



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 #: 140074

July 1, 2019

***VIA ELECTRONIC FILING***

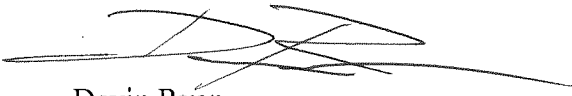
Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Borough of Blakely v. PPL Electric Utilities Corporation**  
**Docket No. C-2019-3010412**

Dear Secretary Chiavetta:

Enclosed please find the Preliminary Objections of PPL Electric Utilities Corporation to the Complaint of the Borough of Blakely for filing in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Devin Ryan

DTR/jl  
Enclosures

cc: Certificate of Service

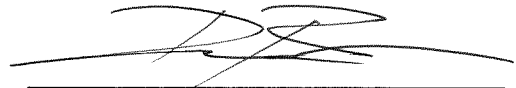
**CERTIFICATE OF SERVICE**

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

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

Edwin A. Abrahamsen, Jr., Esquire  
Abrahamsen Conaboy & Abrahamsen, P.C.  
1006 Pittston Avenue  
Scranton, PA 18505  
E-mail: [cabrahamsen@law-aca.com](mailto:cabrahamsen@law-aca.com)

Date: July 1, 2019



---

Devin Ryan

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Borough of Blakely,	:	
	:	
Complainant,	:	
	:	
v.	:	Docket No. C-2019-3010412
	:	
PPL Electric Utilities Corporation,	:	
	:	
Respondent.	:	

---

**NOTICE TO PLEAD**

---

YOU ARE HEREBY ADVISED THAT, PURSUANT TO 52 PA. CODE § 5.101, YOU MAY ANSWER THE ENCLOSED PRELIMINARY OBJECTIONS WITHIN TEN (10) DAYS OF THE DATE OF SERVICE HEREOF. YOUR ANSWER TO THE PRELIMINARY OBJECTIONS MUST BE FILED WITH THE SECRETARY OF THE PENNSYLVANIA PUBLIC UTILITY COMMISSION, P.O. BOX 3265, HARRISBURG, PA 17105-3265. A COPY SHOULD ALSO BE SERVED ON THE UNDERSIGNED COUNSEL FOR PPL ELECTRIC UTILITIES CORPORATION.



Kimberly A. Klock (ID # 89716)  
Michael J. Shafer (ID # 205681)  
PPL Services Corporation  
Two North Ninth Street  
Allentown, PA 18101  
Phone: 610-774-2599  
Fax: 610-774-4102  
E-mail: [kklock@pplweb.com](mailto:kklock@pplweb.com)  
[mjshafer@pplweb.com](mailto:mjshafer@pplweb.com)

David B. MacGregor (ID # 28804)  
Post & Schell, P.C.  
Four Penn Center  
1600 John F. Kennedy Boulevard  
Philadelphia, PA 19103-2808  
Phone: 215-587-1197  
Fax: 215-320-4879  
E-mail: [dmacgregor@postschell.com](mailto:dmacgregor@postschell.com)

Devin T. Ryan (ID # 316602)  
Post & Schell, P.C.  
17 North Front Street, 12<sup>th</sup> Floor  
Harrisburg, PA 17101-1601  
Phone: 717-731-1970  
Fax: 717-731-1985  
E-mail: [dryan@postschell.com](mailto:dryan@postschell.com)

Date: July 1, 2019

Attorneys for PPL Electric Utilities Corporation

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Borough of Blakely,	:	
	:	
Complainant,	:	
	:	
v.	:	Docket No. C-2019-3010412
	:	
PPL Electric Utilities Corporation,	:	
	:	
Respondent.	:	

---

**PRELIMINARY OBJECTIONS OF  
PPL ELECTRIC UTILITIES CORPORATION TO THE  
COMPLAINT OF THE BOROUGH OF BLAKELY**

---

**TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:**

AND NOW, comes PPL Electric Utilities Corporation (“PPL Electric” or the “Company”) and hereby files these Preliminary Objections, pursuant to the regulations of the Pennsylvania Public Utility Commission (“Commission”) at 52 Pa. Code § 5.101, and respectfully requests that the Commission dismiss the above-captioned Formal Complaint (“Complaint”) filed by the Borough of Blakely (“Borough”) in its entirety and with prejudice.

The instant Complaint alleges that PPL Electric is providing electric service to certain customers in the Borough and requests that the Commission direct the Company to transfer to the Borough those electric service customers and presumably the facilities needed to provide service to those customers. (Complaint ¶¶ 4-5.)

As explained herein, the Commission should summarily dismiss the Complaint because the Borough fails to allege that PPL Electric has violated any provision of the Public Utility Code, a Commission regulation or order, or the Company’s Commission-approved tariff.

Moreover, these customers are within PPL Electric's certificated service territory. Thus, under well-established law, the Borough cannot unilaterally force the Company to abandon this portion of PPL Electric's certificated service territory or to transfer the electric facilities used to provide service to these customers.

In support thereof, PPL Electric states as follows:

**I. BACKGROUND**

1. PPL Electric is a "public utility" and an "electric distribution company" as those terms are defined under the Public Utility Code, 66 Pa. C.S. §§ 102 and 2803, subject to the regulatory jurisdiction of the Commission.

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

3. PPL Electric's certificated service territory encompasses the area in dispute, as evidenced by its Commission-approved tariff. *See* Supplement No. 59, Electric Pa. P.U.C. No. 201, Fourth Revised Page No. 4. A true and correct copy of the relevant pages from PPL Electric's Commission-approved tariff is attached hereto as **Appendix A**.

4. This portion of PPL Electric's service territory was previously served by The Scranton Electric Company ("Scranton Electric"), which was merged into PPL Electric's predecessor, Pennsylvania Power & Light Company ("PP&L"), in 1956.

5. The Commission's Order approving that merger as well as PP&L's right to serve all of the certificated areas previously served by Scranton Electric, was entered on December 19, 1955 at Docket No. A-81836. True and correct copies of the Commission's December 19, 1955

Order and Certificate of Public Convenience approving the merger are attached hereto as **Appendix B.**

6. After the merger, PP&L provided electric service to the customers previously served by Scranton Electric pursuant to Tariff Electric Pa. P.U.C. No. 196, which was the tariff established for PP&L's Scranton rate division. This tariff incorporated all of the same areas Scranton Electric was certificated to serve. As seen in Supplement No. 3 to Electric Pa. P.U.C. No. 196, First Revised Page No. 4, this service territory included the Borough. A true and correct copy of the relevant pages from Tariff Electric Pa. P.U.C. No. 196 is attached hereto as **Appendix C.**

7. The remainder of PP&L's service territory was served pursuant to Tariff Electric Pa. P.U.C. No. 197. As seen therein, the Borough was not listed in the areas served by that tariff. A true and correct copy of the relevant pages from Tariff Electric Pa. P.U.C. No. 197 is attached hereto as **Appendix D.**

8. PP&L thereafter filed Tariff Electric Pa. P.U.C. No. 198, which merged the two tariffs into a single tariff. In that tariff, the Borough was listed in PP&L's certificated service territory. A true and correct copy of the relevant pages from Tariff Electric Pa. P.U.C. No. 198 is attached hereto as **Appendix E.**

9. On June 10, 2019, PPL Electric was served with the above-captioned Complaint, which alleges that PPL Electric is providing electric service to certain customers in the Borough and requests that the Commission direct the Company to transfer to the Borough those electric service customers and presumably the facilities needed to provide service to those customers. (Complaint ¶¶ 4-5.)

10. PPL Electric herein files these Preliminary Objections to the Complaint. For the reasons explained below, PPL Electric respectfully requests that the Commission summarily dismiss the Complaint because the Complaint is legally insufficient.

## II. STANDARD OF REVIEW

11. Pursuant to the Commission's regulations, preliminary objections in response to a pleading may be filed on several grounds, including:

- (1) Lack of Commission jurisdiction or improper service of the pleading initiating the proceeding.
- (2) Failure of a pleading to conform to this chapter or the inclusion of scandalous or impertinent matter.
- (3) Insufficient specificity of a pleading.
- (4) Legal insufficiency of a pleading.
- (5) Lack of capacity to sue, nonjoinder of a necessary party or misjoinder of a cause of action.
- (6) Pendency of a prior proceeding or agreement for alternative dispute resolution.
- (7) Standing of a party to participate in the proceeding.

52 Pa. Code § 5.101(a) (emphasis added).

12. In ruling on preliminary objections, the Presiding Officer must accept as true all well-pled allegations of material facts as well as all inferences reasonably deducible therefrom. *Stilp v. Cmwlth.*, 910 A.2d 775, 781 (Pa. Cmwlth. 2006) (citing *Dep't of Gen. Servs. v. Bd. of Claims*, 881 A.2d 14 (Pa. Cmwlth. 2005)). However, the Presiding Officer need not accept as true conclusions of law, unwarranted inferences from facts, argumentative allegations, or expressions of opinion. *Stanton-Negley Drug Co. v. Dep't of Pub. Welfare*, 927 A.2d 671, 673 (Pa. Cmwlth. 2007). Notwithstanding, any doubt must be resolved in favor of the non-moving party. *Stilp*, at 781.

13. In addition, the Presiding Officer must determine whether, based on the factual pleadings, if recovery is possible. *See Rok v. Flaherty*, 527 A.2d 211, 214 (Pa. Cmwlth. 1987). Indeed, for preliminary objections to be sustained, it must appear with certainty that the law will permit no recovery. *See Stilp*, at 781; *Milliner v. Enck*, 709 A.2d 417, 418 (Pa. Super. 1998).

### III. PRELIMINARY OBJECTIONS

#### A. PRELIMINARY OBJECTION NO. 1 – THE COMPLAINT SHOULD BE DISMISSED BECAUSE THE BOROUGH FAILS TO ALLEGE ANY VIOLATION OF THE PUBLIC UTILITY CODE, A COMMISSION REGULATION OR ORDER, OR THE COMPANY’S COMMISSION-APPROVED TARIFF

14. PPL Electric incorporates by reference Paragraphs 1 through 13 as if fully set forth herein.

15. The Complaint should be dismissed in its entirety because it fails to allege any violation of the Public Utility Code, a Commission regulation or order, or the Company’s Commission-approved tariff. *See* 52 Pa. Code § 5.101(a)(4).

16. The instant Complaint was filed by the Borough pursuant to Section 701 of the Public Utility Code. *See* 66 Pa. C.S. § 701.

17. Under Section 701, a “municipal corporation having an interest in the subject matter . . . may complain in writing, setting forth any act or thing done or omitted to be done by any public utility in violation, or claimed violation, of any law which the commission has jurisdiction to administer, or of any regulation or order of the commission.” *Id.* (emphasis added).

18. Moreover, public utilities must strictly adhere to the language in their tariffs, and Commission-approved tariffs have the force and effect of law. *See PPL Elec.*, 912 A.2d 386, 402 (citing 66 Pa. C.S. § 1303 and *Pa. Elec. Co. v. Pa. PUC*, 663 A.2d 281, 284 (Pa. Cmwlth. 1995)).

19. Consequently, a public utility's tariff is "binding on the customer as well as the utility." *Id.* (citing *Pa. Elec. Co. v. Pa. PUC*, 663 A.2d 281, 284 (Pa. Cmwlth. 1995)).

20. Here, the Complaint fails to allege any violation of the Public Utility Code, a Commission regulation or order, or the Company's Commission-approved tariff.

21. In fact, the Borough never cites any provision of the Public Utility Code, a Commission regulation or order, or the Company's tariff anywhere in its Complaint.

22. The only legal authority cited in the Borough's Complaint is a passing reference to the "Pennsylvania Municipal Code." (Complaint ¶ 4.)

23. The Commission cannot grant relief in this Section 701 complaint proceeding because the Borough has failed to allege a violation of the Public Utility Code, a Commission regulation or order, or the Company's Commission-approved tariff. *See West Penn Power Co. v. Pa. PUC*, 478 A.2d 947, 949 (Pa. Cmwlth. 1984) (holding that the Commission could not grant relief when acting on a customer's complaint because there was no violation of Section 1501 of the Public Utility Code).

WHEREFORE, PPL Electric respectfully requests that the above-captioned Complaint be summarily dismissed pursuant to 52 Pa. Code § 5.101(a)(4).

**B. PRELIMINARY OBJECTION NO. 2 – THE COMPLAINT SHOULD BE DISMISSED BECAUSE THE BOROUGH CANNOT FORCE PPL ELECTRIC TO ABANDON ITS CERTIFICATED SERVICE TERRITORY OR TRANSFER ELECTRIC FACILITIES TO THE BOROUGH**

24. PPL Electric incorporates by reference Paragraphs 1 through 23 as if fully set forth herein.

25. The Complaint should be dismissed in its entirety because the Borough cannot force PPL Electric to abandon a portion of its certificated service territory or transfer electric facilities to the Borough. *See* 52 Pa. Code § 5.101(a)(4).

26. It is well-established that a municipality cannot unilaterally force a public utility to abandon a portion of its certificated service territory or alter a public utility's certificated service territory. *See Borough of Olyphant v. Pa. PUC*, 861 A.2d 377, 386 (Pa. Cmwlth. 2004); *Borough of Grove City v. Pa. PUC*, 505 A.2d 346, 352-53 (Pa. Cmwlth. 1986), *appeal denied*, 528 A.2d 603 (Pa. 1987).

27. Here, as explained previously, the properties in dispute are included within PPL Electric's certificated service territory. *See* Paragraphs 3-8, *supra*.

28. Therefore, unless and until PPL Electric files and the Commission approves an application pursuant to Section 1102(a)(2) of the Public Utility Code, 66 Pa. C.S. § 1102(a)(2), seeking to abandon this portion of its certificated service territory, PPL Electric has the right to serve electric distribution customers in this portion of the Borough.

29. Further, PPL Electric only can transfer the electric facilities to a municipal corporation, such as the Borough, that are needed to provide service to these properties after the Commission approves an application filed by the Company pursuant to Section 1102(a)(3) of the Public Utility Code, 66 Pa. C.S. § 1102(a)(3).

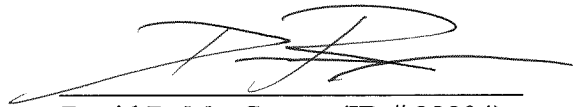
30. Thus, the Borough cannot unilaterally force the Company to either abandon a portion of its certificated service territory or transfer to the Borough the electric facilities that provide electric service to these customers.

WHEREFORE, PPL Electric respectfully requests that the above-captioned Complaint be summarily dismissed pursuant to 52 Pa. Code § 5.101(a)(4).

**IV. CONCLUSION**

WHEREFORE, PPL Electric Utilities Corporation respectfully requests that the above-captioned Formal Complaint filed by the Borough of Blakely at Docket No. C-2019-3010412 be dismissed in its entirety pursuant 52 Pa. Code § 5.101(a)(4).

Respectfully submitted,



Kimberly A. Klock (ID # 89716)  
Michael J. Shafer (ID # 205681)  
PPL Services Corporation  
Two North Ninth Street  
Allentown, PA 18101  
Phone: 610-774-2599  
Fax: 610-774-4102  
E-mail: [kklock@pplweb.com](mailto:kklock@pplweb.com)  
[mjshafer@pplweb.com](mailto:mjshafer@pplweb.com)

David B. MacGregor (ID # 28804)  
Post & Schell, P.C.  
Four Penn Center  
1600 John F. Kennedy Boulevard  
Philadelphia, PA 19103-2808  
Phone: 215-587-1197  
Fax: 215-320-4879  
E-mail: [dmacgregor@postschell.com](mailto:dmacgregor@postschell.com)

Devin T. Ryan (ID # 316602)  
Post & Schell, P.C.  
17 North Front Street, 12<sup>th</sup> Floor  
Harrisburg, PA 17101-1601  
Phone: 717-731-1970  
Fax: 717-731-1985  
E-mail: [dryan@postschell.com](mailto:dryan@postschell.com)

Date: July 1, 2019

Attorneys for PPL Electric Utilities Corporation

## **APPENDIX A**

# **RELEVANT PAGES FROM PPL ELECTRIC'S CURRENT COMMISSION-APPROVED TARIFF ELECTRIC PA. P.U.C. NO. 201**



**PPL Electric Utilities Corporation**

**GENERAL TARIFF**

**RULES AND RATE SCHEDULES  
FOR ELECTRIC SERVICE**

In the territory listed on pages 4, 4A, and 4B  
and in the adjacent territory served.

ISSUED: May 20, 2019

EFFECTIVE: June 1, 2019

**GREGORY N. DUDKIN, PRESIDENT**

Two North Ninth Street  
Allentown, PA 18101-1179

**NOTICE**

THIS TARIFF MAKES CHANGES (C) IN EXISTING RATES. SEE PAGE TWO.

**TERRITORY COVERED BY THIS TARIFF**

**BERKS COUNTY**

(C)

Boroughs of Morgantown, New Morgan, Robesonia, Shillington, Sinking Spring, Wernersville, West Lawn, Womelsdorf, Wyomissing, and Wyomissing Hills.  
Townships of Caernarvon, Cumru, Heidelberg, Lower Heidelberg, South Heidelberg, and Spring.

**BUCKS COUNTY**

Boroughs of Richlandtown, Sellersville, Silverdale, Telford, and Turmbauersville.  
Townships of East Rockhill, Haycock, Hilltown, Milford, Richland, Springfield, and West Rockhill.

**CARBON COUNTY**

Boroughs of Beaver Meadows, Bowmanstown, East Side, Jim Thorpe, Lansford, Nesquehoning, Palmerton, Parryville, Summit Hill, and Weissport.  
Townships of Banks, East Penn, Franklin, Kidder, Lausanne, Lehigh, Lower Towamensing, Mahoning, Packer, Penn Forest, and Towamensing.

**CHESTER COUNTY**

Boroughs of Atglen, Elverson, and Honey Brook.  
Townships of Honey Brook, West Nantmeal, and West Sadsbury.

**CLINTON COUNTY**

City of Lock Haven.  
Boroughs of Avis, Flemington, Loganton, Mill Hall, Renovo, and South Renovo.  
Townships of Allison, Bald Eagle, Castanea, Chapman, Colebrook, Crawford, Dunnstable, Gallagher, Greene, Grugan, Logan, Noyes, Pine Creek, Wayne, and Woodward.

**COLUMBIA COUNTY**

Town of Bloomsburg.  
Boroughs of Ashland, Benton, Berwick, Briar Creek, Centralia, Millville, Orangeville, and Stillwater.  
Townships of Beaver, Benton, Briar Creek, Catawissa, Cleveland, Conyngham, Fishing Creek, Franklin, Greenwood, Hemlock, Jackson, Locust, Madison, Main, Mifflin, Montour, Mount Pleasant, North Centre, Orange, Pine, Roaring Creek, Scott, South Centre, and Sugarloaf.

**CUMBERLAND COUNTY**

Boroughs of Camp Hill, Carlisle, Lemoyne, Mechanicsburg, New Cumberland, Newville, Shiremanstown, West Fairview, and Wormleysburg.  
Townships of Dickinson, East Pennsboro, Hampden, Lower Allen, Middlesex, Monroe, North Middleton, North Newton, Penn, Silver Spring, South Middleton, South Newton, Upper Allen, and West Pennsboro.

**DAUPHIN COUNTY**

City of Harrisburg.  
Boroughs of Berrysburg, Dauphin, Elizabethville, Gratz, Halifax, Highspire, Hummelstown, Lykens, Millersburg, Paxtang, Penbrook, Pillow, Steelton, and Williamstown.  
Townships of Derry, East Hanover, Halifax, Jackson, Jefferson, Lower Paxton, Lower Swatara, Lykens, Middle Paxton, Mifflin, Reed, Rush, South Hanover, Susquehanna, Swatara, Upper Paxton, Washington, Wayne, West Hanover, Wiconisco, and Williams.

**JUNIATA COUNTY**

Boroughs of Mifflin, Mifflintown, Port Royal, and Thompsettown  
Townships of Delaware, Fayette, Fermanagh, Greenwood, Milford, Monroe, Susquehanna, Turbett, and Walker.

**LACKAWANNA COUNTY**

Cities of Carbondale and Scranton.  
Boroughs of Archbald, Blakely (part), Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Moscow, Old Forge, Olyphant (part), Taylor, Throop, and Vandling.  
Townships of Abington, Benton, Carbondale, Clifton, Covington, Elmhurst, Fell, Glenburn, Greenfield, Jefferson, La Plume, Lehigh, Madison, Newton, North Abington, Ransom, Roaring Brook, Scott, South Abington, Spring Brook, and West Abington.

**LANCASTER COUNTY**

City of Lancaster.  
Boroughs of Adamstown, (part), Akron, Christiana, Columbia, Denver, East Petersburg, Elizabethtown, Ephrata (part), Lititz, Manheim, Marietta, Millersville, Mount Joy, Mountville, New Holland, Quarryville, Strasburg, and Terre Hill.  
Townships of Bart, Brecknock, Caernarvon, Clay, Colerain, Conestoga, Conoy, Drumore, Earl, East Cocalico, East Donegal, East Drumore, East Earl, East Hempfield, East Lampeter, Eden, Elizabeth, Ephrata, Fulton, Lancaster, Leacock, Little Britain, Manheim, Manor, Martick, Mount Joy, Paradise, Penn, Pequea, Providence, Rapho, Sadsbury, Salisbury, Strasburg, Upper Leacock, Warwick, West Cocalico, West Donegal, West Earl, West Hempfield, and West Lampeter.

**LEBANON COUNTY**

Borough of Richland.  
Townships of Heidelberg and Millcreek.

**LEHIGH COUNTY**

Cities of Allentown and Bethlehem.  
Boroughs of Alburtis, Catasauqua, Coopersburg, Coplay, Emmaus, Fountain Hill, Macungie, and Slatington.  
Townships of Hanover, Heidelberg, Lower Macungie, Lower Milford, Lowhill, North Whitehall, Salisbury, South Whitehall, Upper Macungie, Upper Milford, Upper Saucon, Washington, and Whitehall.

**LUZERNE COUNTY**

Cities of Hazleton, Pittston, and Wilkes-Barre.  
Boroughs of Ashley, Avoca, Bear Creek Village, Conyngham, Dupont, Duryea, Exeter, Freeland, Hughestown, Jeddo, Laffin, Laurel Run, Nescopeck, Nuangola, Penn Lake Park, West Hazleton, West Pittston, White Haven, and Yatesville.  
Townships of Bear Creek, Black Creek, Buck, Butler, Dennison, Dorrance, Exeter, Fairview, Foster, Hanover, Hazle, Hollenbach, Jenkins, Nescopeck, Pittston, Plains, Rice, Salem, Slocum, Sugarloaf, Wilkes-Barre, and Wright.

## **APPENDIX B**

# **COMMISSION'S ORDER AND CERTIFICATE OF PUBLIC CONVENIENCE APPROVING THE MERGER OF SCRANTON ELECTRIC INTO PP&L**

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application Docket No. 81836

In re: Application of PENNSYLVANIA POWER & LIGHT COMPANY and THE SCRANTON ELECTRIC COMPANY - For approval of the acquisition by the former and the transfer by the latter of all the property and rights of The Scranton Electric Company, including The Scranton Electric Company's ownership of one-half the voting capital stock of West Pittston-Exeter Railroad Company.

ORDER

BY THE COMMISSION, DECEMBER 19, 1955:

The matter before us is the proposed acquisition by Pennsylvania Power & Light Company (P. P. & L.) of all the property and rights of The Scranton Electric Company (SCRANTON), including SCRANTON'S ownership of one-half the voting capital stock of West Pittston-Exeter Railroad Company.

P. P. & L. at October 31, 1954, owned 91% of the outstanding preferred and common stocks of SCRANTON, having acquired such shares on May 20, 1953, with our approval at A. 79796, as a preliminary step in the integration of the properties and operations of SCRANTON into the system of P. P. & L. In said Order of May 20, 1953, we found, inter alia, "that said integration, if effected under proper terms and conditions, to be determined upon consideration of an application to be hereafter filed with us by said companies for approval of their consolidation, is necessary or proper for the service, accommodation, convenience, or safety of the public . . ."

Although approval by us of the acquisition by P. P. & L. of said capital stocks of SCRANTON was given on May 20, 1953, the filing by P. P. & L. and SCRANTON of an application for approval of their consolidation was deferred until January 14, 1955, pending our deci-

RECORD  
FOLDER

DOCKETED  
APPLICATION DOCKET  
JAN 4 1956  
ENTRY No.

sion on complaints brought by us and by others (at C. 16093, C. 16065 and C. 16069) against SCRANTON concerning its proposed increased rates. The rate proceedings against SCRANTON were finally disposed of by us by Order entered December 6, 1954, and since no appeal from that Order has been taken, we may proceed to act upon the instant merger application.

Hearings on the application were held on February 23, 1955, and March 17 and 18, 1955, at which the City of Scranton participated and appearances were noted for the School District of the City of Scranton and the City of Pittston. Testimony has been concluded, briefs have been filed by applicants and by the City of Scranton, and the case is now ready for disposition.

All the properties, rights, franchises and other assets of SCRANTON would be transferred to P. P. & L. pursuant to the terms of a joint agreement of merger dated October 26, 1954, between P. P. & L. and SCRANTON, which provides, among other things, that P. P. & L. would be the surviving corporation. The proposed consolidation and merger would be effected under the provisions of the Act of May 3, 1909, P. L. 408, as amended, 15 P.S. 431.

The Supreme Court of Pennsylvania in Northern Pennsylvania Power Company et al., Appellants, v. Pennsylvania Public Utility Commission, 333 Pa. 265, 266, 267, 269, 270 and 271 (1939) said, as follows:

"The Pennsylvania Public Utility Commission refused to allow the Northern Pennsylvania Power Company to sell its franchises and all the property owned by it to Metropolitan Edison Company and thereby to bring about a merger of the former with the latter. The Superior Court approved the action of the Commission (132 Pa. Superior Ct. 178) and from its order we allowed the two companies to appeal." (p. 266)

"The free alienation of property is an inherent right of the owner under our customs, laws and constitutions. Sub-

ject only to restraint if against the public interest. Therefore, the Northern Company has the right to sell its property, unless it is established, by competent evidence, that the sale will adversely affect the public in some substantial way. As we view the record before us, no such evidence was produced. The Public Utility Commission is not a super board of directors for the public utility companies of the State and it has no right of management of them. Its sole power is to see that in the matter of rates, service, and facilities, their treatment of the public is fair." (p. 267, 268)

"... The approach of the Commission to the approval or disapproval of the merger is erroneous in principle, because the question of merger is one of internal management, unless evidence heard by the Commission discloses that the merger would adversely affect the public." (p. 269)

"... It is said by the Commission that there is a disparity in the territory served by the two companies, that the territories do not adjoin and that one is more thickly populated than the other and as a result they should not now be served upon a single rate system. Whether they shall or shall not be after the merger is for the determination of the Commission, which has the power to see that just and reasonable rates are fixed. . . . There is no intention to increase the rates and the rate-payers in this respect will be in the same position that they now are. Whether the two companies merge into one or function separately, the policies pursued in the matter of rates and service and accounting would still be subject to the regulation of the Commission. If it should be properly and justly determined that separate rates in the territories now served by the two companies should be established, separate rates could be." (p. 270, 271)

"Supporting the wisdom of the merger, it was shown by uncontradicted evidence that, after the consolidation, the Metropolitan Company, because of its greater financial strength, will be able to refund the Northern Company's existing funded debt at a saving of more than \$800,000 over the remaining life of the outstanding Northern Company's bonds, that after the merger, the Metropolitan Company will be able to finance future additions and betterments to what is now the Northern Company's property at less cost than the Northern Company alone could, and that the expenditures to be made by the Northern Company for future additions, betterments and improvements to its property will be large, that numerous economies and savings, based upon the elimination of duplications in accounting records, reports, tax returns, auditing expenses and in other respects, will result from the merger, and, generally, that the merger will strengthen the ability of the Northern Company to fulfill its obligations to the public and to its customers, by placing its territory and business in the hands of a much stronger company, and ultimately will result in savings in operating expenses and in the simplification of rate structures, with the likelihood of lower rates. . . . There is no sound reason for keeping the two companies apart." (p. 271)

Therefore, we shall approve the consolidation of P. P. & L. and SCRANTON unless it appears from competent evidence that the consolidation would "adversely affect the public in some substantial way."

SCRANTON furnishes electric service to 94,579 consumers in all or part of five counties in the northeastern part of central Pennsylvania. Steam heating service is also supplied in the City of Scranton.

P. P. & L. furnishes electric service to 573,982 consumers in twenty-eight counties in central-eastern Pennsylvania. Steam heating service is also supplied in the City of Harrisburg.

The service territories of P. P. & L. and SCRANTON are adjacent and border one another over a distance of 97 miles, being more than half of the 157-mile perimeter of the SCRANTON territory. The facilities of P. P. & L. and SCRANTON are interconnected by means of 66-kv transmission lines, and the generating stations of both companies are operated on a co-ordinated basis as a part of a large power pool which serves New Jersey, Delaware, about two-thirds of Pennsylvania, and the Baltimore-Washington area. From an operational standpoint, the properties of P. P. & L. and SCRANTON are fully integrated. The Stanton Steam Electric Station, for example, which is used as a base-load plant by both P. P. & L. and SCRANTON, consists of two adjoining units, one owned by SCRANTON, the other by P. P. & L., and each operated co-ordinately with the other.

Corporate merger of SCRANTON into P. P. & L., applicants aver "will be in the public interest" for the following reasons (condensed and paraphrased by us):

1. Consummation of the proposed merger should make it possible, over a period of time, to effect substantial savings in both capital costs and operating

expenses in the following respects:

(a) Savings in Capital Costs

Development of generating capacity to provide for SCRANTON'S requirements and normal reserves as an independent public utility would involve installation of smaller generating units, the operating and investment costs of which would be substantially greater than the costs of P. P. & L.'S providing the necessary capacity by constructing one large size generating unit, or incrementally adding to the large units which have been planned for the needs of P. P. & L. alone.

(b) Savings in Operating Expenses

The proposed merger should make it possible to bring about substantial savings in payroll expense in such areas as accounting, billing, purchasing, engineering, statistics and plant records, and other phases of the businesses of P. P. & L. and SCRANTON. Also, insofar as the merger makes it possible in the future to build and utilize generating units of increased size, a lesser number of generating units will be required and there will be a related savings in operating and maintenance expense.

2. Other advantages and benefits include the availability and use of P. P. & L.'S engineers, who "will be able to conduct certain studies and perform certain duties that SCRANTON has heretofore found it necessary to hire outside firms to do," and the availability and use of specialists "whose job is to promote and attract new industry to its service territory," and who "should be of material assistance in bringing into the Scranton area new industries which will greatly benefit the economy of that area."

With respect to service to SCRANTON'S customers after the proposed merger, applicants represent that "SCRANTON'S standards of service will be maintained or improved, and that P. P. & L. plans to place in service, in or about 1956, new transmission facilities which will materially strengthen the present interconnections between the territories now served by the two companies."

With respect to rates for service to SCRANTON'S customers after the proposed merger, applicants represent that "At the present time, the SCRANTON rates are generally somewhat lower than P. P. & L.'S

rates for comparable service; P. P. & L. has no plans for making any change in the SCRANTON rates as a result of the proposed merger; after the merger the present service territory of SCRANTON will be constituted as a separate division of P. P. & L. for rate purposes; and P. P. & L. will maintain or establish adequate records so as to show the quantities and cost of properties used and useful in furnishing service to consumers in such SCRANTON division and also the revenues derived from and the direct expenses incurred in furnishing such service."

In support and enlargement of their averments that the merger would be in the public interest, applicants produced testimony of A.D. Root, vice-president in charge of finance and a director of P. P. & L., and Ralph C. Swartz, vice-president in charge of P. P. & L.'S field operations, field offices, rate contract department, general sales department, and advertising and publicity department in the general office.

Applicants' witnesses testified that consolidation would result in savings in operating and maintenance expenses, in future capital costs, and in financing costs.

Among the ways in which savings in operating and maintenance expenses could be effected, according to witness Root, would be the consolidation and simplification of functions in such areas as accounting, billing, purchasing, engineering, statistics and plant records, and other phases of the businesses of P. P. & L. and SCRANTON, and the construction and utilization of generating units of increased size, thereby lessening the number of generating units required, which would result in related savings in operation and maintenance expenses. P. P. & L. has made studies which indicate "that within 5 to 7 years after the merger such savings may amount to as much as \$600,000 a year." For the most part, such savings "are savings in payroll expense through the consolidation and simplification of functions and subsequent reduction

of number of employees required."

The realization of such savings, the same witness testified, "does not necessarily indicate that there will be a corresponding reduction in operating expense because during the period there may be offsetting, or more than offsetting, increases in expenses if the inflationary trend should continue."

Root also testified that "development of generating capacity to provide for SCRANTON'S anticipated requirements and normal reserves as an independent public utility would involve installation of smaller generating units, the operating and investment costs of which would be substantially greater than the costs of P. P. & L. providing the necessary capacity by constructing one large size generating unit or incrementally adding to the large units which have been planned for the needs of P. P. & L. alone." A study, Root said, shows that on the basis of the merger, for the period inclusive of the year 1959, "the overall investment in generating capacity would be reduced by some \$4 million."

The witness stated further that future financing, which undoubtedly will be required to provide new facilities to serve the SCRANTON area, can be carried out at a lesser cost by the larger merged company than by SCRANTON alone if it continued as an independent company.

He also stated that studies made by P. P. & L. indicate that substantial savings can be made through the elimination of the services of outside consultants employed by SCRANTON in such areas as consulting engineers, independent certified public accountants, consulting industrial engineers, service consultants, etc. Those services would be taken care of by the merged organization. Other savings could be made, he said, through integration of SCRANTON'S insurance set-up into P. P. & L.'S insurance program.

Root, to show other advantages and benefits to result from the proposed merger, testified that P. P. & L. has a well-rounded Area Development Department which is continually engaged in nationally-recognized programs of effective assistance to local civic and community organizations, Chambers of Commerce, Department of Commerce of the Commonwealth of Pennsylvania, and others, in soliciting, encouraging, and bringing in new industries to its service area, thus increasing payrolls and revenues in such area. The services of P. P. & L.'S Area Development Department "would be made fully available to the SCRANTON area, and should accelerate the movement toward diversification of industry in the SCRANTON area."

As has been said earlier herein, the SCRANTON rates are generally somewhat lower than P. P. & L.'S rates for comparable service. In that respect Root testified that the differential is 8% lower for residential rates, 14% lower for industrial rates, and 18% lower for commercial rates, and that "the over-all differential is 12%; that is, the SCRANTON rates over-all are 12% lower than P. P. & L. rates." Root further testified that the differential between P. P. & L.'S and SCRANTON'S rates has narrowed materially between 1938 and 1954, and that the differential "might very well be eliminated entirely if SCRANTON were to continue as an independent company." That is because, in the opinion of Root, the population of the Scranton area is decreasing and that of the P. P. & L. area is increasing, the population of the SCRANTON area having decreased about 16% from 1938 to 1954, while the population of P. P. & L.'S area has increased 8%.

The testimony of witness Swartz is largely corroborative of that of Root with respect to rate differentials between P. P. & L. and SCRANTON, and as to the advantages and benefits which would accrue to the SCRANTON territory through P. P. & L.'S Area Development program.

The City of Scranton offered no direct testimony, having confined itself to cross-examination of applicants' witnesses in an endeavor to show that the savings in capital costs and operating expenses and other advantages and benefits, which would follow a consolidation of the two companies, would be of little consequence.

Its principal contention is that on the basis of the holding in the case of Harrisburg Steel Corp. v. Pa. P.U.C., 176 Pa. Superior Ct. 550 (1954), the rates of P. P. & L. must be uniform and that the prevailing lower rates in the SCRANTON territory could not be continued as is contemplated. In the Harrisburg Steel case the Court applied Section 304 of the Public Utility Law, which provides as follows:

"No public utility shall, as to rates, make or grant any unreasonable preference or advantage, to any person, corporation, or municipal corporation, or subject any person, corporation, or municipal corporation to any unreasonable prejudice or disadvantage"; and said that "The conditions which justified the B rates in the past no longer exist." It therefore followed that continuation of the lower B rates constituted an "unreasonable preference or advantage" as referred to in Section 304.

However, on the record now before us, we cannot anticipate that the conditions which justified or made possible the lower rates at which SCRANTON has served its territory and which P. P. & L. contemplates retaining, will change so radically in the near future that application of the over-all P. P. & L. rates to the SCRANTON territory would be in order. The Harrisburg Steel case is not authority for the proposition that a preferential rate is of itself an unlawful rate. In that part of his opinion which concurred with the majority opinion in the Harrisburg Steel case, Judge Gunther stated, "The reasonableness of classification and the different rates applicable are administrative questions . . . . A preferential rate must be unreasonable before

it can be held discriminatory." Unless or until there is a determination that the SCRANTON rates are unreasonably preferential, P. P. & L. may, as was pointed out in the Northern Pennsylvania Power Company decision, supra, continue those rates.

From what has been said thus far, we cannot find that the consolidation would adversely affect the public interest.

We now proceed to consideration of the terms and conditions of consolidation, with a view to determining whether any of them would adversely affect the public interest in some substantial way.

The principal properties and assets of SCRANTON to be transferred to P. P. & L., other than current, accrued, and prepaid assets, consist briefly of the following:

Three steam electric generating stations having name-plate ratings aggregating 182,700 kw and total sustained effective capability of 165,000 kw. (One of the stations is the SCRANTON-owned component of the Stanton Steam Electric Station, used as a base-load plant by both SCRANTON and P. P. & L.)

1,511 miles of transmission and distribution lines, and 90 substations.

A main office building in the City of Scranton, and other buildings in the SCRANTON territory used for district offices, service depots, storerooms, and for other purposes.

50% of the voting capital stock of West Pittston-Exeter Railroad Company, representing 500 shares of common stock, par value \$50 per share, aggregate par value \$25,000. (The other 50% of such voting stock is owned by P. P. & L.) The railroad company is a short-line carrier whose principal function is to transport coal to the Stanton station.

The consideration to be paid by P. P. & L. for all the properties and assets of SCRANTON would be as follows:

- (1) The assumption of all the debts and liabilities of SCRANTON, including:
  - (a) All the outstanding long-term debt of SCRANTON (the principal amount outstanding at October 31, 1954, was \$18,500,000).

- (b) All the outstanding short-term debt of SCRANTON (the principal amount outstanding at October 31, 1954, was \$1,000,000).
- (2) Cancellation at the effective date of the merger of all the shares of SCRANTON stock then owned by P. P. & L.
- (3) Issuance of securities of P. P. & L. on the basis set forth below in exchange for all the outstanding shares of SCRANTON stocks not owned by P. P. & L. at the effective date of the merger:
  - (a) One-half share of P. P. & L. Common Stock for each share of SCRANTON Common Stock (subject, however, to the proviso that only full shares of P. P. & L. Common Stock will be issued, and that in lieu of any fraction of a share of such stock a cash payment will be made.)
  - (b) One share of P. P. & L. 4.40% Series Preferred Stock for each share of SCRANTON 4.40% Cumulative Preferred Stock.
  - (c) One share of P. P. & L. 3.35% Series Preferred Stock for each share of SCRANTON 3.35% Cumulative Preferred Stock.

On the bases proposed, P. P. & L. would acquire property and assets of SCRANTON having a book value at October 31, 1954, of \$42,903,658.55, as shown in the following Table A, and the acquisition cost to P. P. & L. (Table B below) would be a like amount because the 643,362 shares of common stock of P. P. & L. issued and to be issued in connection with the acquisition of control of SCRANTON have been assigned a stated value equal to the book value of the common stock of SCRANTON on October 31, 1954, which was \$12,132,940.44.

## TABLE A

ASSETS OF SCRANTON PROPOSED TO BE ACQUIRED BY P. P. & L.

Utility plant in service--Electric (original cost)	\$51,245,378.47
Utility plant in service--Steam heat (original cost)	<u>1,584,164.21</u>
Utility plant in service	52,829,542.68
Less reserve for depreciation	<u>17,771,371.26</u>
Net utility plant	35,058,171.42
Other physical property	507.23
Investments in associated companies (West Pittston- Exeter Railroad Company)	285,221.83
Other investments	40,907.50
Cash	1,577,852.36
Special deposits	115,375.00
Working funds	11,000.00
Notes Receivable	19,243.98
Accounts receivable:	
Customer	1,030,105.69
Other	45,832.00
Interest, dividends, and rents receivable	5,881.18
Materials and supplies	4,276,643.75
Prepayments	130,409.34
Other current and accrued assets	1,628.95
Unamortized debt discount and expense	77,050.20
Preliminary survey and investigation charges	164.54
Clearing accounts	16,146.27
Retirement work in progress	136,021.76
Other work in progress	12,619.25
Other deferred debits	<u>62,876.30</u>
TOTAL ASSETS TO BE ACQUIRED	<u>\$42,903,658.55</u>

TABLE B

COST TO P. P. & L. OF ACQUIRING THE ASSETS OF SCRANTON

P. P. & L.'S investment in and claims against SCRANTON:	
Stated value of common stock and par value of preferred stocks of P. P. & L. issued or to be issued in exchange for SCRANTON'S common and preferred stocks	19,209,040.44
Undistributed earnings of SCRANTON accruing to shares of common stock of SCRANTON owned by P. P. & L. for period July 15, 1953 to October 31, 1954	682,978.40
Accounts receivable by P. P. & L. from SCRANTON	<u>806,529.46</u>
Total P. P. & L. investment in and claims against SCRANTON	20,788,548.30
Liabilities of SCRANTON (other than to P. P. & L.) to be assumed by P. P. & L.:	
First mortgage bonds	18,500,000.00
Notes payable	1,000,000.00
Accounts payable	377,959.89
Customers' deposits	271,859.31
Taxes accrued	1,548,372.91
Interest accrued	203,838.21
Other current and accrued liabilities	43,529.70
Unamortized premium on debt	23,377.35
Other deferred credits	51,679.06
Reserve for uncollectible accounts	75,159.42
Other reserves	<u>19,334.40</u>
Total liabilities to be assumed by P. P. & L.	<u>22,115,110.25</u>
TOTAL COST TO P. P. & L. OF ACQUIRING THE ASSETS OF SCRANTON	<u>42,903,658.55</u>

The figures in the foregoing two tables require some explanation.

The utility plant of SCRANTON, at October 31, 1954, is shown in Table A at original cost, SCRANTON'S basic original-cost studies having been reviewed and approved by us on July 24, 1944, at E.O.C. 43. SCRANTON'S reserve for depreciation (\$17,771,371.26), shown as a deduction from utility plant, is stated at the book amount at October 31, 1954, after adjustment to reflect a transfer of \$2,844,796 thereof to earned surplus which was made with our approval on March 2, 1953. The adjusted reserve for depreciation, representing approximately 33.6% of utility plant, appears to be at least adequate.

The amount \$19,209,040.44 (Table B) shown as part of the cost to P. P. & L. of acquiring the assets of SCRANTON represents the par value and the stated value of P. P. & L. securities issued or to be issued in payment for the SCRANTON stocks, as follows:

NUMBER OF SHARES AND CLASSES OF P.P.&L. CAPITAL STOCKS	PAR VALUE OR STATED VALUE
45,835 shares of 3.35% Series Preferred Stock, par value \$100 per share, aggregate par value --	\$ 4,583,500.00
21,752 shares of 4.40% Series Preferred Stock, par value \$100 per share, aggregate par value --	2,175,200.00
3,174 shares of 4 1/2% Preferred Stock, par value \$100 per share, aggregate par value --	317,400.00
643,362 shares of common stock, no par value, aggregate proposed stated value (being the book value as of October 31, 1954, of the common stock of SCRANTON)--	<u>12,132,940.44</u>
	<u>\$19,209,040.44</u>

The 643,362 shares of common stock of P. P. & L., issued or to be issued in connection with the acquisition of control of SCRANTON, it will be noted, would be assigned a stated value as of October 31, 1954, of \$12,132,940.44, which was the book value of the common stock of SCRANTON as of that date. The market value of said 643,362 shares on October 29, 1954, was \$26,940,785.75, based on the low and the high sale price of 41-7/8 per share on the New York Stock Exchange.

#### SUMMARY

Consolidation of P. P. & L. and SCRANTON would result, over a period of time, in savings in operating expense estimated at approximately \$600,000, annually, and in an overall saving in investment costs of approximately \$4,000,000. It would, furthermore, effect other savings, not expressed in dollars, by the elimination of duplicate services in the fields of operation and management.

P. P. & L., after absorbing SCRANTON by merger, would be in a better position than SCRANTON to finance such additions and betterments to properties in the SCRANTON area as may be required in the future.

The terms and conditions of consolidation appear to be fair and reasonable.

The consolidation would not complicate the rate structure in SCRANTON'S present territory, since P. P. & L. intends to establish a separate SCRANTON division for rate purposes and to maintain or establish adequate records so as to show the quantities and cost of properties used and useful in furnishing service to consumers in such SCRANTON division, and also the revenues derived from and the direct expenses incurred in furnishing such service.

The matters and things involved in the application before us having been duly submitted and heard, and full consideration having

been given thereto, we find and determine that acquisition by Pennsylvania Power & Light Company, and the transfer by The Scranton Electric Company, of all the property and rights of The Scranton Electric Company, including The Scranton Electric Company's ownership of one-half the voting capital stock of West Pittston-Exeter Railroad Company, is necessary or proper for the service, accommodation, convenience, or safety of the public, and that a certificate of public convenience evidencing approval thereof should issue, subject to appropriate conditions: THEREFORE,

IT IS ORDERED:

1. That the acquisition by Pennsylvania Power & Light Company, and the transfer by The Scranton Electric Company, of all the property and rights of The Scranton Electric Company, including The Scranton Electric Company's ownership of one-half the voting capital stock of West Pittston-Exeter Railroad Company, be and is hereby approved, and that a certificate of public convenience issue evidencing approval.

2. That the approval hereby given be and is hereby subject to the condition that it is not to be construed as committing us, in any proceedings before us or which may be brought before us for any purpose, to fix a value for the properties of The Scranton Electric Company equal to the consideration to be paid therefor by Pennsylvania Power & Light Company, or equal to any value which may be placed thereon by Pennsylvania Power & Light Company, or to prescribe or approve rates for service which will yield a return on said consideration or on any said value; or as committing us to fix a value for the common stock of West Pittston-Exeter Railroad Company to be acquired by Pennsylvania Power & Light Company from The Scranton Electric Company equal to the consideration to be paid therefor by Pennsylvania Power & Light Company, or equal to any value that may be placed thereon by Pennsylvania Power & Light Company, or to prescribe rates for service which will yield a return on said consideration or on any said value.

3. That the records of Pennsylvania Power & Light Company shall be so maintained as to show the quantities and cost of properties used or useful in furnishing service to the public in the present service territory of The Scranton Electric Company, and the revenues derived from and the direct expenses incurred in furnishing that service.

4. That jurisdiction be and is hereby retained in the matter of the accounting by Pennsylvania Power & Light Company to record acquisition of the physical properties, rights, and other assets of The Scranton Electric Company.

5. That Pennsylvania Power & Light Company notify us, within 60 days after consummation of the transactions involved at A.81836, of the date on which said transactions were consummated.

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Chairman

ATTEST:

Secretary

UCSO-55

PREPARED BY: P. W. W.  
#FENGG: EP  
FORM CHECK: ✓  
RECORD CHECK: \_\_\_\_\_  
EXAMINED AND APPROVED: \_\_\_\_\_

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION

a. 81038

IN THE MATTER OF THE APPLICATION OF  
PENNSYLVANIA POWER & LIGHT COMPANY and  
THE SCRANTON ELECTRIC COMPANY, under  
Sections 905(a) and (f), Article II, of  
the Public Utility Law, for approval of  
the acquisition by the former and the  
transfer by the latter of all the property  
and rights of The Scranton Electric Company,  
including the Scranton Electric Company's  
ownership of one-half the voting capital  
stock of West Pittston-Exeter Railroad  
Company.

CERTIFICATE  
OF  
PUBLIC CONVENIENCE

The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing had on the above entitled application, it has, by its report and order made and entered, a copy of which is attached hereto and made a part hereof, found and determined that the granting of said application is necessary or proper for the service, accommodation, convenience and safety of the public, and this certificate is issued evidencing its approval of the said application as set forth in said report and order.

In Testimony Whereof, The PENNSYLVANIA PUBLIC UTILITY COMMISSION has caused these presents to be signed and sealed, and duly attested by its Secretary at its office in the city of Harrisburg this 16th day of December, 1955.

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION

Attest:

*Leon Schwartz*  
Chairman

*William R. Koser*  
Secretary

RECORD  
FOLDER

DOCKETED  
APPLICATION DOCKET  
JAN 4 1956  
ENTRY No. *111*

## **APPENDIX C**

### **RELEVANT PAGES FROM PP&L'S SCRANTON DIVISION TARIFF ELECTRIC PA. P.U.C. NO. 196**

HISTORY

**ELECTRIC TARIFF No. 196**

Superseded and Cancelled  
by General Tariff No. 198

# **PENNSYLVANIA POWER & LIGHT COMPANY**

**RULES AND RATE SCHEDULES**

**FOR ELECTRIC SERVICE**

---

---

**TERRITORY COVERED BY THIS TARIFF**

---

**LACKAWANNA COUNTY**

Cities of Carbondale and Scranton.

Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, (C) Mayfield, Moosic, Moscow, Old Forge, Olyphant (part), Taylor, Throop and Vandling.

Townships of Abington, Benton, Carbondale, Covington, Elmhurst, Fell, Glenburn, Greenfield, La Plume, Newton, North Abington, Ransom, Roaring Brook, Scott, South Abington and West Abington.

**LUZERNE COUNTY**

City of Pittston.

Boroughs of Avoca, Dupont, Duryea, Exeter, Hughestown, Laffin, West Pittston and Yatesville.

Townships of Exeter, Jenkins and Pittston.

**SUSQUEHANNA COUNTY**

Borough of Forest City.

Township of Clifford.

**WAYNE COUNTY**

Borough of Waymart.

Townships of Canaan and Clinton.

**WYOMING COUNTY**

Borough of Factoryville.

Townships of Clinton and Overfield.

(C) Indicates Change.

---

---

ISSUED BY JACK K. BUSBY, PRESIDENT

## **APPENDIX D**

### **RELEVANT PAGES FROM PP&L'S TARIFF ELECTRIC PA. P.U.C. NO. 197**

# PENNSYLVANIA POWER & LIGHT COMPANY

## GENERAL TARIFF

### RULES AND RATE SCHEDULES FOR ELECTRIC SERVICE

In the territory listed on pages 4 and 4A  
and in adjacent territory served.

ISSUED NOVEMBER 25, 1964

EFFECTIVE ON ALL BILLS RENDERED  
ON AND AFTER FEBRUARY 1, 1965

Issued by  
JACK K. BUSBY, PRESIDENT  
901 Hamilton Street  
Allentown, Pa.

# NOTICE

THIS TARIFF MAKES { CHANGES }  
{ DECREASES } IN EXISTING RATES. SEE PAGE TWO

TERRITORY COVERED BY THIS TARIFF

**BERKS COUNTY**

Boroughs of Robesonia, Shillington, Sinking Spring, Wernersville, West Lawn, Womelsdorf, Wyomissing and Wyomissing Hills.

Townships of Caernarvon, Cumru, Heidelberg, Lower Heidelberg, South Heidelberg and Spring.

**BUCKS COUNTY**

Boroughs of Richlandtown, Sellersville, Silverdale, Telford and Trumbauersville.

Townships of East Rockhill, Haycock, Hilltown, Milford, Richland, Springfield and West Rockhill.

**CARBON COUNTY**

(C)

Boroughs of Beaver Meadows, Bowmanstown, East Side, Jim Thorpe, Lansford, Nesquehoning, Palmerton, Parryville, Summit Hill and Weissport.

Townships of Banks, East Penn, Franklin, Kidder, Lausanne, Lehigh, Lower Towamensing, Mahoning, Packer, Penn Forest and Towamensing.

**CHESTER COUNTY**

Boroughs of Atglen, Elverson and Honeybrook.

Townships of Honeybrook, West Nantmeal and West Sadsbury.

**CLINTON COUNTY**

City of Lock Haven.

Boroughs of Avis, Flemington, Loganton, Mill Hall, Renovo and South Renovo.

Townships of Allison, Bald Eagle, Castanea, Chapman, Colebrook, Crawford, Dunstable, Gallagher, Greene, Grugan, Logan, Noyes, Pine Creek, Wayne and Woodward.

**COLUMBIA COUNTY**

Town of Bloomsburg.

Boroughs of Benton, Berwick, Briar Creek, Centralia, Millville, Orangeville and Stillwater.

Townships of Beaver, Benton, Briar Creek, Catawissa, Cleveland, Conyngham, Fishing Creek, Franklin, Greenwood, Hemlock, Jackson, Locust, Madison, Main, Mifflin, Montour, Mount Pleasant, North Centre, Orange, Pine, Roaring Creek, Scott, South Centre and Sugarloaf.

**CUMBERLAND COUNTY**

Boroughs of Camp Hill, Carlisle, Lemoyne, Mechanicsburg, New Cumberland, Newville, Shiremanstown, West Fairview and Wormleysburg.

Townships of Dickinson (part), East Pennsboro, Hampden, Lower Allen, Middlesex, Monroe, North Middleton, North Newton, Penn, Silver Spring, South Middleton (part), South Newton, Upper Allen and West Pennsboro.

**DAUPHIN COUNTY**

City of Harrisburg.

Boroughs of Berrysburg, Dauphin, Elizabethville, Gratz, Halifax, Highspire, Hummelstown, Lykens, Millersburg, Paxtang, Penbrook, Steelton, Uniontown and Williamstown.

Townships of Derry (part), Halifax, Jackson, Jefferson, Lower Paxton, Lower Swatara, Lykens, Middle Paxton, Mifflin, Reed, Rush, South Hanover (part), Susquehanna, Swatara, Upper Paxton, Washington, Wayne, West Hanover, Wiconisco and Williams.

**JUNIATA COUNTY**

Boroughs of Mifflin, Mifflintown, Port Royal and Thompsonstown.

Townships of Delaware, Fayette, Fermanagh, Greenwood, Milford, Monroe, Susquehanna, Turbett and Walker.

**LACKAWANNA COUNTY**

Townships of Clifton, Jefferson, Lehigh, Madison and Spring Brook.

**LANCASTER COUNTY**

City of Lancaster.

Boroughs of Akron, Christiana, Columbia, Denver, East Petersburg, Elizabethtown, Ephrata (part), Lititz, Manheim, Marietta, Miller'sville, Mount Joy, Mountville, New Holland, Quarryville, Strasburg, Terre Hill and Washington Borough.

Townships of Bart, Brecknock, Caernarvon, Clay, Colerain, Conestoga, Conoy, Drumore, Earl, East Cocalico, East Donegal, East Drumore, East Earl, East Hempfield, East Lampeter, Eden, Elizabeth, Ephrata, Fulton, Lancaster, Leacock, Little Britain, Manheim, Manor, Martic, Mount Joy, Paradise, Penn, Pequea, Providence, Rapho, Sadsbury, Salisbury, Strasburg, Upper Leacock, Warwick, West Cocalico, West Donegal, West Earl, West Hempfield and West Lampeter.

**LEBANON COUNTY**

Borough of Richland.

Townships of Heidelberg and Mill Creek.

**LEHIGH COUNTY**

Cities of Allentown and Bethlehem (West).

Boroughs of Alburts, Catasauqua, Coopersburg, Coplay, Emmaus, Fountain Hill, Macungie and Slatington.

Townships of Hanover, Heidelberg, Lower Macungie, Lower Milford, Lowhill, North Whitehall, Salisbury, South Whitehall, Upper Macungie, Upper Milford, Upper Saucon, Washington and Whitehall.

(C) Indicates Change.

(Continued)

ISSUED BY JACK K. BUSBY, PRESIDENT

Issued November 25, 1964

Effective on all bills rendered on and after February 1, 1965

## **APPENDIX E**

### **RELEVANT PAGES FROM PP&L'S TARIFF ELECTRIC PA. P.U.C. NO. 198**

Electric Pa. P. U. C. No. 198  
Cancelling  
Electric Pa. P. U. C. Nos. 196 and 197

# **PENNSYLVANIA POWER & LIGHT COMPANY**

## **GENERAL TARIFF**

### **RULES AND RATE SCHEDULES FOR ELECTRIC SERVICE**

In the territory listed on pages 4 and 4A  
and in adjacent territory served.

ISSUED MARCH 15, 1971

EFFECTIVE MAY 14, 1971

Issued by  
**JACK K. BUSBY, PRESIDENT**  
901 Hamilton Street  
Allentown, Pa.

# **NOTICE**

**THIS TARIFF MAKES ( CHANGES ) IN EXISTING RATES, SEE PAGE TWO.  
(INCREASES)**

PENNSYLVANIA POWER & LIGHT COMPANY

TERRITORY COVERED BY THIS TARIFF

BERKS COUNTY

Boroughs of Robesonia, Shillington, Sinking Spring, Wernersville, West Lawn, Womelsdorf, Wyomissing and Wyomissing Hills.

Townships of Caernarvon, Cumru, Heidelberg, Lower Heidelberg, South Heidelberg and Spring.

BUCKS COUNTY

Boroughs of Richlandtown, Sellersville, Silverdale, Telford and Trumbauersville.

Townships of East Rockhill, Haycock, Hilltown, Milford, Richland, Springfield and West Rockhill.

CARBON COUNTY

Boroughs of Beaver Meadows, Bowmanstown, East Side, Jim Thorpe, Lansford, Nesquehoning, Palmerton, Parryville, Summit Hill and Weissport.

Townships of Banks, East Penn, Franklin, Kidder, Lausanne, Lehigh, Lower Towamensing, Mahoning, Packer, Penn Forest and Towamensing.

CHESTER COUNTY

Boroughs of Atglen, Elverson and Honeybrook.

Townships of Honeybrook, West Nantmeal and West Sadsbury.

CLINTON COUNTY

City of Lock Haven.

Boroughs of Avis, Flemington, Loganton, Mill Hall, Renovo and South Renovo.

Townships of Allison, Bald Eagle, Castanea, Chapman, Colebrook, Crawford, Dunstable, Gallagher, Greene, Grugan, Logan, Noyes, Pine Creek, Wayne and Woodward.

COLUMBIA COUNTY

Town of Bloomsburg

Boroughs of Benton, Berwick, Briar Creek, Centralia, Millville, Orangeville and Stillwater.

Townships of Beaver, Benton, Briar Creek, Catawissa, Cleveland, Conyngham, Fishing Creek, Franklin, Greenwood, Hemlock, Jackson, Locust, Madison, Main, Mifflin, Montour, Mount Pleasant, North Centre, Orange, Pine, Roaring Creek, Scott, South Centre and Sugarloaf.

CUMBERLAND COUNTY

Boroughs of Camp Hill, Carlisle, Lemoyne, Mechanicsburg, New Cumberland, Newville, Shiremanstown, West Fairview and Wormleysburg.

Townships of Dickinson, East Pennsboro, Hampden, Lower Allen, Middlesex, Monroe, North Middleton, North Newton, Penn, Silver Spring, South Middleton, South Newton, Upper Allen and West Pennsboro.

DAUPHIN COUNTY

City of Harrisburg

Boroughs of Berrysburg, Dauphin, Elizabethville, Gratz, Halifax, Highspire, Hummelstown, Lykens, Millersburg, Paxtang, Penbrook, Steelton, Uniontown and Williamstown.

DAUPHIN COUNTY (Continued)

Townships of Derry, Halifax, Jackson, Jefferson, Lower Paxton, Lower Swatara, Lykens, Middle Paxton, Mifflin, Reed, Rush, South Hanover, Susquehanna, Swatara, Upper Paxton, Washington, Wayne, West Hanover, Wiconisco and Williams.

JUNIATA COUNTY

Boroughs of Mifflin, Mifflintown, Port Royal and Thompsontown.

Townships of Delaware, Fayette, Fermanagh, Greenwood, Milford, Monroe, Susquehanna, Turbett and Walker.

LACKAWANNA COUNTY

Cities of Carbondale and Scranton.

Boroughs of Archbald, Blakely (part), Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Moscow, Old Forge, Olyphant (part), Taylor, Throop and Vandling.

Townships of Abington, Benton, Carbondale, Covington, Clifton, Elmhurst, Fell, Glenburn, Greenfield, Jefferson, La Plume, Lehigh, Madison, Newton, North Abington, Ransom, Roaring Brook, Scott, South Abington, Spring Brook and West Abington.

LANCASTER COUNTY

City of Lancaster

Boroughs of Akron, Adamstown (part), Christiana, Columbia, Denver, East Petersburg, Elizabethtown, Ephrata (part), Lititz, Manheim, Marietta, Millersville, Mount Joy, Mountville, New Holland, Quarryville, Strasburg, Terre Hill and Washington.

Townships of Bart, Brecknock, Caernarvon, Clay, Colerain, Conestoga, Conoy, Drumore, Earl, East Cocalico, East Donegal, East Drumore, East Earl, East Hempfield, East Lampeter, Eden, Elizabeth, Ephrata, Fulton, Lancaster, Leacock, Little Britain, Manheim, Manor, Martic, Mount Joy, Paradise, Penn, Pequea, Providence, Rapho, Sadsbury, Salisbury, Strasburg, Upper Leacock, Warwick, West Cocalico, West Donegal, West Earl, West Hempfield and West Lampeter.

LEBANON COUNTY

Borough of Richland.

Townships of Heidelberg and Millcreek.

LEHIGH COUNTY

Cities of Allentown and Bethlehem (West).

Boroughs of Alburtis, Catasauqua, Coopersburg, Coplay, Emmaus, Fountain Hill, Macungie and Slatington.

Townships of Hanover, Heidelberg, Lower Macungie, Lower Milford, Lowhill, North Whitehall, Salisbury, South Whitehall, Upper Macungie, Upper Milford, Upper Saucon, Washington and Whitehall.

LUZERNE COUNTY

Cities of Hazleton, Pittston and Wilkes-Barre.

Boroughs of Ashley, Avoca, Conyngham, Dupont, Duryea, Exeter, Freeland, Hughestown, Jeddo, Laflin, Laurel Run, Nescopeck, Nuangola, West Hazleton, West Pittston, White Haven and Yatesville.

(C) Indicates Change

(Continued)

**VERIFICATION**

I, DENIS 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: 7/1/2019

Denis R. Pancoast  
Denis Pancoast