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PA PUC  
SECRETARY'S BUREAU  
FRONT DESK

December 16, 2019

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor  
Harrisburg, PA 17120

**VIA HAND DELIVERY**

**RE: Affiliated Interest Contract – Updated and Revised Schedules for Contract for Services Between Wellsboro Electric Company and C&T Enterprises, Inc.:  
Docket No. G-2008-2021399**

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") pursuant to Chapter 21 of the Public Utility Code are the original and four (4) copies of the updated Schedule B-1, and revised Schedules D-1 and D-3 of Contract for Services between Wellsboro Electric Company ("Wellsboro" or "Company") and its parent corporation, C&T Enterprises, Inc. ("C&T") (individually, each a "Party" and collectively, the "Parties"). This letter describes the changes and updates reflected in this filing.

Schedule B-1 lists the employees and associated annual costs of the C&T employees assigned to Wellsboro under the Contract for Services. This Schedule has been updated to reflect the employees as of October 2019. **The annual charges for the C&T employees assigned to Wellsboro is highly confidential information to both Wellsboro and the employees at issue. As a result, Wellsboro requests confidential treatment of the information contained in Schedule B-1. Wellsboro has redacted the annual charges from the Schedule B-1 submitted with this filing. In addition, Wellsboro submits four (4) copies of the unredacted Schedule B-1 in separately sealed envelopes, each of which is marked as "Confidential." Wellsboro requests that this information be handled consistent with the Commission's policies regarding information designated as confidential.**

Schedule D-1 is a summary of all space leased between Wellsboro and C&T. This Schedule has been updated to reflect the new extensions of the call center lease.

Schedule D-3 is the new lease agreement between Wellsboro and C&T for the call center space rented by C&T. The financial terms are identical to the prior lease, which was previously reviewed by the Commission.

**[www.McNeesLaw.com](http://www.McNeesLaw.com)**

Harrisburg, PA • Lancaster, PA • Scranton, PA • State College, PA • Columbus, OH • Frederick, MD • Washington, DC

Rosemary Chiavetta, Secretary

December 16, 2019

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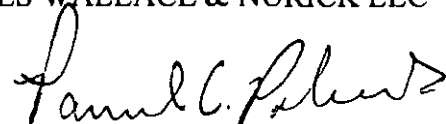
As shown on the attached Certificate of Service, the statutory parties have been served with copies of this filing. Please date stamp the enclosed additional copy of this Transmittal Letter, and kindly return it to our messenger for our filing purposes.

If you have any questions regarding this filing, please feel free to contact the undersigned. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

By

  
Pamela C. Polacek

Enclosure


c: Certificate of Service


Debra Backer, Bureau of Technical Utility Services (via Email and First Class Mail)

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**SCHEDULE B-1 TO ADDENDUM B**

<u>Title</u>	<u>Annual Charge</u>
PRESIDENT & CEO	
VP OF ENGINEERING & OPERATIONS/COO	
VP & TREASURER	
MANAGER OF CUSTOMER SERVICE	
RECEPTIONIST/MEMBER ASSISTANT	
ACCOUNTING ASSISTANT	
TECHNICAL ASSISTANT	
RECEPTIONIST/MEMBER ASSISTANT	
ACCOUNTING ASSISTANT	
Total	<u>\$ 1,057,027</u>

  
\_\_\_\_\_  
President & CEO  
C&T Enterprises, Inc.  
Date: 10-17-2019

  
\_\_\_\_\_  
President & CEO  
Wellsboro Electric Company  
Date: 10-18-19

Wellsboro Electric has an arrangement with Tri-County REC to share labor, overhead and expenses for the Wellsboro Electric President and CEO.

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**SCHEDULE D-1 TO ADDENDUM D  
SUMMARY OF SPACE LEASED BETWEEN PARTIES  
UPDATED OCTOBER 2019**

1. **C&T Office Lease:** Wellsboro ("Lessors") shall lease to C&T ("Lessee") approximately 860 square feet of unfinished space on the 3<sup>rd</sup> floor of Wellsboro's primary office building located at 33 Austin Street, Wellsboro, Pennsylvania. The lease is for a term of five (5) years commencing January 1, 2009 and terminating on December 31, 2013, or sooner if Lessee objects to a rent escalation as described below. The first twelve (12) month division under the lease period of the lease term shall be at the total rent of Three Thousand and 00/100 (\$3,000.00) DOLLARS payable in equal installments of Two Hundred Fifty and 00/100 (\$250.00) DOLLARS in advance on the first (1st) day of each month for that month's rental. Lessors reserve the right to provide Lessee ninety (90) days prior to the beginning of the second twelve (12) month period and each subsequent period thereafter, notice of increased rental amount. Such increased rental amount shall at no time exceed ten (10%) percent of the previous twelve (12) month period. Lessee shall advise Lessors within forty-five (45) days of the end of the first (1st) twelve (12) month period of Lessee's intent to accept the new rental term or waive notice to vacate and exit the leased premises at the end of the twelve (12) month period. The cost of build-out shall be the responsibility of Lessee. This lease is attached as Schedule D-2.
  
2. **C&T Call Center Lease:** Wellsboro shall lease to C&T approximately 2,600 square feet of finished space in Wellsboro's secondary office building located at 33 Austin Street, Wellsboro, Pennsylvania. The monthly charge shall be \$3,000. The lease will be effective through December 31, 2023, and will renew automatically for successive one year terms unless terminated by either party. C&T has leased the same space since 2001 at the same monthly charge of \$3,000. The monthly charge includes Wellsboro's costs to build-out the space. The lease replaces the prior agreement that was submitted to the Commission in 2012. The lease is attached as Schedule D-3.

C&T ENTERPRISES, INC.

10/21/2019  
Date

by:   
President & CEO

WELLSBORO ELECTRIC COMPANY

10/24/2019  
Date

by:   
President & CEO

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## COMMERCIAL PROPERTY LEASE

This lease is made between **WELLSBORO ELECTRIC COMPANY**, of 33 Austin Street, Wellsboro, Tioga County, Pennsylvania, 16901, herein called Lessors, and **C&T ENTERPRISES, INC.**, of P.O. Box 551, Lewisburg, Pennsylvania, 17838, herein called the Lessee.

Lessors hereby offer to lease to Lessee 2,600 square feet situate in the Borough of Wellsboro, County of Tioga, Commonwealth of Pennsylvania, 33 Austin Street, Wellsboro, Tioga County, 16901, upon the following **TERMS and CONDITIONS**:

1. **USE:** Lessee agrees that he will use and occupy the demised premises as a communication center only and for no other purpose without the written consent of the Lessors first had and obtained; nor shall Lessee obstruct or interfere with the rights of other Lessees, or in any other way injure or annoy them nor will the Lessee allow the leased premises, or any part of it, to be occupied by any other person, business or entity, other than the Lessee or Lessee's employees without the written consent of the Lessors endorsed on this Agreement.

2. **TERM:** Lessors demise the square footage at 33 Austin Street, Wellsboro, Tioga County, Pennsylvania 16901, for a term of four (4) years commencing on January 1, 2019, and terminating on December 31, 2023. After the initial term, this lease shall automatically renew on an annual basis. Either party may terminate the lease with sixty (60) days' written notice provided to the other party.

3. **RENT:** Total rent for the lease term shall be at of \$3,000.00 per month payable in advance on the first (1<sup>st</sup>) day of each month for that month's rental.

All rental payments shall be made to Lessors at the address specified above. Any payment made ten (10) days or later after the due date shall be assessed a ten (10%) percent late fee which will be added to the monthly payment.

4. **ALTERATIONS:** Lessee shall not, without first obtaining the written consent of Lessors, make any alterations, additions, or improvements, in, to or about the premises. Lessors will pay only for materials that they deem necessary. Any alterations, additions or improvements, in, to or about the leased premises shall be made solely at the Lessee's expense, except for repairs to the roof. Further, any alterations, additions, or improvements in, to or about the premises, except movable or attachable office equipment shall be the property of the Lessors, and shall remain upon and be surrendered with the premises, as a part of it, at the termination of this lease, without molestation or injury.

5. **ORDINANCES AND STATUTES:** Lessee shall comply with all statutes, ordinances and requirements of a municipal, state, and federal authorities now in force, or which may hereafter be in force, pertaining to the premises, occasioned by or affecting the use thereof by Lessee.

6. **ASSIGNMENT AND SUBLETTING:** Lessee shall not assign this Lease or sublet any portion of the premises without prior written consent of the Lessors, which shall not

unreasonably be withheld. Any such assignment or subletting without consent shall be void and, at the option of the Lessors, may terminate this Lease.

7. **UTILITIES:** Lessors agree to provide and be responsible for the payment of the following: electric, gas, water, sewer, and removal of garbage. Lessee shall be solely liable for telephone/FAX/TV and/or cable bills, as they become due.

8. **ENTRY AND INSPECTION:** Lessee shall permit Lessors or Lessors' agents to enter upon the premises at reasonable times and upon reasonable notice, for the purpose of inspecting the same, and will permit Lessors anytime within sixty (60) days prior to the expiration of this Lease, to place upon the premises any usual "To Let" or "For Lease" signs, and permit persons desiring to lease the same to inspect the premises thereafter. It is understood that the Lessors shall have the option and right to enter the leased premises at any time upon activation of the fire alarm system.

9. **INDEMNIFICATION OF LESSORS:** Lessors shall not be liable for any damage or injury to Lessee, or any other person, or to any property, occurring on the demised premises or any part thereof, and Lessee agrees to hold Lessors harmless from any/all claims for damages, no matter how caused. Further, Lessee agrees to carry liability insurance in the minimum of \$1,000,000.00 on the demised premises listing the Lessors as a named insured.

10. **EMINENT DOMAIN:** If the premises or any part thereof or any estate therein, or any other part of the building materially affecting Lessee's use of the premises, shall be taken by eminent domain, this lease shall terminate on the date when title vests pursuant to such taking. The rent, and any additional rent, shall be apportioned as of the termination date, and any rent paid for any period beyond that date shall be repaid to Lessee. Lessee shall not be entitled to any part of the award for such taking or any payment in lieu thereof, but Lessee may file a claim for any taking of fixtures and improvements owned by Lessee, and for moving expenses.

11. **DESTRUCTION OF PREMISES:** In the event of partial destruction of the premises during the term hereof, from any cause, Lessors shall forthwith repair the same, provided that such repairs can be made within sixty (60) days under the existing governmental laws and regulations, but such destruction shall not terminate this lease except that Lessee shall be entitled to a proportionate reduction of rent while such repairs are being made, based upon the extent to which the making of such repairs shall interfere with the business of Lessee on the premises. If such repairs cannot be made within the said sixty (60) days, Lessors, at their option, may take the same within a reasonable time, this lease continuing in effect, with the rent proportionately abated as aforementioned, and in the event that Lessors shall not elect to make such repairs which cannot be made within sixty (60) days, this lease may be terminated at the option of either party. In the event that the building in which the demised premises may be situated is destroyed to an extent of not less than one-third (1/3) of the replacement costs thereof, Lessors may elect to terminate this lease whether the demised premises be injured or not. A total destruction of the building in which the premises may be situated shall terminate this lease.

12. **LESSORS' REMEDIES ON DEFAULT:** If Lessee defaults in the payment of rent, or any additional rent, or default in the performance of any of the other covenants or conditions hereof, Lessors may give Lessee notice of such default, and if Lessee does not cure any such

default, and if Lessee does not cure any such default within fifteen (15) days, after the giving of such notice [or if such default is of such a nature that it cannot be completely cured within reasonable diligence and in good faith to cure such default], then Lessors may terminate this lease on not less than ten (10) days notice to Lessees. On the date specified in such notice the term of this lease shall terminate, and Lessees shall then quit and surrender premises to Lessors, but Lessee shall remain liable as hereinafter provided. If this lease shall have been so terminated by Lessors, Lessors may at any time thereafter resume possession of the premises by any lawful means and remove Lessee or other occupants and their effects.

13. **NO WAIVER OF DEFAULT:** No failure to enforce any term shall be deemed a waiver. This agreement shall remain in full force and effect unless and until terminated under and pursuant to the terms of this agreement. The failure of either party to insist upon strict performance of any of the provisions of this agreement shall in no way affect the right of such party thereafter to enforce that provision. The waiver of any breach of any provision hereof shall not be construed as a waiver of any subsequent breach of the same or similar nature, and shall not be construed as a waiver of strict performance of any other obligations.

14. **ATTORNEY'S FEES:** In case suit should be brought for recovery of the premises, or for any sum due hereunder, or because of any act which may arise out of the possession of the premises, by either party, the prevailing party shall be entitled to all costs incurred in connection with such action, including reasonable attorney's fees.

15. **NOTICES:** Any notice which either party may be or is required to give, shall be given by mailing the same, postage prepaid, to the addresses shown below:

**LESSEES:** 1775 Industrial Blvd.  
Lewisburg, Pennsylvania 17837

**LESSORS:** 33 Austin Street  
Wellsboro, Pennsylvania 16901

16. **NOTICE OF DEFECTS:** Lessee shall give to Lessors prompt written notice of any accident to, or any defects in, to, or on the demised premises that may come to its attention.

17. **ASSIGNS AND SUCCESSORS:** This Lease is binding upon and inures to the benefit of the assigns and successors in interest to the parties.

18. **SUBORDINATION:** This Lease is and shall be subordinated to all existing and future liens and encumbrances against the property.

19. **LAW OF PENNSYLVANIA APPLICABLE:** This Agreement shall be construed in accordance with the laws of the Commonwealth of Pennsylvania.

20. **ENTIRE AGREEMENT:** The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties. The following Exhibits, if any, have been made a part of this lease before the parties' execution hereof:

Signed this 18 day of April 2019

WELLSBORO ELECTRIC COMPANY:

Attest:

Rachel Hauser

By:

[Signature]

(SEAL)

Signed this 29 day of March 2019

C&T ENTERPRISES, INC:

Attest:

Melissa Sullivan

By:

[Signature]

(SEAL)

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**CERTIFICATE OF SERVICE**


I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

**VIA FIRST-CLASS MAIL**

Office of Small Business Advocate  
Suite 202, Commerce Building  
300 North Second Street  
Harrisburg, PA 17101

Office of Consumer Advocate  
555 Walnut Street  
Forum Place - 5th Floor  
Harrisburg, PA 17101-1921

Bureau of Investigation and Enforcement  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor West  
Harrisburg, PA 17120

  
\_\_\_\_\_  
Pamela C Polacek

Counsel to Wellsboro Electric Company

Dated this 16<sup>th</sup> day of December, 2019, at Harrisburg, Pennsylvania.

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