreements with Buffalo Valley Telephone (Windstream) and CATV Services (Service Electric).

windstream



50 Executive Parkway  
Hudson, Ohio 44236

---

**Facsimile Transmittal**

Date: 2/12/10

# Pages: 3

Mr. Eric Brouse 570-524-5887

---

**To Whom it May Concern:**

Please find the attached letter regarding the Notice of Acquisition of D&E Communications, Inc. by Windstream Corporation.

If you have any questions please contact Mr. Thomas A. Hudock, Jr. at (330) 650-7498.

*Brenda Wilfong*  
Windstream Corporation  
Sr. Analyst Engineering  
50 Executive Parkway  
Hudson, Ohio 44236  
ph: 330/650-7498  
brenda.wilfong@windstream.com



Windstream Communications, Inc.  
50 Executive Parkway  
Hudson, Ohio 44236

Via facsimile:

**Date:** February 5, 2010  
**To:** All Attaching Entities and Pole Owners  
**Subject:** Company Notification  
Acquisition of D&E Communications, Inc. ("D&E Communications")

I am writing to inform you that, effective November 10, 2009, D&E Communications merged with and into Delta Merger Sub, Inc., a wholly-owned subsidiary of Windstream Corporation. As a result of this merger, Windstream acquired D&E Communications and its related subsidiaries.

This notification is being provided to you pursuant to the pole attachment agreements currently in place between your firm and D&E Communications or its related subsidiaries which covers the following entities: Buffalo Valley Telephone, Conestoga Telephone, D&E Systems, Inc. and Denver & Ephrata Telephone. Because these entities are not changing in any way, but simply now have a new indirect owner, no consent to transfer these agreements are necessary.

Windstream is headquartered in Little Rock, Arkansas, and provides voice, broadband and entertainment services to customers in 16 states, including Pennsylvania. Windstream has approximately 3 million access lines and \$3 billion in annual revenues.

Other than the change in name and service addresses, the transactions resulted in no change to your current agreements, which continues in full force and effect. Effectively immediately, the new contact addresses related to the agreements are as follows:

1. All contractual correspondence relating to existing pole attachment agreements should be sent to:  
Windstream Corporation  
Attn: Thomas A. Hudock, Manager Contracts  
50 Executive Parkway  
Hudson, Ohio 44236  
Phone: (330) 650-7682; Email: [thomas.hudock@windstream.com](mailto:thomas.hudock@windstream.com)
2. All pole rental invoices and invoices related to joint use work should be sent to:  
Windstream Corporation  
Attn: Brenda Wilfong  
50 Executive Parkway  
Hudson, Ohio 44236  
Phone (330) 650-7498; Email: [brenda.wilfong@windstream.com](mailto:brenda.wilfong@windstream.com).

Page 2

3. All permit applications and/or joint pole proposals should be sent to:  
Windstream Corporation  
Attn: Vicki Smith  
50 Executive Parkway  
Hudson, Ohio 44236  
Phone (330) 650-7657; Email: Vicki.l.smith@windstream.com

If you have any questions or concerns please contact me at (330) 650-7682.

Sincerely,

*Thomas A. Hudock, Jr.*

Thomas A. Hudock, Jr.  
Manager Contracts

**POLE ATTACHMENT AGREEMENT**

**BETWEEN**

**CITIZENS' ELECTRIC COMPANY  
OF LEWISBURG, PENNSYLVANIA**

**AND**

**BUFFALO VALLEY TELEPHONE COMPANY  
LEWISBURG, PENNSYLVANIA**

## AGREEMENT

Permission, to the extent that the same may lawfully be given and subject to the provisions of any and all Acts of Assembly and Municipal Ordinances and Regulations now in force or hereafter enacted, is hereby granted to BUFFALO VALLEY TELEPHONE CO., INC., hereinafter called "LICENSEE", to make attachments of Telephone Cable and necessary appurtenant facilities, hereinafter called "ATTACHMENTS", to poles of CITIZENS' ELECTRIC COMPANY OF LEWISBURG, PENNSYLVANIA, hereinafter called "LICENSOR", subject, nevertheless, to the strict observance by Licensee of each and all of the following conditions, viz:

1.0 Attachments existing as of this date or hereafter made hereunder may continue until ninety (90) days notice has been given by either party to the other of its intention to terminate the permission hereby granted, provided that Licensor may terminate the privilege granted for attaching to any specific pole or poles, when in its judgment such action is necessary for the protection of its own interests or for reasons beyond its own control, by giving the Licensee ninety (90) days notice in writing of such termination.

1.1 Licensee may at any time during the term of this agreement remove its wires and appurtenances or any part thereof from any of Licensor's poles, but shall immediately give notice of any such removal in writing in the form, a copy of which, marked "EXHIBIT A", is attached hereto and made a part hereof. No refund of any rentals will be due because of any such removal.

1.2 Licensee may also from time to time make attachments to such additional poles of Licensor as Licensee may require. Within one month after making such attachments, Licensee shall notify Licensor in writing of attachments made, in writing on the form marked "EXHIBIT B", attached hereto and made a part thereof.

2.0 Effective January 1, 1981 Licensee agrees to pay Licensor, in advance, an annual attachment fee of \$3.50 per pole regardless of the number of attachments per pole. Attachment fee is due and payable within thirty (30) days of an invoice to be rendered by Citizens' Electric Company in January of each year.

2.1 All attachment fees or charges contained in this agreement shall remain in effect until such time as a change in fee is deemed necessary by the Licensor. In the event a change is made in the attachment fee, the Licensor shall notify the Licensee of such change in writing at least ninety (90) days prior to the proposed effective date of such change.

2.2 If as a result of a field inventory survey, Licensor determines that Licensee has made attachments to poles of Licensor without having given proper notice as outlined in Section 1.2, Licensee agrees to pay Licensor its costs of making said field inventory survey at the agreed rate of \$10.00 for each pole having one or more unauthorized attachments. Licensee also agrees to pay to the Licensor, annual attachment fees for such unauthorized attachments for the period from the date of the last field inventory survey to the date the unauthorized attachments were discovered or for a period of three years, whichever is less.

3.0 Licensee's attachments to said poles shall be made and maintained at Licensee's sole expense in safe condition and thorough repair in a place and manner satisfactory to Licensor, and so as will not conflict with the use of said poles by Licensor, or by other utility companies using the said poles, or interfere with the working use of facilities thereon, or which may from time to time be placed thereon. Licensee shall, at its own expense, upon receipt of notice from Licensor that said attachments interfere with Licensor's property or endanger its employees, or conflict with the use of said poles by other utility companies using said poles, forthwith alter, rearrange, improve, renew or repair said attachments in such manner as Licensor may direct; provided however, that in cases of emergency, Licensor may arrange to alter, rearrange, improve, renew or repair the facilities placed on said poles by Licensee, transfer them to substituted poles or perform any other work in connection with said facilities that may be required in the maintenance, replacement, removal or relocation of said poles, the facilities thereon or which may be placed thereon or for the service needs of Licensor, and Licensee shall, on demand, reimburse Licensor for the expense thereby incurred.

4.0 Licensee's cables, wires and appliances, in each and every location, shall be erected and maintained in accordance with Citizens' Electric Company's Requirements for CATV Attachments on Power Company Poles" sheets 1 through 5 hereto attached and made a part hereof, in accordance with the requirements and specifications of the National Electrical Safety Code, Fifth Edition, and in compliance with any rules or orders now in effect or which hereafter may be issued by the Pennsylvania Public Utility Commission or any other governmental authority having such jurisdiction.

5.0 Licensee shall not assign, transfer or sublet any of the privileges hereby granted without prior written consent of Licensor.

5.1 The prohibition of this section shall not apply to an assignment or transfer by Licensee to a successor in interest to which Licensee transfers all or substantially all of its assets.

6.0 Licensee shall procure any and all permissions that may be required from property owners, and any municipal, state or other governmental authorities for or in connection with the placing, maintaining or using of the attachments herein specified or the granting of this permit. If Licensee shall neglect or refuse to procure any such consent, certificate of approval or permit, or if any such consent, certificate or permit is revoked, cancelled or withdrawn, Licensor may forthwith terminate the permission hereby granted, and all rights of the Licensee thereunder shall immediately cease and terminate. Licensee shall indemnify and save harmless Licensor from and against any and all loss or damage resulting directly or indirectly, in any manner from such neglect or refusal.

7.0 Licensee shall reimburse Licensor or the owner of other facilities attached to said poles for any expense incurred by it or them in transferring or rearranging said facilities, including the replacement of poles, or the strengthening of poles, or guying required to accommodate the attachments of Licensee.

8.0 Licensor reserves to itself, its successors and assigns, the right to maintain its poles and to operate its facilities thereon in such manner as will best enable it to fulfill its own service requirements. Licensor shall not be liable to Licensee for any interruption of service of Licensee or for any interference with the operation of the cables, wires and appliances of Licensee arising in any manner out of Licensor's own use, or the use of any other utility, of its poles.

9.0 Licensee's rights in Licensor's poles shall be and remain a mere license, and nothing herein contained, nor any use of Licensor's poles, however, extended, under this agreement shall be construed to confer upon Licensee any rights of property in Licensor's poles, or to compel Licensor to maintain said poles longer than its own business requires, or as a guarantee to Licensee of permission from municipal or other governmental authorities to place or maintain its attachments on said poles; and upon receipt of Licensee of written notice from Licensor that Licensee's attachments are forbidden by any such authority, or that the use of any pole or poles is forbidden by any governmental authority or by a property owner, the permission hereby granted shall forthwith terminate.

10.0 Licensee agrees to take necessary precautions, by the installation of protective equipment or otherwise to protect all persons and property against injury or damage that may result from Licensee's attachments to the Licensor's poles. If, in Licensor's opinion, Licensee has not taken such necessary precautions, Licensor shall have the right to terminate the permission for attachment on a pole per pole basis, based on a lack of necessary precautions on those particular poles. Flagrant and continued violation of this clause shall be reason for termination of all attachments upon ninety (90) day written notice. However, Licensor shall not be considered in any way responsible for the adequacy or inadequacy of such precautions of Licensee.

11.0 Licensee shall exercise special precaution to avoid damage to facilities of Licensor and of other utilities supported on said poles; and hereby assumes all responsibility for any and all loss for such damage inflicted by the Licensee. Licensee shall make an immediate report to Licensor of the occurrence of any such damage and hereby agrees to reimburse Licensor for the expenses occurred in making repairs. Licensee is specifically denied permission to make any repairs to the lines or facilities of Licensor or to deal with the lines or facilities of Licensor (other than poles) in any way.

12.0 Licensee shall indemnify, defend, protect and save harmless Licensor from and against any and all claims and demands for loss (including all costs, charges, expenses, and attorney's fees reasonably incurred and all payments made by Licensor to its injured employees, or to their relatives and representatives) resulting from injury or damage to persons or property, including injury to the employee of either Licensee or Licensor, or damage to the property of either Licensee or Licensor, arising out of, resulting from or in any manner caused by:

- (a) Licensee's negligent placement of said attachments on said poles;
- (b) any act of Licensee on or near Licensor's poles;
- (c) the acts or omissions of Licensee's agents or employees while engaged in the work of placing, maintaining or renewing said attachments on said poles or of removing them therefrom.

12.1 Licensee shall not be responsible to indemnify Licensor for any payments made by or on behalf of Licensor under the provisions of the Pennsylvania Workman's Compensation Act, unless the injury is the result of the negligence of the Licensee.

12.2 Licensor shall not be liable to Licensee for loss of or damage to property of Licensee attached to Licensor's poles, from any cause whatsoever, except such loss or damage as may be proximately caused by willful or reckless conduct or gross negligence of an agent or employee of the Licensor.

13.0 The Licensee shall furnish proof of the following coverages on policies written with insurers acceptable to Licensor. Such certificates shall provide that there will be ninety (90) days written notice given to Licensor of any change in or cancellation of any policy certificates upon which a copy of policy is required of Licensee by this section of this agreement. All coverages required of Licensee shall be in full force and effect during Licensee's Performance of this agreement.

All policies shall be written on an occurrence basis and shall include (except 1 under Type of Coverage) CITIZENS' ELECTRIC COMPANY as an Additional Insured. Policies shall contain endorsement (if terminology is not printed form) that Licensee policies shall be primary in all instances regardless of what, if any, like coverages are carried by CITIZENS' ELECTRIC COMPANY.

All policies shall be subject to acceptance by the Licensor.

Licensee liability is not limited to the amount of insurance coverage required in this section of this Agreement.

TYPE OF COVERAGE

LIMITS OF LIABILITY

1. Workmen's Compensation  
Employer's Liability

Statutory  
\$100,000

2. Comprehensive General Liability

Bodily Injury  
Property Damage

\$200,000 Per Occurrence  
100,000 Per Occurrence

Including but not limited to the following with same above limit of liability for Bodily Injury and Property Damage.

- (a) Contractual Liability
- (b) Contingent Liability (if sub-contractors are to be used)
- (c) Owner Contractors Protective Liability (if subcontractors are to be used)
- (d) Broad Form Care, Custody and Control (if work performed on Citizens' Electric Company property)

3. Comprehensive Vehicle Liability

Said coverage shall cover all licensed or unlicensed vehicles and/or automotive equipment owned, leased or rented when used in connection with performance of this contract.

Bodily Injury

\$100,000 Per Person  
300,000 Per Occurrence

Property Damage

100,000 Per Occurrence

14.0 Licensor reserves the right to inspect each new installation of Licensee on its poles and to make periodic inspections, semi-annually or oftener as conditions may warrant, of the entire plant of Licensee to the extent attached to Licensor's pole, and Licensee shall on demand reimburse Licensor for the expense of such inspections at the rate of \$11.00 per man-hour. Such inspections, whether made or not, shall not relieve Licensee of any responsibility, obligation or liability assumed under this agreement, or impose upon Licensor any duty, responsibility or obligation to make such inspections or to see that Licensee's facilities are properly maintained.

15.0 Licensor reserves the right, at the cost and expense of Licensee, to remove said attachments, or any of them, upon Licensee's failure to comply with any of the conditions hereof, and the permission hereby granted shall thereupon terminate as to the attachments so removed.

16.0 Should this permit be terminated by Licensor without any breach of covenant on the part of Licensee before the expiration of any full year for which the license fee herein provided shall have been paid, then and not otherwise Licensor shall refund to Licensee such part of said license fee as will correspond to the unexpired portion of such year.

17.0 Upon the termination, as herein provided, of the permission hereby granted, Licensee shall forthwith remove all of its said attachments from said poles, and upon its failure to do so, Licensor may make such removal at Licensee's cost and expense.

18.0 Nothing herein contained shall be construed as affecting the rights or privileges previously conferred by Licensor by contract or otherwise to others not parties to this agreement to use any poles covered by this agreement; and Licensor shall continue and extend such rights or privileges. The attachment privileges herein granted shall at all times be subject to such existing contracts and arrangements.

19.0 Bills for inspections, expenses and other charges under this agreement shall be payable within thirty (30) days after presentation. Non-payment of bills within said period shall constitute a default of the terms of this License.

20.0 Failure to enforce or insist upon compliance with any of the terms or conditions of this agreement shall not constitute a general waiver or relinquishment of any such terms or conditions, but the same shall be and remain at all times in full force and effect.

21.0 Upon Licensor's request, Licensee shall furnish bond in the amount of ten thousand dollars (\$10,000) to guarantee the payment of all sums which may at any time become due from Licensee to Licensor under this agreement, except such as are covered by the insurance provided under Section 13.0 above, and, without in any way limiting the scope of the foregoing statement, including rentals, inspections, or work performed for the benefit of Licensee under this agreement and the removal of attachments upon termination of this agreement by any of its provisions. Such amount shall apply so long as Licensee does not use poles of Licensor in excess of fifteen hundred (1500). Should Licensee's use of Licensor's poles at any time exceed fifteen hundred (1500), Licensee shall furnish additional surety as may be required by Licensor, and such amount of surety may thereafter be further increased from time to time as Licensee's use of Licensor's poles may continue to increase.

22.0 Subject to the provisions of Section 5.0 above, the permission herein granted and all of the covenants and conditions hereof are intended to be binding on the successors and assigns of the parties hereto.

23.0 This License shall supercede any and all such previous licenses or agreements on the subject.

24.0 No amendment to this agreement shall be binding on either party unless it be in writing signed by both parties, which writing makes specific reference to this agreement.

25.0 This agreement shall be binding on and inure to the benefit of the successors and assigns of the Licensor, and subject to Section 5.0, the Licensee.

IN WITNESS WHEREOF, CITIZENS' ELECTRIC COMPANY LEWISBURG, PENNSYLVANIA, has hereunto affixed its corporate seal, duly attested by its proper officers, this 24<sup>th</sup> day of March 1981.

CITIZENS' ELECTRIC COMPANY  
OF LEWISBURG, PENNSYLVANIA

By [Signature]  
Date 3/24/81

Attest:

[Signature: Paul R. Ernst]  
Executive Vice President  
Mar. 24, 1981  
Date

ACCEPTANCE

The foregoing permission or license is hereby accepted and the conditions set forth are hereby agreed to.

BUFFALO VALLEY TELEPHONE CO.  
LEWISBURG, PENNSYLVANIA

By [Signature: George A. Powell]  
Date April 14, 1981

Attest:

[Signature: J. Davis]  
Secretary / Asst. Manager  
April 14, 1981  
Date







Requirements For

CATV Company Attachments on Power Company Poles

Specific Notes

General

1. Any rearrangement of Power Company facilities necessary to accommodate CATV Company attachments must be negotiated prior to making the attachment.
2. Bolt ends shall not project more than one (1) inch beyond the nut.

Cable Attachments

4. CATV Company cables shall be attached on the same side of the pole as telephone cable(s) and power secondary or neutral conductor; so arranged to provide a horizontal climbing space of 30 inches minimum square.

Exception - When the telephone cable is not on the same side of pole as power secondary or neutral conductor, the CATV Company cable(s) should be on the same side of pole as telephone cable(s).

5. CATV Company cables shall generally be attached directly to the pole surface. They may be attached using offset type metallic brackets to provide required horizontal clearances to buildings, signs, trees, etc., or to reduce change in direction (angle) of the cable.

Amplifier, Power Supply and Distribution Cabinet Attachments

6. Amplifier and distribution cabinets with or without power supply may be mounted directly on the pole or suspended from the CATV Company cable suspension strand. Such pole or strand mounted cabinets shall not be installed on and power will not be supplied at: (1) corner poles; (2) poles with underground riser conduit; (3) poles with similar attachments such as capacitor controls, line switch operating handles, controls for fire alarm, police signal, traffic control, or an existing meter; and (4) transformer poles which are not accessible to an aerial lift vehicle.
7. Pole mounted cabinets shall not exceed 20" width, 14" depth, and 30" height and shall be mounted with externally accessible hardware. Not more than one cabinet shall be installed on the same pole.
8. Cabinets and meter bases shall be installed and effectively grounded in accordance with NEC and Power Company "Rules for Electric Meter and Service Installations", latest revision, except that mounting height of meter shall be as shown on Sheet 4 of Drawing ~~XXXX~~ # 1-675.

Citizens' Electric Company  
of Lewisburg, Pennsylvania

Sheet No. 1 of 5

## Clearance Requirements

9. Minimum clearances between power, CATV and telephone facilities shall be in accordance with the National Electrical Safety Code (NESC) latest edition and supplements.

NOTE: Offset brackets may not be used in lieu of required vertical clearances.

10. On Power Company poles supporting telephone company facilities, the CATV Company facilities shall be located above the telephone company facilities with a minimum vertical clearance of 12" unless reduced spacing is agreed to by the telephone company attached to the pole.
11. If more than one cable of a CATV Company is attached to a pole, then all cables shall occupy the same side of the pole. This does not prohibit attachment of a CATV Company tap cable in a position on the pole in the direction of the tap.
12. The minimum vertical clearance above surfaces at the low point in span shall conform to the NESC. Several more common requirements are:
- A. 15 ft. minimum to ground over spaces accessible to pedestrians only.
  - B. 18 ft. minimum to ground along or crossing roads, streets, alley, and parking lots subject to truck traffic.
  - C. 27 ft. minimum to top of rail or railroad tracks.

NOTE: These clearances shall be adjusted when required by NESC.

13. Any device mounted on a CATV Company cable suspension strand shall be 15" minimum from the pole face at its nearest point to assure adequate climbing space.

## Guying

14. The CATV Company, when attaching to Power Company poles, is required to guy unbalanced loads imposed on the pole by dead ending or changes in direction of the CATV Company distribution cable or strand. Dead end and large angle (change in cable direction) construction shall always be guyed. Small angle construction shall be guyed when power and/or telephone company facilities on the pole and following similar routes are guyed.

When a CATV Company cable is being added to an unguyed angle pole to which Power and/or telephone company facilities are attached, the Power Company shall determine the need for guying and the CATV Company shall install guy(s) when required.

All guys shall be installed prior to installation of CATV Company cable suspension strand.

Citizens' Electric Company  
of Lewisburg, Pennsylvania

Sheet No. 2 of 5

### Emergency Electric Supply

15. Generators or other means of emergency electric supply to CATV Company facilities are prohibited, unless specifically approved by the Division Operating Manager. Installations of emergency electric supply equipment shall conform with the Power Company "Rules for Electric Meter and Service Installations", latest revision. The type of device to be used must assure that there cannot be an interconnection between the emergency electric supply and the Power Company's electrical system and shall be approved by the Division Operating Manager.

### Bonding

16. On 12 KV multigrounded power lines, the CATV Company shall install and maintain an electrical bond between the CATV Company cable suspension strand and the Power Company vertical pole ground wire at a minimum of five (5) locations per mile and not more than 1,000 feet between bonding locations. The electrical bond shall be made using #6 AWG copper wire and connectors suitable for the purpose.

The CATV Company shall install and maintain an electrical bond using #6 AWG copper wire between each CATV Company guy wire and the CATV Company cable suspension strand.

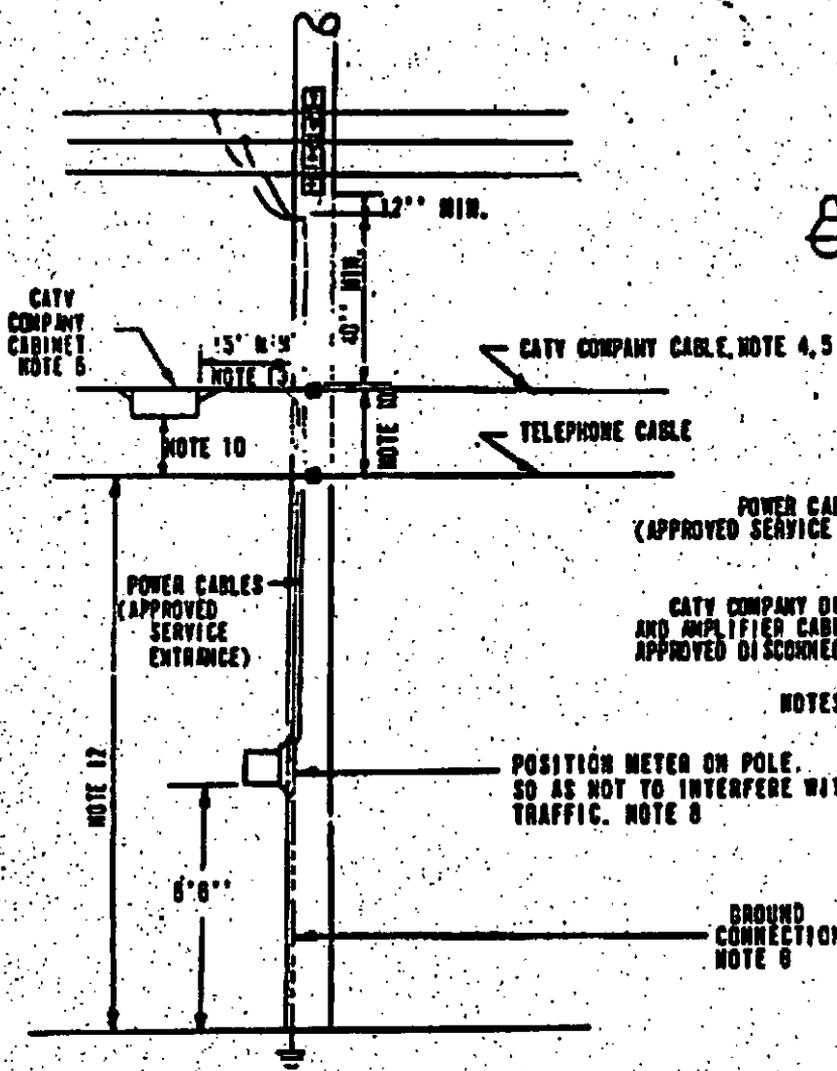
17. On any voltage system which is not multigrounded, the CATV Company shall bond cable suspension strands and guys only when directed to do so by the Power Company. A bond shall never be made to the vertical ground wire from a lightning arrester when the system is not multigrounded.

Citizens' Electric Company  
of Lewisburg, Pennsylvania

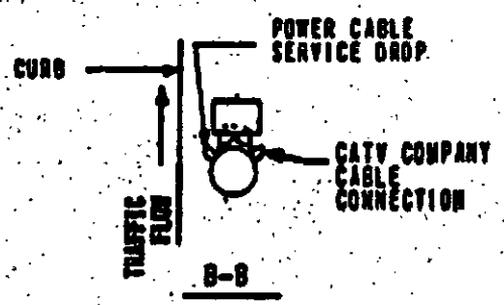
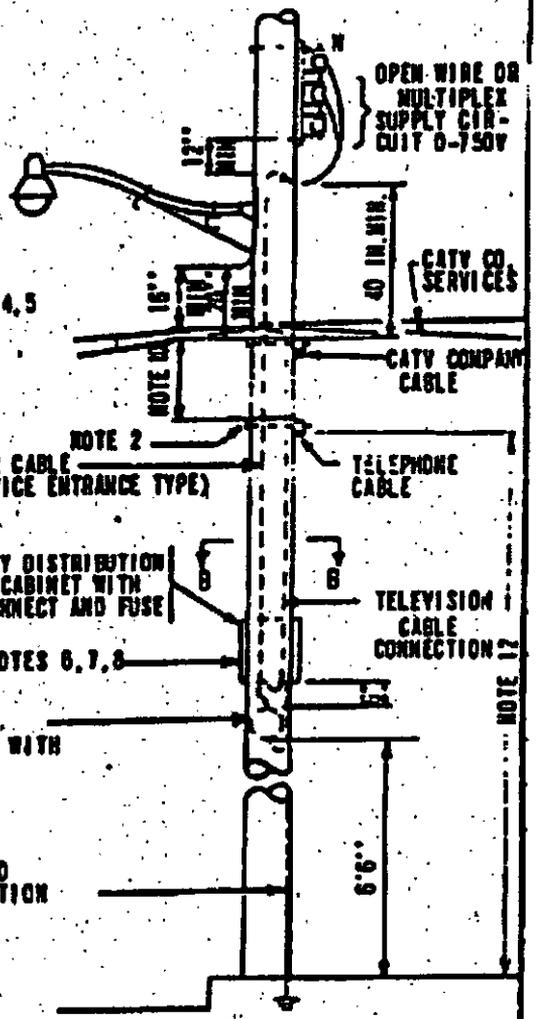
Sheet No. 3 of 5

**ATTACHMENT OF CATV COMPANY DISTRIBUTION OR AMPLIFIER CABINETS AND SERVICES**

**STRAND MOUNTED CABINET**

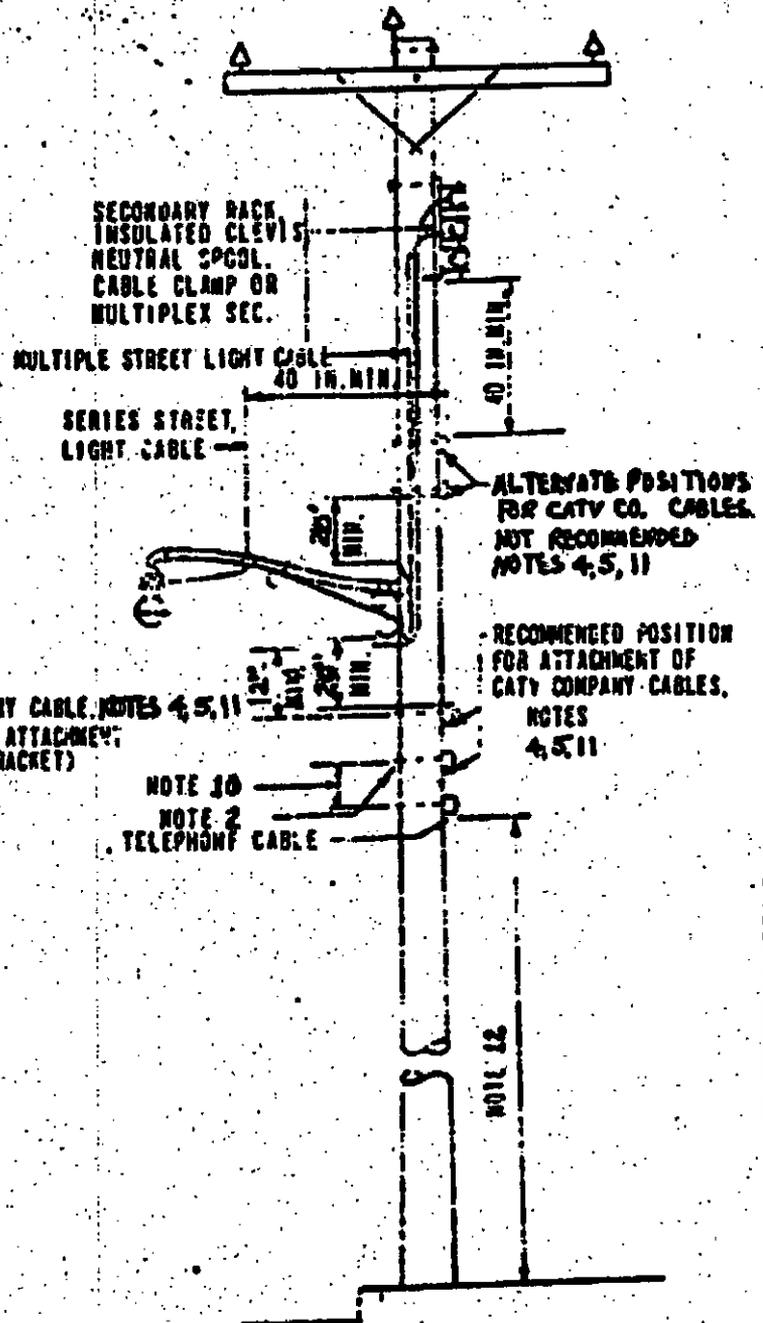
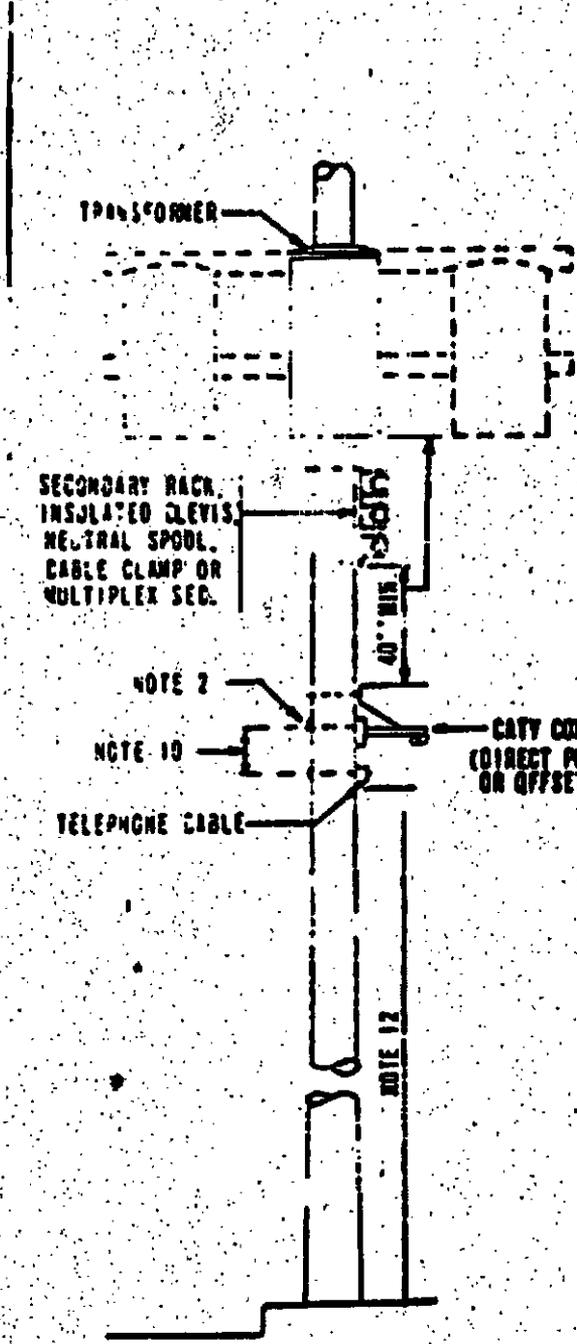


**POLE MOUNTED CABINETS AND SERVICES**



Citizens' Electric Company  
 of Lewisburg, Pennsylvania  
 Drawing No. 1-675  
 Sheet No. 4 of 5

**ATTACHMENT OF CATV COMPANY CABLES**



**Citizens' Electric Company  
of Lewisburg, Pennsylvania**

**Drawing No. 1-676**

**Sheet No. 5 of 5**

**CITIZENS' ELECTRIC COMPANY**

1775 INDUSTRIAL BLVD.

P.O. BOX 551

LEWISBURG, PA. 17837

TELEPHONE (717) 524-2231

**COPY**

September 23, 1988

Buffalo Valley Telephone Company  
20 S. 2nd. Street  
Lewisburg, PA 17837

ATTENTION Jim Davis

RE: Pole Attachment Agreement

Gentlemen:

This is to notify you, in accordance with our Pole Attachment agreement, that as of January 1, 1989 the annual attachment fee as spelled out in paragraph 2.0 of the agreement -- will be changed to \$5.00 per pole. This, of course, will be applied against the net number of attachments -- that is, the number of our poles Buffalo Valley is on, less the number of Buffalo Valley poles that Citizens' Electric is on.

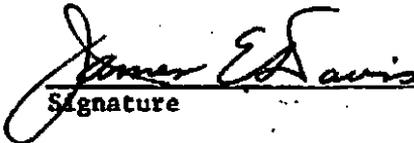
This change makes our charge to Buffalo Valley (and yours to us) consistent with our charges to others as well as the industry standard.

I trust this will be acceptable to you; please acknowledge receipt and acceptance of this change by signing one copy of the letter and returning it to us.

In the meantime, if you have any questions please feel free to call me.

Very truly yours,

  
A.J. Shirk  
President

  
Signature

10-5-88  
Date

AJS:lsm

Serving the Wonderful Lewisburg-Buffalo Valley Area Since 1911

**POLE ATTACHMENT AGREEMENT**

**BETWEEN**

**CITIZENS' ELECTRIC COMPANY  
OF LEWISBURG, PENNSYLVANIA**

**AND**

**LEWISBURG CATV  
A DIVISION OF CATV SERVICE INC.**

## AGREEMENT

Permission, to the extent that the same may lawfully be given and subject to the provisions of any and all Acts of Assembly and Municipal Ordinances and Regulations now in force or hereafter enacted, is hereby granted to LEWISBURG CATV, A DIVISION OF CATV SERVICE, INC. (A PENNSYLVANIA CORPORATION), hereinafter called "LICENSEE", to make attachments of Television Cable and necessary appurtenant facilities, hereinafter called "ATTACHMENTS", to poles of CITIZENS' ELECTRIC COMPANY OF LEWISBURG, PENNSYLVANIA, hereinafter called "LICENSOR", subject, nevertheless, to the strict observance by Licensee of each and all of the following conditions, viz:

1.0 Attachments existing as of this date or hereafter made hereunder may continue until ninety (90) days notice has been given by either party to the other of its intention to terminate the permission hereby granted, provided that Licensor may terminate the privilege granted for attaching to any specific pole or poles, when in its judgment such action is necessary for the protection of its own interests or for reasons beyond its own control, by giving to Licensee ninety (90) days notice in writing of such termination.

1.1 Licensee may at any time during the term of this agreement remove its wires and appurtenances or any part thereof from any of Licensor's poles, but shall immediately give notice of any such removal in writing in the form, a copy of which, marked "EXHIBIT A", is attached hereto and made a part hereof. No refund of any rentals will be due because of any such removal.

1.2 Licensee may also from time to time make attachments to such additional poles of Licensor as Licensee may require. Before making such attachments, however, Licensee must first make application and receive a permit in the form marked "EXHIBIT B", hereto attached and made a part thereof.

2.0 Effective January 1, 1981 Licensee agrees to pay Licensor, in advance, an annual attachment fee of \$5.00 per pole for cable attachments so long as said attachments remain on said poles, providing that not more than one television cable may be attached to any pole. Attachment fee is due and payable within thirty (30) days of an invoice to be rendered by Citizens' Electric Company in January of each year.

2.1 Effective January 1, 1981 Licensee agrees to pay Licensor, in advance, an annual attachment fee of \$5.00 per pole for Booster Box attachments so long as said attachments remain on said poles, provided that not more than one booster box may be attached to any pole. Attachment fee is due and payable within thirty (30) days of an invoice to be rendered by Citizens' Electric Company in January of each year.

2.2 All attachment fees or charges contained in this agreement shall remain in effect until such time as a change in fee is deemed necessary by the Licensor. In the event a change is made in the attachment fee, the Licensor shall notify the Licensee of such change in writing at least ninety (90) days prior to the proposed effective date of such change.

2.3 If as a result of a field inventory survey, Licensor determines that Licensee has made attachments to poles of Licensor without the prior written approval of Licensor, Licensee agrees to pay Licensor its costs of making said field inventory survey at the agreed rate of \$10.00 for each unauthorized attachment. Licensee also agrees to pay to Licensor, annual attachment fees for such unauthorized attachments for the period from the date of the last field inventory survey to the date the unauthorized attachments were discovered or for a period of three years, whichever is less.

3.0 Licensee's attachments to said poles shall be made and maintained at Licensee's sole expense in safe condition and thorough repair in a place and manner satisfactory to Licensor, and so as will not conflict with the use of said poles by Licensor, or by other utility companies using the said poles, or interfere with the working use of facilities thereon, or which may from time to time be placed thereon. Licensee shall, at its own expense, upon receipt of notice from Licensor that said attachments interfere with Licensor's property or endanger its employees, or conflict with the use of said poles by other utility companies using said poles, forthwith alter, rearrange, improve, renew or repair said attachments in such manner as Licensor may direct; provided however, that in cases of emergency, Licensor may arrange to alter, rearrange, improve, renew or repair the facilities placed on said poles by Licensee, transfer them to substituted poles or perform any other work in connection with said facilities that may be required in the maintenance, replacement, removal or relocation of said poles, the facilities thereon or which may be placed thereon or for the service needs of Licensor, and Licensee shall, on demand, reimburse Licensor for the expense thereby incurred.

4.0 Licensee's cables, wires and appliances, in each and every location, shall be erected and maintained in accordance with Citizens' Electric Company's "Requirements for CATV Attachments on Power Company Poles" sheets 1 through 5 hereto attached and made a part hereof, in accordance with the requirements and specifications of the National Electrical Safety Code, Fifth Edition, and in compliance with any rules or orders now in effect or which hereafter may be issued by the Pennsylvania Public Utility Commission or any other governmental authority having such jurisdiction.

5.0 Licensee shall not assign, transfer or sublet any of the privileges hereby granted without prior written consent of Licensor.

6.0 Licensee shall procure any and all permissions that may be required from property owners, and any municipal, state or other governmental authorities for or in connection with the placing, maintaining or using of the attachments herein specified or the granting of this permit. If Licensee shall neglect or refuse to procure any such consent, certificate of approval or permit, or if any such consent, certificate or permit is revoked, cancelled or withdrawn, Licensor may forthwith terminate the permission hereby granted, and all rights of the Licensee thereunder shall immediately cease and terminate. Licensee shall indemnify and save harmless Licensor from and against any and all loss or damage resulting directly or indirectly, in any manner from such neglect or refusal.

7.0 Licensee shall reimburse Licensor or the owner of other facilities attached to said poles for any expense incurred by it or them in transferring or rearranging said facilities, including the replacement of poles, or the strengthening of poles, or guying required to accommodate the attachments of Licensee.

8.0 Licensor reserves to itself, its successors and assigns, the right to maintain its poles and to operate its facilities thereon in such manner as will best enable it to fulfill its own service requirements. Licensor shall not be liable to Licensee for any interruption of service of Licensee or for any interference with the operation of the cables, wires and appliances of Licensee arising in any manner out of Licensor's own use, or the use of any other utility, of its poles.

9.0 Licensee's rights in Licensor's poles shall be and remain a mere license, and nothing herein contained, nor any use of Licensor's poles, however, extended, under this agreement shall be construed to confer upon Licensee any rights of property in Licensor's poles, or to compel Licensor to maintain said poles longer than its own business requires, or as a guarantee to Licensee of permission from municipal or other governmental authorities to place or maintain its attachments on said poles; and upon receipt of Licensee of written notice from Licensor that Licensee's attachments are forbidden by any such authority, or that the use of any pole or poles is forbidden by any governmental authority or by a property owner, the permission hereby granted shall forthwith terminate.

10.0 Licensee agrees to take any necessary precautions, by the installation of protective equipment or otherwise, to protect all persons and property against injury or damage that may result from Licensee's attachments to Licensor's poles. If, in Licensor's opinion, Licensee has not taken such necessary precautions, Licensor shall have the right to terminate the permission herein granted upon ninety (90) days written notice to Licensee. However, Licensor shall not be considered in any way responsible for the adequacy or inadequacy of such precautions of Licensee.

11.0 Licensee shall exercise special precaution to avoid damage to facilities of Licensor and of other utilities supported on said poles; and hereby assumes all responsibility for any and all loss for such damage. Licensee shall make an immediate report to Licensor of the occurrence of any such damage and hereby agrees to reimburse Licensor for the expenses occurred in making repairs. Licensee is specifically denied permission to make any repairs to the lines or facilities of Licensor or to deal with the lines or facilities of Licensor (other than poles) in any way.

12.0 Licensee shall indemnify, defend, protect and save harmless Licensor from and against any and all claims and demands for loss resulting from injury or damage to persons or property, including injury to the employees of either Licensee or Licensor, or damage to the property of either Licensee or Licensor, arising out of, resulting from, or in any manner caused by the erection, presence, use, maintenance or removal of said attachments on said poles, or by the proximity of the respective cables, wires, apparatus and appliances of the parties hereto, or by any act of Licensee on or near Licensor's poles, or by the acts or omissions of Licensee's or Licensor's agents or employees while engaged in the work of placing, maintaining or renewing said attachments on said poles or of removing them therefrom, and such loss shall include all costs, charges, expenses and attorney's fees reasonably incurred in connection with such injury or damage and also any payments made by Licensor to its injured employees, or to their relatives or representatives, in conformity with the provisions of any Workman's Compensation Act or any act creating a liability in the employer to pay compensation for personal injury to an employee by accident in the course of employment, whether based on negligence on the part of the employer or not.

---

13.0 The Licensee shall furnish proof of the following coverages on policies written with insurers acceptable to Licensor. Such certificates shall provide that there will be ninety (90) days written notice given to Licensor of any change in or cancellation of any policy certificates upon which a copy of policy is required of Licensee by this section of this agreement. All coverages required of Licensee shall be in full force and effect during Licensee's Performance of this agreement.

All policies shall be written on an occurrence basis and shall include (except 1 under Type of Coverage) CITIZENS' ELECTRIC COMPANY as an Additional Insured. Policies shall contain endorsement (if terminology is not printed form) that Licensee policies shall be primary in all instances regardless of what, if any, like coverages are carried by CITIZENS' ELECTRIC COMPANY.

All policies shall be subject to acceptance by the Licensor.

Licensee liability is not limited to the amount of insurance coverage required in this section of this Agreement.

TYPE OF COVERAGE

LIMITS OF LIABILITY

- |   |                          |
|---|--------------------------|
| 1. Workman's Compensation<br>Employer's Liability | Statutory<br>\$100,000   |
| 2. Comprehensive General Liability                |                          |
| Bodily Injury                                     | \$200,000 Per Occurrence |
| Property Damage                                   | 100,000 Per Occurrence   |

Including but not limited to the following with same above limit of liability for Bodily Injury and Property Damage.

- (a) Contractual Liability
- (b) Contingent Liability (if sub-contractors are to be used)
- (c) Owner Contractors Protective Liability (if subcontractors are to be used)
- (d) Broad Form Care, Custody and Control (if work performed on Citizens' Electric Company property)

3. Comprehensive Vehicle Liability

Said coverage shall cover all licensed or unlicensed vehicles and/or automotive equipment owned, leased or rented when used in connection with performance of this contract.

- |                 |  |
|-----------------|--|
| Bodily Injury   | \$100,000 Per Person<br>300,000 Per Occurrence |
| Property Damage | 100,000 Per Occurrence                         |

14.0 Licensor reserves the right to inspect each new installation of Licensee on its poles and to make periodic inspections, semi-annually or oftener as conditions may warrant, of the entire plant of Licensee, and Licensee shall on demand reimburse Licensor for the expense of such inspections at the rate of \$11.00 per man-hour. Such inspections, whether made or not, shall not relieve Licensee of any responsibility, obligation or liability assumed under this agreement, or impose upon Licensor any duty, responsibility or obligation to make such inspections or to see that Licensee's facilities are properly maintained.

15.0 Licensor reserves the right, at the cost and expense of Licensee, to remove said attachments, or any of them, upon Licensee's failure to comply with any of the conditions hereof, and the permission hereby granted shall thereupon terminate as to the attachments so removed.

16.0 Should this permit be terminated by Licensor without any breach of covenant on the part of Licensee before the expiration of any full year for which the license fee herein provided shall have been paid, then and not otherwise Licensor shall refund to Licensee such part of said license fee as will correspond to the unexpired portion of such year.

17.0 Upon the termination, as herein provided, of the permission hereby granted, Licensee shall forthwith remove all of its said attachments from said poles, and upon its failure to do so, Licensor may make such removal at Licensee's cost and expense.

18.0 Nothing herein contained shall be construed as affecting the rights or privileges previously conferred by Licensor by contract or otherwise to others not parties to this agreement to use any poles covered by this agreement; and Licensor shall continue and extend such rights or privileges. The attachment privileges herein granted shall at all times be subject to such existing contracts and arrangements.

19.0 Bills for inspections, expenses and other charges under this agreement shall be payable within thirty (30) days after presentation. Non-payment of bills within said period shall constitute a default of the terms of this License.

20.0 Failure to enforce or insist upon compliance with any of the terms or conditions of this agreement shall not constitute a general waiver or relinquishment of any such terms or conditions, but the same shall be and remain at all times in full force and effect.

21.0 Licensee shall furnish bond in the amount of ten thousand dollars (\$10,000) to guarantee the payment of all sums which may at any time become due from Licensee to Licensor under this agreement, except such as are covered by the insurance provided under Section 13.0 above, and, without in any way limiting the scope of the foregoing statement, including rentals, inspections, or work performed for the benefit of Licensee under this agreement and the removal of attachments upon termination of this agreement by any of its provisions. Such amount shall apply so long as Licensee does not use poles of Licensor in excess of fifteen hundred (1500). Should Licensee's use of Licensor's poles at any time exceed fifteen hundred (1500), Licensee shall furnish additional surety as may be required by Licensor, and such amount of surety may thereafter be further increased from time to time as Licensee's use of Licensor's poles may continue to increase.

22.0 Subject to the provisions of Section 5.0 above, the permission herein granted and all of the covenants and conditions hereof are intended to be binding on the successors and assigns of the parties hereto.

23.0 This License shall supercede any and all such previous licenses or agreements on the subject.

24.0 This agreement supercedes all previous agreements, whether written or oral, between Licensee and Licensor for the placement or attachment and maintenance of Licensee's community antenna television facilities on Licensor's poles and there are no other provisions, terms or conditions to this agreement except as expressed herein.

25.0 By its execution of this agreement, Licensee expressly reserves and does not waive its right to seek a refund of any payment made, or relief from any payment to be made which is in excess of the fee (\$3 per attachment) in effect prior to the effective date of this agreement, provided such refund or relief is made pursuant to an order, rule, regulation or other action of or by the Federal Communications Commission or any other governmental authority having jurisdiction.

26.0 This agreement shall become effective January 1, 1981, and shall continue in effect until terminated by either party upon ninety (90) days prior written notice.

IN WITNESS WHEREOF, CITIZENS' ELECTRIC COMPANY OF LEWISBURG, PENNSYLVANIA, has hereunto affixed its corporate seal, duly attested by its proper officers, this 15<sup>th</sup> day of DECEMBER, 1980.

CITIZENS' ELECTRIC COMPANY  
OF LEWISBURG, PENNSYLVANIA

By [Signature]  
Date 12/12/80

Attest:

[Signature]  
Assistant Secretary

12-15-80  
Date

ACCEPTANCE

The foregoing permission or license is hereby accepted and the conditions set forth are hereby agreed to.

LEWISBURG CATV, A DIVISION OF CATV  
SERVICE, INC. (A Pennsylvania Corporation)

By [Signature]  
Date 12/29/80

Attest:

[Signature]  
Secretary

12/29/80  
Date





## Requirements For

### CATV Company Attachments on Power Company Poles

#### Specific Notes

##### General

1. Any rearrangement of Power Company facilities necessary to accommodate CATV Company attachments must be negotiated prior to making the attachment.
2. Bolt ends shall not project more than one (1) inch beyond the nut.

##### Cable Attachments

4. CATV Company cables shall be attached on the same side of the pole as telephone cable(s) and power secondary or neutral conductor; so arranged to provide a horizontal climbing space of 30 inches minimum square.

Exception - When the telephone cable is not on the same side of pole as power secondary or neutral conductor, the CATV Company cable(s) should be on the same side of pole as telephone cable(s).

5. CATV Company cables shall generally be attached directly to the pole surface. They may be attached using offset type metallic brackets to provide required horizontal clearances to buildings, signs, trees, etc., or to reduce change in direction (angle) of the cable.

##### Amplifier, Power Supply and Distribution Cabinet Attachments

6. Amplifier and distribution cabinets with or without power supply may be mounted directly on the pole or suspended from the CATV Company cable suspension strand. Such pole or strand mounted cabinets shall not be installed on and power will not be supplied at: (1) corner poles; (2) poles with underground riser conduit; (3) poles with similar attachments such as capacitor controls, line switch operating handles, controls for fire alarm, police signal, traffic control, or an existing meter; and (4) transformer poles which are not accessible to an aerial lift vehicle.
7. Pole mounted cabinets shall not exceed 20" width, 14" depth, and 30" height and shall be mounted with externally accessible hardware. Not more than one cabinet shall be installed on the same pole.
8. Cabinets and meter bases shall be installed and effectively grounded in accordance with NEC and Power Company "Rules for Electric Meter and Service Installations", latest revision, except that mounting height of meter shall be as shown on Sheet 4 of Drawing ~~1-675~~ # 1-675.

Citizens' Electric Company  
of Lewisburg, Pennsylvania

Sheet No. 1 of 5

### Clearance Requirements

9. Minimum clearances between power, CATV and telephone facilities shall be in accordance with the National Electrical Safety Code (NESC) latest edition and supplements.

NOTE: Offset brackets may not be used in lieu of required vertical clearances.

10. On Power Company poles supporting telephone company facilities, the CATV Company facilities shall be located above the telephone company facilities with a minimum vertical clearance of 12" unless reduced spacing is agreed to by the telephone company attached to the pole.
11. If more than one cable of a CATV Company is attached to a pole, then all cables shall occupy the same side of the pole. This does not prohibit attachment of a CATV Company tap cable in a position on the pole in the direction of the tap.
12. The minimum vertical clearance above surfaces at the low point in span shall conform to the NESC. Several more common requirements are:
- A. 15 ft. minimum to ground over spaces accessible to pedestrians only.
  - B. 18 ft. minimum to ground along or crossing roads, streets, alley, and parking lots subject to truck traffic.
  - C. 27 ft. minimum to top of rail or railroad tracks.

NOTE: These clearances shall be adjusted when required by NESC.

13. Any device mounted on a CATV Company cable suspension strand shall be 15" minimum from the pole face at its nearest point to assure adequate climbing space.

### Guying

14. The CATV Company, when attaching to Power Company poles, is required to guy unbalanced loads imposed on the pole by dead ending or changes in direction of the CATV Company distribution cable or strand. Dead end and large angle (change in cable direction) construction shall always be gayed. Small angle construction shall be gayed when power and/or telephone company facilities on the pole and following similar routes are gayed.

When a CATV Company cable is being added to an unguayed angle pole to which Power and/or telephone company facilities are attached, the Power Company shall determine the need for guying and the CATV Company shall install guy(s) when required.

All guys shall be installed prior to installation of CATV Company cable suspension strand.

Citizens' Electric Company  
of Lewisburg, Pennsylvania

Sheet No. 2 of 5

### Emergency Electric Supply

15. Generators or other means of emergency electric supply to CATV Company facilities are prohibited, unless specifically approved by the Division Operating Manager. Installations of emergency electric supply equipment shall conform with the Power Company "Rules for Electric Meter and Service Installations", latest revision. The type of device to be used must assure that there cannot be an interconnection between the emergency electric supply and the Power Company's electrical system and shall be approved by the Division Operating Manager.

### Bonding

16. On 12 KV multigrounded power lines, the CATV Company shall install and maintain an electrical bond between the CATV Company cable suspension strand and the Power Company vertical pole ground wire at a minimum of five (5) locations per mile and not more than 1,000 feet between bonding locations. The electrical bond shall be made using #6 AWG copper wire and connectors suitable for the purpose.

The CATV Company shall install and maintain an electrical bond using #6 AWG copper wire between each CATV Company guy wire and the CATV Company cable suspension strand.

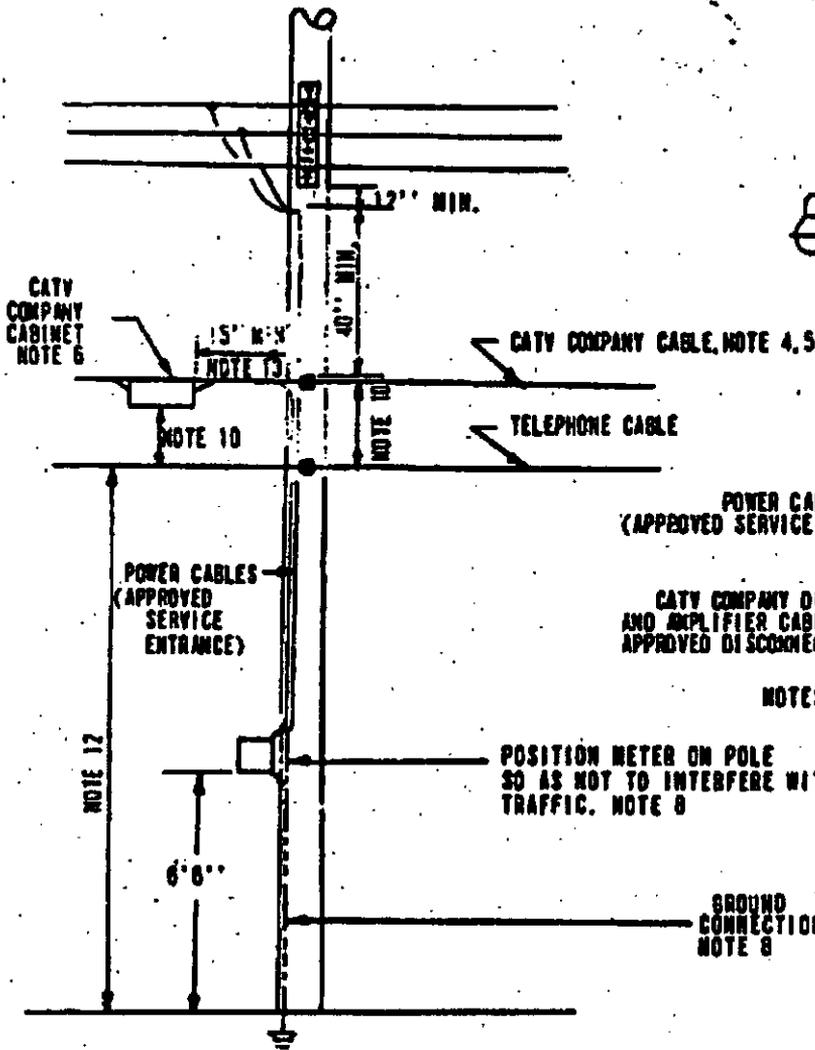
17. On any voltage system which is not multigrounded, the CATV Company shall bond cable suspension strands and guys only when directed to do so by the Power Company. A bond shall never be made to the vertical ground wire from a lightning arrester when the system is not multigrounded.

Citizens' Electric Company  
of Lewisburg, Pennsylvania

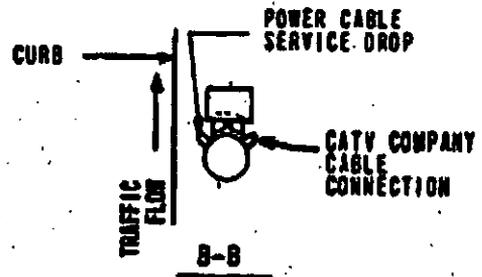
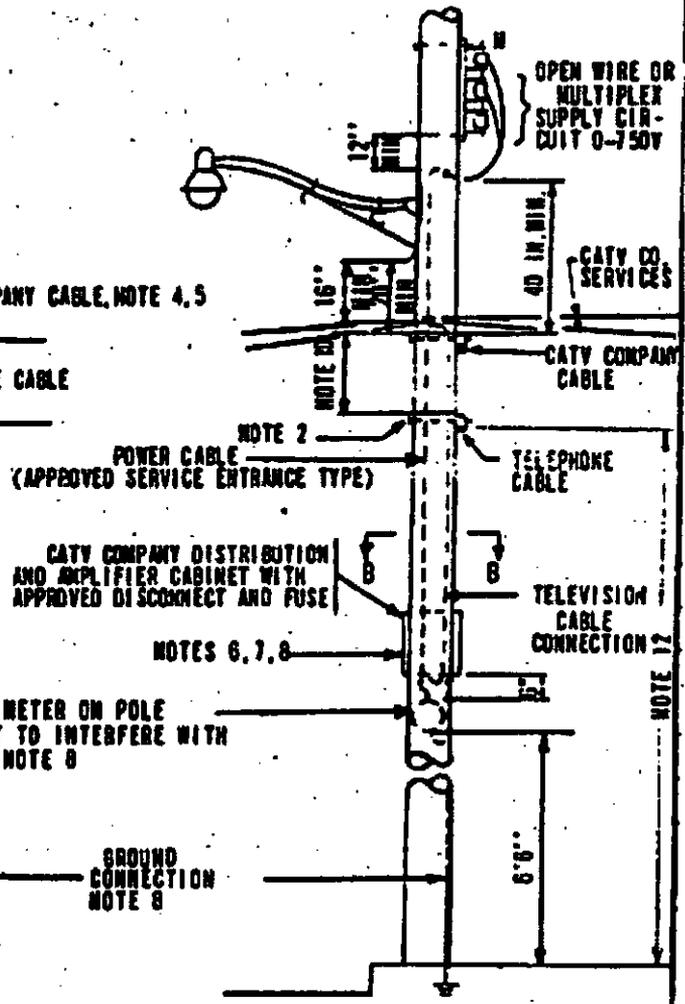
Sheet No. 3 of 5

**ATTACHMENT OF CATV COMPANY DISTRIBUTION OR AMPLIFIER CABINETS AND SERVICES**

**STRAND MOUNTED CABINET**



**POLE MOUNTED CABINETS AND SERVICES**

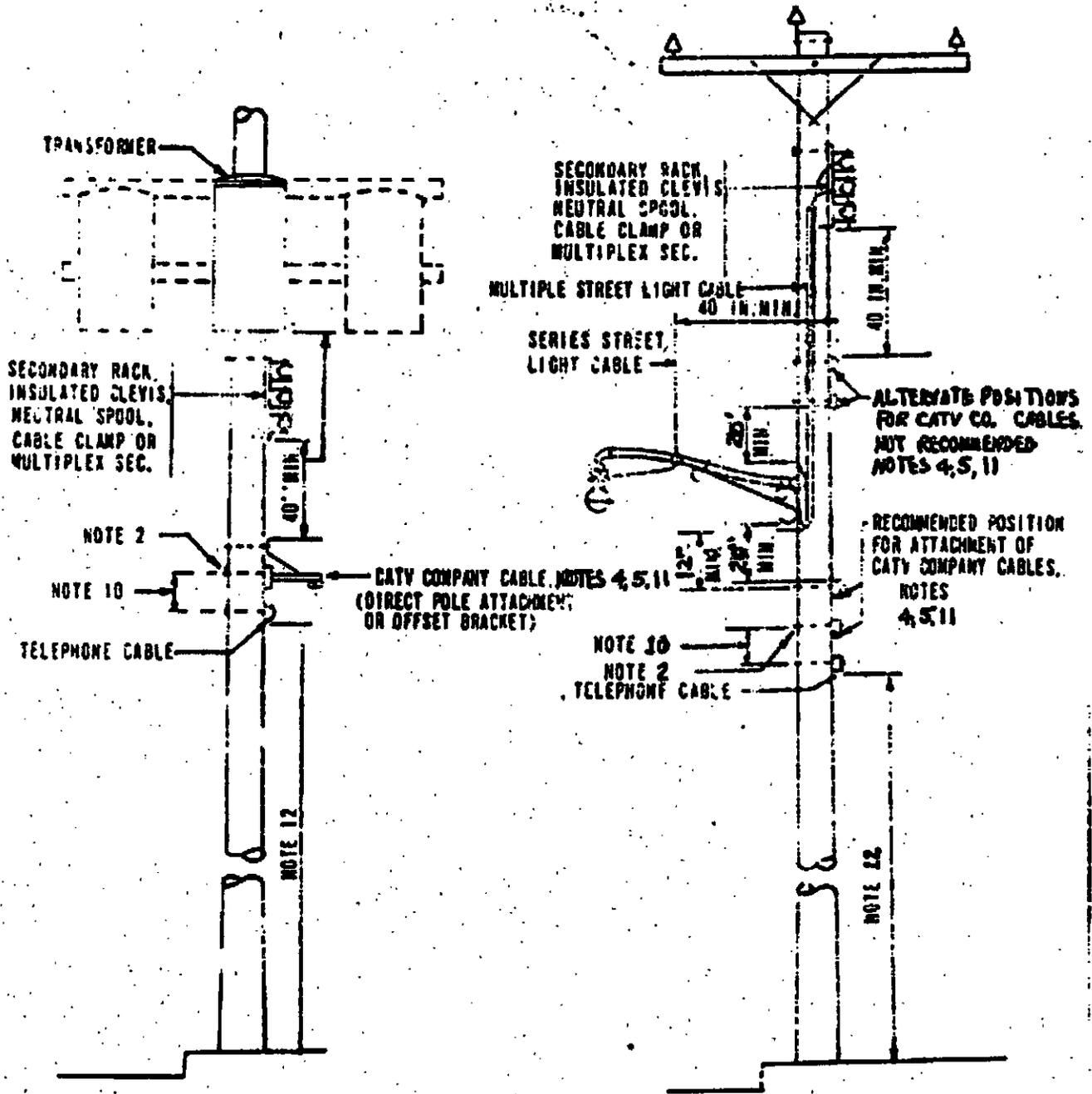


Citizens' Electric Company  
of Lewisburg, Pennsylvania

Drawing No. 1-675

Sheet No. 4 of 5

ATTACHMENT OF CATV COMPANY CABLES



Citizens' Electric Company  
of Lewisburg, Pennsylvania

Drawing No. 1-676

Sheet No. 5 of 5

# **APPENDIX “B”**



Map Location	Equipment	Wire Type	Unit	Year	To Address	Cost Per Unit	Total Installed Cost	Asset	Depreciation	Net Asst Value
N-16		W2TPX	85	2014	284 Old Rte 45 Apt 1	7.00	595.00	3690008	95.2	499.80
N-16		W2TPX	95	2014	292 Old Rte 45	7.00	665.00	3690008	106.4	558.60
N-16		"	"		292 Old Route 45					
N-16		"	"		292 Old Rte 45 Rear					
N-16		W2TPX	109	2008	268 Old Rte 45	5.50	599.50	3690008	239.8	359.70
N-16	TPM15		1	1974		348.24	348.24	3680001	348.24	0.00
N-16	AROH		1	2014		273.22	273.22	3650000	43.72	229.50
N-16	CO1		1	2007		305.29	305.29	3650003	134.33	170.96
N-16	P45/3		1	1975		543.14	543.14	3640050	543.14	0.00
N-16 to N-15		W2ACSR	400	1975		0.35	140.00	3650016	140	0.00
N-15		W2TPX	82	2014	262 Old Rte 45	7.00	574.00	3690008	91.84	482.16
N-15		W2TPX	130	2014	258 Old Rte 45	7.00	910.00	3690008	145.6	764.40
N-15		W2TPX	139	2014	238 Old Rte 45	7.00	973.00	3690008	155.68	817.32
N-15	TPM15		1	1974		348.24	348.24	3680001	348.24	0.00
N-15	AROH		1	2017		290.09	290.09	3650000	11.6	278.49
N-15	CO1		1	2007		305.29	305.29	3650003	134.33	170.96
N-15	P45/3		1	1975		543.14	543.14	3640050	543.14	0.00
N-15 to N-14		W2ACSR	346	1975		0.35	121.10	3650016	121.1	0.00
N-14		W4/OTPXUG	152	2007	E Lbg Pump Station Old Rte 45 Pole N1	7.46	1,133.92	3690015	498.92	635.00
N-14	TPM25		1	2006		1,127.55	1,127.55	3680001	541.22	586.33
N-14	AROH		1	2014		273.22	273.22	3650000	43.72	229.50
N-14	CO1		1	2014		576.79	576.79	3650003	92.29	484.50
N-14	P45/3		1	1975		543.14	543.14	3640050	543.14	0.00
N-14 to N-13 1/2		W2ACSR	250	1989		0.72	180.00	3650016	180	0.00
N-13 1/2		W2TPX	83	2014	204 Old Rte 45	7.00	581.00	3690008	92.96	488.04

Map Location	Equipment	Wire Type	Unit	Year	To Address	Cost Per Unit	Total Installed Cost	Asset	Depreciation	Net Asst Value
N-13 1/2		W2TPX	91	2014	190 Old Rte 45	7.00	637.00	3690008	101.92	535.08
N-13 1/2	P45/3		1	2017		3,007.74	3,007.74	3640050	240.62	2,767.12
N-13 1/2 to N-13		W2ACSR	250	1989		0.72	180.00	3650016	180	0.00
N-13 1/2 to N-13		W2TPX	129	1989		1.84	237.36	3650018	237.36	0.00
N-13		W2TPX	66	1999	168 Old Rte 45	2.52	166.32	3690000	126.4	39.92
N-13	TPM25		1	1978		418.43	418.43	3680001	418.43	0.00
N-13	AROH		1	1998		90.27	90.27	3650000	72.22	18.05
N-13	CO1		1	1998		137.40	137.40	3650002	109.92	27.48
N-13	P45/3		1	1975		543.14	543.14	3640050	543.14	0.00
N-13 to N-12-FR		W2ACSR	216	1975		0.35	75.60	3650016	75.6	0.00
N-12-FR		W2TPX	57	1998	154 Old Rte 45	2.22	126.54	3690000	101.23	25.31
N-12-FR	TPM15		1	1997		667.18	667.18	3680001	560.43	106.75
N-12-FR	AROH		1	2012		252.10	252.10	3650000	60.5	191.60
N-12-FR	CO1		1	1997		129.04	129.04	3650002	108.39	20.65
N-12-FR to N-7		W2ACSR	550	1975		0.35	192.50	3650016	192.5	0.00
N-7		W1/OTPX	81	1985	132 Old Rte 45	2.12	171.72	3690010	171.72	0.00
N-7		W2TPX	75	2000	120 Old Rte 45	3.18	238.50	3690000	171.72	66.78
N-7		"	"	"	118 Old Rte 45					
N-7		W2TPX	110	1975	107 Old Rte 45	1.05	115.50	3690000	115.5	0.00
N-7	TPM15		1	1973		311.15	311.15	3680001	311.15	0.00
N-7	AROH		1	2000		131.36	131.36	3650000	94.58	36.78
N-7	CO1		1	2000		160.94	160.94	3650002	115.88	45.06
N-7	P45/3		1	1975		543.14	543.14	3640050	543.14	0.00
N-7 to N-6 1/2		W2ACSR	270	1998		0.76	205.20	3650016	164.16	41.04
N-6 1/2		W2TPX	90	1998	104 Old Rte 45	2.22	199.80	3690000	159.84	39.96
N-6 1/2	TPM15		1	1987		582.97	582.97	3680001	582.97	0.00
N-6 1/2	AROH		1	2014		273.22	273.22	3650000	43.72	229.50
N-6 1/2	CO1		1	1998		137.40	137.40	3650002	109.92	27.48

Map Location	Equipment	Wire Type	Unit	Year	To Address	Cost Per Unit	Total Installed Cost	Asset	Depreciation	Net Asst Value
N-6 1/2	P40/3		1	1998		743.73	743.73	3640030	594.98	148.75
N-6 1/2 to N-6		W2ACSR	280	1998		0.76	212.80	3650016	170.24	42.56
N-6-1		W1/OTPX	108	1998	90 Old Rte 45	2.22	239.76	3690000	191.81	47.95
N-6-1		W1/OTPX	75	1998	64 Old Rte 45	2.22	166.50	3690000	133.2	33.30
N-6-1	P30/5		1	1976		184.31	184.31	3640010	184.31	0.00
N-6-1 to N-6		W1/OTPX	40	1976		0.94	37.60	3650025	37.6	0.00
N-6-A		W4TPX	5	2014	73 Old Rte 45	10.45	52.25	3690009	8.36	43.89
N-6-A		"	"	"	55 Old Rte 45					
N-6-A		"	"	"	73B Old Rte 45 Barn					
N-6-A		"	"	"	53 Old Rte 45					
N-6-A	P35/3		1	2014		1,119.40	1,119.40	3640020	179.1	940.30
N-6-A to N-6		W4/OTPX	120	2014		10.18	1,221.60	3650031	195.46	1,026.14
N-6		W1/OTPX	85	1998	91 Old Rte 45	2.22	188.70	3690000	150.96	37.74
N-6	TPM50		1	1986		608.28	608.28	3680001	608.28	0.00
N-6	AROH		1	2017		290.09	290.09	3650000	11.6	278.49
N-6	CO1		1	2007		305.29	305.29	3650003	134.33	170.96
N-6	P40/3		1	1974		287.42	287.42	3640030	287.42	0.00
N-6 to N-5-FR		W2ACSR	203	1998		0.76	154.28	3650016	123.42	30.86
N-5-FR		W2TPX	100	2014	46 Old Rte 45	7.00	700.00	3690008	112	588.00
N-5-FR to N-4-FR		W2ACSR	177	1998		0.76	134.52	3650016	107.62	26.90
N-5-FR to N-4-FR		W1/OTPX	95	1998		2.59	246.05	3650025	196.84	49.21
N-4-FR		W1/OTPX	115	1998	45 Old Rte 45	2.22	255.30	3690000	204.24	51.06
N-4-FR	TPM15		1	1998		748.14	748.14	3680001	598.51	149.63
N-4-FR	AROH		1	1998		90.27	90.27	3650000	72.22	18.05

Map Location	Equipment	Wire Type	Unit	Year	To Address	Cost Per Unit	Total Installed Cost	Asset	Depreciation	Net Asst Value
N-4-FR	CO1		1	1998		137.40	137.40	3650002	109.92	27.48
N-4-FR to N-3-FR		W2ACSR	220	1998		0.76	167.20	3650016	133.76	33.44
N-4-FR to N-3-FR		W4/OTPX	120	2017		10.24	1,228.80	3650031	49.15	1,179.65
N-3-FR		W2TPX	56	1998	2832 State Rte 405	2.22	124.32	3690000	99.46	24.86
N-3-FR to N-2-FR		W2ACSR	222	1998		0.76	168.72	3650016	134.98	33.74
N-3-FR to N-2-FR		W1/OTPX	111	2017		8.23	913.53	3650025	36.54	876.99
N-2-FR		W4/OTPXUG	75	2017	2832 State Rte 405	13.78	1,033.50	3690015	41.34	992.16
							42,570.77		19,484.98	23,085.79

# **APPENDIX “C”**

I, ARDEN A. LEYDEN, the duly elected and acting Assistant Secretary of PPL Electric Utilities Corporation (the "Company"), do hereby CERTIFY that the following is a true and correct copy of certain resolutions duly adopted by the Board of Directors of the Company by a Unanimous Written Consent, dated December 19, 2018, and that said resolutions have not been altered, amended or repealed and are in full force and effect:

**RESOLVED**, That, subject to the receipt of all required regulatory approvals, compliance with all applicable laws and regulations, and the preparation and execution of required agreements in such form and containing such terms as are satisfactory to the officers of the Company, the Company is hereby authorized to purchase from Citizens' Electric Company of Lewisburg, Pennsylvania ("Citizens"), for consideration of up to \$20,000, plus all additional fees, costs and expenses associated therewith, all facilities, rights-of-way, easements, agreements, customer lists, and other property relating to Citizens' electric service to approximately thirty-two (32) customers in West Chillisquaque Township, Northumberland County; and further

**RESOLVED**, That the proper officers of the Company are hereby authorized, in the name and on behalf of the Company, to execute and deliver the Asset Purchase Agreement with Citizens (the "Asset Purchase Agreement"), and such related agreements and documents, with such modifications, amendments or alterations as the officers executing the same shall approve as necessary or desirable, such approval to be conclusively established by their execution thereof, and to take all actions necessary in order to enable the Company to fulfill its obligations under the Asset Purchase Agreement; and further

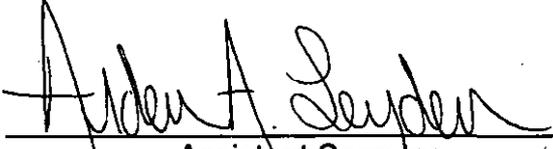
**RESOLVED**, That the proper officers of the Company are hereby authorized and directed, in the name and on behalf of the Company, to prepare, execute and file with appropriate governmental bodies and regulatory agencies (federal, state, local and foreign), and to prepare all such applications, requests for approval, consents, interpretations, or other determinations, notices and other information and documents, and any modifications or supplements thereto,

as may be necessary or convenient in connection with the acquisition of the Citizens' assets together with all agreements and other information and documents required or appropriate, and any publications required, in connection therewith, in each such case in such form as is approved by the proper officers of the Company; and further

RESOLVED, That, without limiting the foregoing, the proper officers of the Company are hereby authorized and directed, in the name and on behalf of the Company, to prepare all documentation, to effect all filings and to obtain all permits, consents, approvals and authorizations of all third parties, regulatory authorities and other governmental authorities necessary to consummate the transactions contemplated by the Asset Purchase Agreement, to execute personally or by attorney-in-fact any such required filings or amendments or supplements to any of the foregoing, and to cause any such required filings and any amendments thereto to become effective or otherwise be approved; and further

RESOLVED, That the proper officers of the Company are hereby authorized and directed to take or cause to be taken all such further actions, to execute and deliver or cause to be executed and delivered all such further agreements, deeds, instruments, documents and certificates in the name and on behalf of the Company and to incur all such fees and expenses as in their judgment shall be necessary or advisable in order to carry out fully the intent and purposes of the foregoing resolutions.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Company this 21<sup>st</sup> day of March, 2019.

  
Assistant Secretary

# **APPENDIX “D”**

**CORPORATE RESOLUTION AUTHORIZING ASSET PURCHASE AGREEMENT**

I HEREBY CERTIFY, that I am the Secretary of the Board of Directors of Citizens' Electric Company of Lewisburg, PA, (the "Corporation") a Corporation organized and existing under the laws of the State of Pennsylvania.

I FURTHER CERTIFY, that a meeting of the Board of Directors of the Corporation was duly called and held in Lewisburg, Pennsylvania on the 14th day of December, 2018, that at said meeting a quorum was present and voting throughout, and that the following resolutions were duly adopted and are in full force and effect:

WHEREAS, as a result of a fire, the Corporation's electric distribution facilities that crossed the Susquehanna River to serve customers in West Chillisquaque Township were destroyed; and

WHEREAS, the Corporation has determined that it is economically unfeasible to rebuild the electric distribution facilities; and

WHEREAS, PPL Electric Utilities Corporation ("PPL") is willing to purchase the Corporation's electric distribution facilities for the purchase price of \$19,239.00.

RESOLVED, the Asset Purchase Agreement, in the form presented to the Directors, is approved, and that any of the officers of the Corporation be, and each of them hereby is, authorized and directed, in the name of and on behalf of this Corporation, to (i) execute and deliver the Asset Purchase Agreement, in the form presented to the Directors or with such changes, additions and modifications thereto as any of the officers of the Corporation executing the same shall approve, such approval to be conclusively evidenced by his/their execution and delivery thereof, and (ii) execute and deliver such additional documents or take such other action as any of the officers deems necessary or appropriate to perform the obligations evidenced thereby and to consummate the transactions contemplated under the Asset Purchase Agreement.

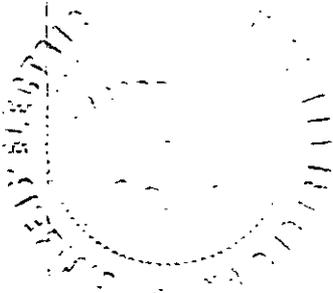
RESOLVED, that the officers of this Corporation be, and each of them hereby is, authorized and directed to do and perform, or cause to be done and performed, all such acts, deeds and things to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, undertakings, documents, instruments or certificates in the name and on behalf of the Corporation or otherwise as each such officer may deem necessary or appropriate to effectuate and consummate the transaction contemplated under the Asset Purchase Agreement.

I FURTHER CERTIFY, that these resolutions are within the power of the Board of Directors to pass as provided for in the Articles of Incorporation and Bylaws of this Corporation, and that the present officers of this Corporation and their respective titles are as follows:

Name	Title
Eric W. Winslow	President & CEO
John A. Kelchner	Chief Operating Officer
Craig A. Bennett	Chairman, Board of Directors
Matthew S. Whiting	Vice Chairman, Board of Directors
Graham C. Showalter	Secretary, Board of Directors
Richard W. Gathman	Member at Large, Board of Directors

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary and affixed the Corporate seal this 14th day of December, 2018.

(Seal)



  
Secretary of the Board of Directors

# APPENDIX “E”

**RATE SCHEDULES FOR  
WEST CHILLISQUAQUE RATE DIVISION**

**(C)**

**APPLICATION OF RATE SCHEDULES**

These Rate Schedules are for customers in West Chillisquaque Township that were previously served by Citizens' Electric and switched to PPL Electric, as approved and subject to the terms and conditions of the Pennsylvania Public Utility Commission's Order entered at Docket No. A-2019-\_\_\_\_\_. These rates will be in place until the effective date of rates established in PPL Electric's next base rate case.

**NET MONTHLY RATE**

	Tariff Schedule		Distribution Pricing		
	Citizens'	PPL Electric's	Customer Charge	Cents per kWh	Dollars per kW
Residential	RS	RS	\$11.24	2.1837	\$0.00
Small General	GLP-1	GS-1	\$14.17	0.9101	\$2.93
Outdoor Lighting	OL	SA	\$8.31	0.0000	\$0.00

**Transmission Service Charge**

The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under these Rate Schedules.

**Generation Supply Charge -1**

The Generation Supply Charge -1 included in this Tariff applies to all KWH billed under these Rate Schedules.

**RIDERS**

The TCJA Rider included in this Tariff applied to these Rate Schedules is listed in the Rider Matrix on Page 14D.

**STATE TAX ADJUSTMENT SURCHARGE**

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under these Rate Schedules.

**PAYMENT**

Payment shall be made based on PPL Electric's corresponding tariff schedule as shown in the above table.

**CONTRACT PERIOD**

Service under this Rate Schedule shall be made based on PPL Electric's corresponding tariff schedule as shown in the above table.

# **APPENDIX “F”**



Over a Century  
of Service

March \_\_, 2019

Name  
Address  
Address

Dear XXXXXXXXXX,

A joint application is being filed with the Pennsylvania Public Utility Commission (PUC) seeking approval to, among other things, transfer 32 current Citizens' Electric Company of Lewisburg, PA (Citizens') customers in West Chillisquaque Township to PPL Electric Utilities Corporation (PPL Electric).

As background, the reason for this proposed transaction dates to March 2012, when a fire occurred on an abandoned railroad bridge spanning the Susquehanna River at Lewisburg. Citizens' power line that served the 32 customers was damaged in the event, causing an outage. Power was restored when Citizens' facilities in West Chillisquaque Township were connected to the nearby PPL Electric grid.

Since that time, PPL Electric has been billing Citizens' for the electricity ultimately provided to Citizens' customers in West Chillisquaque Township. PPL Electric and Citizens' evaluated other potential options to remedy this temporary solution.

Ultimately, PPL Electric and Citizens' decided that the most prudent and cost-effective course of action would be to transfer Citizens' facilities and customer accounts in West Chillisquaque Township to PPL Electric. The proposed transfer will provide the affected customers with a permanent means of receiving reasonable, adequate, safe, and reliable electric distribution service from PPL Electric.

Further, if the PUC approves this transaction, PPL Electric will continue to provide service to the 32 customers at their current distribution rates and charges until revisions are reviewed and approved by the PUC. However, PPL Electric will charge its generation and transmission rates and charges, state tax adjustment surcharge, and Tax Cuts and Jobs Act (TCJA) rider, which may be higher or lower than Citizens' corresponding rates and charges. Further, PPL Electric's service will be subject to the rules and requirements of its current tariff, which may or may not be different than Citizens' tariff.

If you have any additional questions, please feel free to contact Citizens' CEO John Kelchner at 570-522 6141.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Kelchner".

John A. Kelchner  
Citizens' Electric Company of Lewisburg, PA

A handwritten signature in black ink, appearing to read "Gregory N. Dudkin".

Gregory N. Dudkin  
PPL Electric Utilities Corporation

1775 Industrial Blvd., Lewisburg, PA 17837  
570-524-2231 ♦ [www.citizenselectric.com](http://www.citizenselectric.com) ♦ Fax 570-524-5887

*Serving the Wonderful Lewisburg-Buffalo Valley since 1911*

**VERIFICATION**

I, DENIS R. PANCOAST, being a Senior Engineer at PPL Electric Utilities Corporation, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief and that I expect PPL Electric Utilities Corporation to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

Date: 3/20/2019

  
Denis R. Pancoast

RECEIVED  
2019 MAR 22 PM 4: 18  
PA PUC  
SECRETARY'S BUREAU  
FRONT DESK

**VERIFICATION**

I, John Kelchner, President & CEO of Citizens' Electric Company of Lewisburg, PA, hereby state that the facts above set forth in the foregoing documents are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

3/18/2019  
Date

  
Signature

RECEIVED  
2019 MAR 22 PM 4: 18  
PA PUC  
SECRETARY'S BUREAU  
FRONT DESK