

BEFORE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

*01219.*

In re: Application of Abington Electric Company )  
and The Scranton Electric Company for ap- )  
proval of the transfer by sale of all the )  
property and rights of Abington Electric )  
Company to The Scranton Electric Company )

Application

Docket

No. A78334

1952

TO PENNSYLVANIA PUBLIC UTILITY COMMISSION:

1. The names and addresses of applicants are:

Abington Electric Company (ABINGTON)  
507 Linden Street  
Scranton 3, Pennsylvania

The Scranton Electric Company (SCRANTON)  
507 Linden Street  
Scranton 3, Pennsylvania

2. The names and addresses of applicants' attorneys are:

O'Malley, Harris, Harris & Warren, Esquires  
Scranton Electric Building  
Scranton 3, Pennsylvania

Herman J. Goldberg, Esquire  
1201 Miners National Bank Building  
Wilkes-Barre, Pennsylvania

3. Abington Electric Company, a public utility as defined in the Pennsylvania Public Utility Law, is a corporation duly formed by merger and consolidation under and by virtue of an Act of the Commonwealth of Pennsylvania, approved the 3rd day of May 1909, as by reference to the agreement of consolidation and merger dated the 14th day of January 1911 and to the Letters Patent issued thereon by the Governor of the Commonwealth of Pennsylvania on the 21st day of March 1911 will more fully and at large appear, to exist perpetually, and has valid charter rights and is vested with lawful authority to render electric service to the public in various communities in the Counties of Lackawanna and Wyoming, Pennsylvania, as will more fully appear in red on map attached, marked Exhibit L.

*1/28/52 pt. 44635 - The Scranton Elec. Co.  
D.N. Ord. # 10.00 - Reed E. S. J.*

RECORD  
FOLDER

JAN 30 1952  
ENTRY No. *[Signature]*

4. The Scranton Electric Company, a public utility as defined in the Pennsylvania Public Utility Law, is a corporation duly formed by merger and consolidation under and by virtue of an Act of the Commonwealth of Pennsylvania, approved the 3rd day of May 1909, as by reference to the agreement of consolidation and merger dated the 3rd day of February 1928, and to the Letters Patent issued thereon by the Governor of the Commonwealth of Pennsylvania on the 15th day of March 1928 will more fully and at large appear, to exist perpetually, and has valid charter rights to render electric service to the public through an area in Northeastern Pennsylvania which includes the Cities of Scranton, Carbondale, Pittston, and the Boroughs of Dunmore, Old Forge, Dickson City, Olyphant, Taylor, Archbald, Duryea, Winton, West Pittston, Throop, Exeter, Dupont and Moscow, as will more fully appear in blue on map attached, marked Exhibit I.

The territory served by The Scranton Electric Company comprises a concentrated area consisting of the greater part of Lackawanna County, the northeast portions of Luzerne County and small portions of Susquehanna and Wayne Counties, Pennsylvania, having a population estimated to be in excess of 290,000.

SCRANTON also sells steam for heating to certain customers in a portion of the City of Scranton, Lackawanna County, Pennsylvania. Approximately 5% of total operating revenues of SCRANTON are derived from steam heating service.

5. The number of consumers, by classes, to whom Abington Electric Company furnishes public service is as follows:

<u>Classification</u>	<u>As of October 31, 1951</u>
Residential	4,831
Commercial	419
Industrial	23
Public	53
Public Utilities (for resale)	3
Other	0
Total	5,329

6. The number of consumers, by classes, to whom The Scranton Electric Company furnishes public service is as follows:

ClassificationAs of October 31, 1951

Residential	77,407
Commercial	9,776
Industrial	445
Public	448
Public Utilities (for resale)	5
Other	<u>2</u>
Total	88,083

7. There are attached hereto balance sheets of Abington Electric Company and The Scranton Electric Company as of October 31, 1951, marked Exhibit A and Exhibit B, respectively.

8. There are attached hereto income statements of Abington Electric Company and The Scranton Electric Company for the twelve months ended October 31, 1951 marked Exhibit C and Exhibit D, respectively.

9. All the annual reports, tariffs, certificates of notification, applications for certificates of valuation, applications for approval of the issuance of securities, and securities certificates filed with your Honorable Commission by Abington Electric Company and The Scranton Electric Company and by their predecessor and constituent companies are made part hereof by reference.

10. Abington Electric Company, under the terms and conditions of Articles of Agreement dated September 25, 1951 has agreed to sell, assign, dispose of, and convey to The Scranton Electric Company, its successors and assigns, all of the franchises of Abington Electric Company, and all of its property, real, personal and mixed, and to convey and assign all accounts receivable, contracts and agreements including, but without limiting the generality of the foregoing, a certain contract or agreement entered into by Abington Electric Company with Northern Pennsylvania Power Company, dated April 16, 1945, and amendments, all in accordance with the Act of April 29, 1874, P.L. 73, Section 23, and the Act of April 17, 1876, P.L. 30, Section 5, and the amendments and supplements thereto, and the merging of the said Companies in which The Scranton Electric Company will be the surviving Company.

11. The consideration for the transfer is the delivery by The Scranton Electric Company to the Abington Electric Company of all of the authorized and outstanding capital stock of Abington Electric Company, in the amount of thirty thousand (30,000) shares of common stock, for cancellation, and for the further consideration of the assumption by The Scranton Electric Company of all of the obligations, liabilities, mortgage and indebtedness of the Abington Electric Company, as will more fully appear in Articles of Agreement, a copy of which is attached hereto, marked Exhibit J. A copy of the proposed First Supplemental Indenture dated \_\_\_\_\_, 1952 of The Scranton Electric Company to the Indenture of Mortgage and Deed of Trust of Abington Electric Company to Provident Trust Company of Philadelphia, Trustee, dated March 1, 1949, is attached hereto marked Exhibit M.

12. There are attached hereto statements, marked Exhibit E, of the fixed capital, or electric utility plant, to be transferred, which show (a) the book value thereof; (b) the original cost thereof when first devoted to public use; (c) the actual cash cost thereof to Abington Electric Company; (d) the amount of depreciation reserve, or reserve for renewals and replacements, applicable to said book cost to Abington Electric Company.

13. No investment securities (bonds, stocks, notes) are to be transferred by Abington Electric Company to The Scranton Electric Company.

14. There is attached hereto, marked Exhibit F, a pro forma balance sheet as of October 31, 1951 of The Scranton Electric Company giving effect to the transfer.

15. There is attached hereto, marked Exhibit G, a pro forma consolidated income account of Abington Electric Company and The Scranton Electric Company for the 12 months ended October 31, 1951, with inter-company items eliminated.

16. There are attached hereto, marked Exhibit H, copies of the tentative journal entries that The Scranton Electric Company will make to record the transfer in its accounts.

17. There are attached hereto, marked Exhibits I(a), I(b) and I(c), certified copies of the meeting minutes of the boards of directors of applicants and the stockholders of Abington Electric Company authorizing the transfer herein proposed.

18. The proposed transfer will have no effect on the service to applicants' customers particularly the customers of Abington Electric Company to be transferred. As explained in applicant's Application Docket No. 76579, for approval of the acquisition of all the issued and outstanding capital stock of Abington Electric Company by The Scranton Electric Company, the electric chartered territory of Abington Electric Company adjoins that of The Scranton Electric Company and forms a natural part of the territory presently served by SCRANTON, and the facilities of both applicants are contiguous, but not presently interconnected.

19. The proposed transfer will have no effect on the rates for service to applicants' customers particularly the customers of Abington Electric Company to be transferred. As stated in applicant's Application Docket No. 76579, the acquisition of the capital stock of Abington Electric Company was a preliminary step to the merger of Abington Electric Company into The Scranton Electric Company and the acquisition and the eventual merger of the property and franchises of ABINGTON with and into those of SCRANTON eventually will result in the adoption of comparable rates of SCRANTON for the consumers of ABINGTON upon the termination of the power purchase contract between ABINGTON and Northern Pennsylvania Power Company, and the complete integration of the two systems. Upon approval of this merger and acquisition by your Honorable Commission the tariffs of Abington Electric Company will be adopted and continuous property records maintained as the Abington District of SCRANTON until complete integration of the two systems.

20. The transaction, approval of which is sought in this proceeding, requires no financing by The Scranton Electric Company.

21. The reasons for the proposed transfer are as follows:
- (a) The chartered territory of ABINGTON adjoins that of SCRANTON and forms a natural part of the territory presently served by SCRANTON.
  - (b) The acquisition of the capital stock of ABINGTON was a preliminary step to the merger of ABINGTON into SCRANTON so as to make the property of ABINGTON a part of the electric public utility system now operated by SCRANTON in the northeastern part of Pennsylvania.
  - (c) By Order dated December 11, 1950, in proceedings by SCRANTON for the acquisition of all the capital stock of Abington Electric Company (Application Docket No. 76579), your Honorable Commission directed the merger and acquisition of the property and rights of Abington Electric Company by The Scranton Electric Company within six months after termination of power purchase agreement between Abington Electric Company and Northern Pennsylvania Power Company which expires January 28, 1955.
  - (d) The proposed merger and acquisition will be in the public interest in that it will eliminate Abington Electric Company as a subsidiary of The Scranton Electric Company; will eliminate unnecessary duplication of corporate organizations; and will eventually effect certain economies and improvements in service.
  - (e) The proposed merger and acquisition will simplify the corporate structures of your applicants. Among the economies to be eventually affected are:
    - 1. Elimination of the duplication of effort and expense in providing an annual audit for two separate companies.

2. Elimination of the preparation of one set of reports to all regulatory bodies and governmental agencies and the follow-through work requiring technically trained personnel.
3. Elimination of one set of forms, letterheads and other similar matters.
4. Any future needed additions and betterments to the property of ABINGTON can be more advantageously financed by SCRANTON.

22. Applicants are affiliated with each other through the ownership by SCRANTON of all the capital stock of ABINGTON. Acquisition of the capital stock of ABINGTON by SCRANTON was approved by your Honorable Commission on December 11, 1950 (Application Docket No. 76579).

23. Abington Electric Company has paid all special and general assessments made against it by your Honorable Commission pursuant to Section 1201 of the Public Utility Law.

24. The payment of the amounts of any and all lawful special and general assessments which your Honorable Commission may make, pursuant to said Section 1201 of said law, against Abington Electric Company from the dates of the last preceding special and general assessments to the date of the transfer herein proposed, will be made by SCRANTON under the terms and conditions of Agreement dated September 25, 1951, marked Exhibit J, wherein SCRANTON agrees to assume all the liabilities of Abington Electric Company, which includes the obligation to pay all amounts of such assessments.

25. ABINGTON entered into an agreement proposing to sell all of its franchises and property to SCRANTON, under the terms and conditions contained in an Agreement dated September 25, 1951, and marked Exhibit J. A copy of the proposed deed of conveyance of the franchises and all the property, real, personal and mixed, of ABINGTON to SCRANTON are attached hereto, marked Exhibit K.

WHEREFORE, applicants pray your Honorable Commission to issue a Certificate of Public Convenience under the provisions of Section 202(b) and (e) and Section 203(a) of the Public Utility Law, evidencing its approval of the transfer by sale of all the property and rights of Abington Electric Company to The Scranton Electric Company and the acquisition thereof by the latter company upon the terms and conditions herein set forth.

ABINGTON ELECTRIC COMPANY

By C. F. Nagle  
President

(Corporate Seal)

THE SCRANTON ELECTRIC COMPANY

By C. F. Nagle  
President

(Corporate Seal)

Signed this 4<sup>th</sup> day  
of January 1952





ABINGTON ELECTRIC COMPANY

BALANCE SHEET

AS OF OCTOBER 31, 1951

ASSETS AND OTHER DEBITS

	<u>Amount</u>	<u>Total</u>
UTILITY PLANT		
Electric Plant (at "original cost")		\$1,390,960.23
CURRENT AND ACCRUED ASSETS		
Cash	\$71,433.51	
Accounts Receivable	43,954.57	
Receivables from Affiliated Companies	1,045.70	
Prepayments	149.40	
Other Current and Accrued Assets	<u>9,000.00</u>	125,583.18
DEFERRED DEBITS		
Unamortized Debt Discount and Expense	8,072.78	
Retirement Work in Progress	4,818.24	
Other Work in Progress	<u>60,107.29</u>	<u>72,998.31</u>
TOTAL ASSETS AND OTHER DEBITS		<u>\$1,589,541.72</u>

ABINGTON ELECTRIC COMPANY

BALANCE SHEET

AS OF OCTOBER 31, 1951

LIABILITIES AND OTHER CREDITS

	<u>Amount</u>	<u>Total</u>
<b>CAPITAL STOCK</b>		
Common Capital Stock (30,000 Shs., No Par Value)		\$ 300,000.00
<b>LONG-TERM DEBT</b>		
First Mortgage Bonds, 3-1/2% Series due (March 1) 1969	\$550,000.00	
Serial Notes, 3-3/4%, due 1950-1957	<u>62,500.00</u>	<u>612,500.00</u>
<b>CURRENT AND ACCRUED LIABILITIES</b>		
Notes Payable, 3-3/4% Serial Notes	12,500.00	
Accounts Payable	28,425.16	
Payables to Affiliated Companies	17,677.73	
Customers' Deposits	6,494.10	
Taxes Accrued	47,568.13	
Interest Accrued	4,734.70	
Other Current and Accrued Liabilities	<u>1,055.44</u>	118,455.26
<b>DEFERRED CREDITS</b>		
Other Deferred Credits	274.16	
Clearing Accounts - Credit Balances	<u>1,148.30</u>	1,422.46
<b>RESERVES</b>		
Reserve for Depreciation of Electric Plant	300,540.22	
Reserve for Uncollectible Accounts	2,227.22	
Other Reserves	<u>16,930.70</u>	319,698.14
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>		
		4,229.46
<b>SURPLUS</b>		
Capital Surplus	6,960.00	
Earned Surplus	<u>226,276.40</u>	<u>233,236.40</u>
<b>TOTAL LIABILITIES AND OTHER CREDITS</b>		<u>\$1,589,541.72</u>

THE SCRANTON ELECTRIC COMPANY

BALANCE SHEET

AS OF OCTOBER 31, 1951

ASSETS AND OTHER DEBITS

	<u>Amount</u>	<u>Total</u>
<b>UTILITY PLANT</b>		
Electric Plant (at "original cost")	\$36,449,635.80	
Other Utility Plant - Heating	<u>1,432,672.29</u>	\$37,882,308.09
<b>INVESTMENT AND FUND ACCOUNTS</b>		
Other Physical Property	507.23	
Investment in Affiliated Companies, Abington Electric Company	488,768.89	
Investment in Jointly-Owned Railroad	285,221.83	
Other Investments	<u>66,007.50</u>	840,505.45
<b>CURRENT AND ACCRUED ASSETS</b>		
Cash	1,156,699.98	
Special Deposits	433,929.00	
Working Funds	10,700.00	
Temporary Cash Investments	3,164,811.09	
Notes Receivable	19,743.98	
Accounts Receivable	916,975.33	
Receivables from Affiliated Companies	49,616.35	
Interest and Dividends Receivable	533.38	
Rents Receivable	3,610.94	
Materials and Supplies	3,396,291.60	
Prepayments	51,239.56	
Other Current and Accrued Assets	<u>76,013.47</u>	9,280,164.68
<b>DEFERRED DEBITS</b>		
Unamortized Debt Discount and Expense	17,630.42	
Preliminary Survey and Investigation Charges	241.89	
Retirement Work in Progress	19,237.09	
Other Work in Progress	681,897.98	
Other Deferred Debits	<u>50,888.19</u>	769,895.57
<b>CAPITAL STOCK DISCOUNT AND EXPENSE</b>		
Capital Stock Expense		<u>23,681.81</u>
<b>TOTAL ASSETS AND OTHER DEBITS</b>		<u>\$48,796,555.60</u>

The note on Page 3 is an integral part of this balance sheet.

THE SCRANTON ELECTRIC COMPANY

BALANCE SHEET

AS OF OCTOBER 31, 1951

LIABILITIES AND OTHER CREDITS

	<u>Amount</u>	<u>Total</u>
<b>CAPITAL STOCK</b>		
Cumulative Preferred Stock, \$100 Par Value,		
3.35%, 53,248 Shares	\$ 5,324,800.00	
4.40%, 21,752 Shares	2,175,200.00	
Premiums on Preferred Stock	10,117.12	
Common Stock, \$5 Par Value,		
1,274,000 Shares	6,370,000.00	
Premiums on Common Stock	<u>128,453.67</u>	\$14,008,570.79
<b>LONG-TERM DEBT</b>		
First Mortgage Bonds,		
2-7/8% Series due (November 1) 1976	8,000,000.00	
3-1/8% Series due (April 1) 1978	<u>3,000,000.00</u>	11,000,000.00
<b>CURRENT AND ACCRUED LIABILITIES</b>		
Accounts Payable	451,530.13	
Payables to Affiliated Companies	15,014.04	
Dividends Declared	318,554.00	
Customers' Deposits	246,351.07	
Taxes Accrued	1,661,965.98	
Interest Accrued	138,333.05	
Other Current and Accrued Liabilities	<u>1,117,935.99</u>	3,949,684.26
<b>DEFERRED CREDITS</b>		
Unamortized Premium on Debt	26,565.51	
Other Deferred Credits	38,416.77	
Clearing Accounts - Credit Balances	<u>4,967.11</u>	69,949.39
<b>RESERVES</b>		
Reserve for Depreciation of		
Electric Plant	17,443,729.98	
Reserve for Depreciation and		
Amortization of Other Property	540,360.62	
Reserve for Uncollectible Accounts	272,825.59	
Other Reserves	<u>24,334.40</u>	18,281,250.59
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>		
		105,515.53
<b>SURPLUS</b>		
Capital Surplus	1,866.39	
Earned Surplus	<u>1,379,718.65</u>	<u>1,381,585.04</u>
<b>TOTAL LIABILITIES AND OTHER CREDITS</b>		<u>\$48,796,555.60</u>

The note on Page 3 is an integral part of this balance sheet.

THE SCRANTON ELECTRIC COMPANY

BALANCE SHEET

AS OF OCTOBER 31, 1951

NOTE:

No transactions have occurred since the date of this balance sheet and the date of this filing which affect substantially the financial status of this Company, except that dividends were declared out of surplus as follows:

	<u>Declared</u>	<u>Payable</u>	<u>Amount</u>
Preferred Stock	11/29/51	1/1/52	\$68,522.40

ABINGTON ELECTRIC COMPANY  
INCOME ACCOUNT  
TWELVE MONTHS ENDED OCTOBER 31, 1951

	<u>Total</u>
<b>OPERATING REVENUES</b>	
Sales of Electric Energy	
Residential or Domestic Sales	\$314,489.32
Commercial and Industrial Sales	107,479.55
Public Street and Highway Lighting	8,567.21
Other Sales to Public Authorities	3,565.51
Sales to Other Electric Utilities	2,318.40
Total Sales of Electric Energy	<u>436,419.99</u>
Other Electric Revenues	
Rents from Electric Property	5,503.04
Customers Penalties	3,418.92
Miscellaneous Electric Revenues	46.81
Total Other Electric Revenues	<u>8,968.77</u>
Total Operating Revenues	<u>445,388.76</u>
<b>OPERATING REVENUE DEDUCTIONS</b>	
Electric Department	
Operating Expenses	
Purchased Power	149,849.74
Transmission Expenses	3,831.85
Distribution Expenses	71,778.55
Customers' Accounting and Collecting Expenses	23,310.01
Sales Promotion Expenses	1,591.88
Administrative and General Expenses	30,205.75
Total Operating Expenses	<u>280,567.78</u>
Depreciation	<u>39,424.71</u>
Taxes	
Federal Income	28,182.46
State Income	3,414.69
General	22,293.26
Total Taxes	<u>53,890.41</u>
Total Operating Revenue Deductions	<u>373,882.90</u>
Total Operating Income	71,505.86
<b>OTHER INCOME</b>	
Income from Merchandising, Jobbing and Contract Work (Net)	586.18
Gross Income	<u>72,092.04</u>
<b>INCOME DEDUCTIONS</b>	
Interest on Long-Term Debt	22,335.93
Amortization of Debt Discount and Expense	465.72
Other Interest Charges	346.61
Total Income Deductions	<u>23,148.26</u>
Net Income Transferred to Earned Surplus	<u>\$ 48,943.78</u>

DETAILS OF OTHER CREDITS AND CHARGES TO SURPLUS  
TWELVE MONTHS ENDED OCTOBER 31, 1951

None

DebitsCredits

THE SCRANTON ELECTRIC COMPANY  
INCOME ACCOUNT  
TWELVE MONTHS ENDED OCTOBER 31, 1951

	<u>Total</u>
<b>OPERATING REVENUES</b>	
Sales of Electric Energy	
Residential or Domestic Sales	\$3,649,396.68
Commercial and Industrial Sales	5,618,040.61
Public Street and Highway Lighting	228,000.72
Other Sales to Public Authorities	142,999.13
Sales to Other Electric Utilities	348,945.32
Sales to Railroads and Railways	<u>44,170.71</u>
Total Sales of Electric Energy	<u>10,031,553.17</u>
Other Electric Revenues	
Rents from Electric Property	47,331.70
Servicing of Customers' Installations	4,801.74
Miscellaneous Electric Revenues	<u>8,844.30</u>
Total Other Electric Revenues	<u>60,977.74</u>
Sales of Steam for Heating	
Municipal Steam Heating - Metered	30,159.04
Domestic Steam Heating - Metered	172,523.92
Commercial Steam Heating - Metered	<u>343,667.51</u>
Total Sales of Steam for Heating	<u>546,350.47</u>
Total Operating Revenues	<u>10,638,881.38</u>
<b>OPERATING REVENUE DEDUCTIONS</b>	
Electric Department	
Operating Expenses	
Generation Expenses	2,826,319.85
Purchased Power	319,618.58
Transmission Expenses	121,726.70
Distribution Expenses	682,285.73
Customers' Accounting and Collecting Expenses	386,188.64
Sales Promotion Expenses	145,510.96
Administrative and General	<u>874,758.86</u>
Total Operating Expenses	<u>5,356,409.32</u>
Depreciation	<u>918,521.28</u>
Taxes	
Federal Income	1,206,338.80
Federal Excess Profits	86,579.32
State Income	126,093.09
General	<u>463,197.24</u>
Total Taxes	<u>1,882,208.45</u>
Total Electric Department	<u>8,157,139.05</u>
Heating Department	
Operating Expenses	
Generation Expenses	428,963.65
Joint Expenses - (Credit) Charges to Co-ordinate Departments	-4,769.60
Distribution Expenses	51,289.38
Customers' Accounting and Collecting Expenses	4,717.79
Administrative and General	<u>17,168.69</u>
Total Operating Expenses	<u>497,369.91</u>
Depreciation	<u>40,669.25</u>
Taxes - General	<u>1,583.02</u>
Total Heating Department	<u>539,622.18</u>
Total Operating Revenue Deductions	<u>8,696,761.23</u>
Total Utility Operating Income	
(Forward to Page 2)	1,942,120.15

THE SCRANTON ELECTRIC COMPANY  
INCOME ACCOUNT  
TWELVE MONTHS ENDED OCTOBER 31, 1951

Total Utility Operating Income (Forward from Page 1)	<u>Total</u> \$1,942,120.15
<b>OTHER INCOME</b>	
Income from Merchandising, Jobbing, and Contract Work (Net)	3,943.75
Interest Revenues	<u>37,648.05</u>
Total Other Income	41,591.80
Gross Income	<u>1,983,711.95</u>
<b>INCOME DEDUCTIONS</b>	
Interest on Long-Term Debt	323,750.00
Amortization of Debt Discount and Expense	667.44
Amortization of Premium on Debt-Credit	-1,062.72
Other Interest Charges	13,509.55
Miscellaneous Income Deductions	<u>8,301.20</u>
Total Income Deductions	<u>345,165.47</u>
Net Income, Transferred to Earned Surplus	<u>\$1,638,546.48</u>

DETAILS OF OTHER CREDITS AND CHARGES TO SURPLUS  
TWELVE MONTHS ENDED OCTOBER 31, 1951

	<u>Debits</u>	<u>Credits</u>
<b>Dividends:</b>		
3.35% Preferred Stock	\$ 178,380.80	
4.40% Preferred Stock	25,788.20	
Common Stock	1,265,684.78	
<b>Amortization of Capital Stock Expenses:</b>		
3.35% Preferred Stock	4,603.06	
4.40% Preferred Stock	1,190.22	
Common Stock	4,270.88	
<b>Unclaimed Customers' Credit Balances</b>		<u>\$4.12</u>
	<u>\$1,479,917.94</u>	<u>\$4.12</u>

ABINGTON ELECTRIC COMPANY  
STATEMENT OF UTILITY PLANT  
AS OF OCTOBER 31, 1951

<u>Description</u>	<u>Amount</u>
Electric Utility Plant:	
Electric Plant in Service:	
Intangible Plant	\$ 6,900.94
Transmission Plant	299,898.33
Distribution Plant	992,981.52
General Plant	87,276.99
Total Electric Plant in Service	<u>1,387,057.78</u>
Construction Work in Progress	<u>3,902.45</u>
Total Utility Plant	<u>\$1,390,960.23</u>

STATEMENT OF DEPRECIATION RESERVE  
APPLICABLE TO BOOK COST

AS OF OCTOBER 31, 1951

<u>Description</u>	<u>Amount</u>
Reserve for Depreciation of Electric Plant	<u>\$300,540.22</u>

THE SCRANTON ELECTRIC COMPANY

Pro Forma Balance Sheet as at October 31, 1951  
Giving Effect to the Merger of Abington Electric Company

	The Scranton Electric Company Per Books	Abington Electric Company Per Books	Consolidating Eliminations	Consolidated
<u>Assets and Other Debits</u>				
<u>UTILITY PLANT</u>				
Electric Plant (at original cost)	\$36,449,635.80	\$1,390,960.23		\$37,840,596.03
Other Utility Plant Heating	1,432,672.29	-		1,432,672.29
Total	<u>37,882,308.09</u>	<u>1,390,960.23</u>		<u>39,273,268.32</u>
<u>INVESTMENT AND FUND ACCOUNTS</u>				
Other Physical Property	507.23			507.23
Investments in Affiliated Companies,				
Abington Electric Company	488,768.89		\$-488,768.89	-
Investment in Jointly-Owned Railroad	285,221.83			285,221.83
Other Investments	66,007.50			66,007.50
Total	<u>840,505.45</u>		<u>-488,768.89</u>	<u>351,736.56</u>
<u>CURRENT AND ACCRUED ASSETS</u>				
Cash	1,156,699.98	71,433.51		1,228,133.49
Special Deposits	433,929.00			433,929.00
Working Funds	10,700.00			10,700.00
Temporary Cash Investments	3,164,811.09			3,164,811.09
Notes Receivable	19,743.98			19,743.98
Accounts Receivable	916,975.33	43,954.57		960,929.90
Receivables from Affiliated Companies	49,616.35	1,045.70	-18,723.43	31,938.62
Interest and Dividends Receivable	533.38			533.38
Rents Receivable	3,610.94			3,610.94
Materials and Supplies	3,396,291.60			3,396,291.60
Prepayments	51,239.56	149.40		51,388.96
Other Current and Accrued Assets	76,013.47	9,000.00		85,013.47
Total	<u>9,280,164.68</u>	<u>125,583.18</u>	<u>-18,723.43</u>	<u>9,387,024.43</u>
<u>DEFERRED DEBITS</u>				
Unamortized Debt Discount and Expense	17,630.42	8,072.78		25,703.20
Preliminary Survey and Investigation Charges	241.89			241.89
Retirement Work in Progress	19,237.09	4,818.24		24,055.33
Other Work in Progress	681,897.98	60,107.29		742,005.27
Other Deferred Debits	50,888.19			50,888.19
Total	<u>769,895.57</u>	<u>72,998.31</u>		<u>842,893.88</u>
<u>CAPITAL STOCK DISCOUNT AND EXPENSE</u>				
Capital Stock Expense	23,681.81			23,681.81
<u>TOTAL ASSETS AND OTHER DEBITS</u>	<u>\$48,796,555.60</u>	<u>\$1,589,541.72</u>	<u>\$-507,492.32</u>	<u>\$49,878,605.00</u>

THE SCRANTON ELECTRIC COMPANY

Pro Forma Balance Sheet as at October 31, 1951  
Giving Effect to the Merger of Abington Electric Company

	The Scranton Electric Company Per Books	Abington Electric Company Per Books	Consolidating Eliminations	Consolidated
<u>LIABILITIES AND OTHER CREDITS</u>				
<u>CAPITAL STOCK</u>				
Cumulative Preferred Stock, \$100 Par Value,	\$ 5,324,800.00			\$ 5,324,800.00
3.35%, 53,248 Shares	2,175,200.00			2,175,200.00
4.40%, 21,752 Shares	10,117.12			10,117.12
Premiums on Preferred Stock				
Common Stock, \$5 Par Value,	6,370,000.00			6,370,000.00
1,274,000 Shares				
Common Capital Stock, No Par Value				
30,000 Shares				
Premiums on Common Stock	128,453.67			128,453.67
Total	<u>14,008,570.79</u>	<u>300,000.00</u>	<u>-300,000.00</u>	<u>14,008,570.79</u>
<u>LONG-TERM DEBT</u>				
First Mortgage Bonds				
2-7/8% Series due (November 1) 1976	8,000,000.00			8,000,000.00
3-1/8% Series due (April 1) 1978	3,000,000.00			3,000,000.00
3-1/2% Series due (March 1) 1969		550,000.00		550,000.00
Serial Notes, 3-3/4% due 1950-1957		62,500.00		62,500.00
Total	<u>11,000,000.00</u>	<u>612,500.00</u>		<u>11,612,500.00</u>
<u>CURRENT AND ACCRUED LIABILITIES</u>				
Notes Payable, 3-3/4% Serial Notes	451,530.13	12,500.00		12,500.00
Accounts Payable	15,014.04	28,425.16		479,955.29
Payables to Affiliated Companies	318,554.00	17,677.73	-18,723.43	13,968.34
Dividends Declared	246,351.07	6,494.10		318,554.00
Customers' Deposits	1,661,965.98	47,568.13		252,845.17
Taxes Accrued	138,333.05	4,734.70		1,709,534.11
Interest Accrued	1,117,935.92	1,055.44		143,067.75
Other Current and Accrued Liabilities	3,949,684.26	118,455.26	-18,723.43	1,118,991.43
Total				<u>4,029,416.09</u>
<u>DEFERRED CREDITS</u>				
Unamortized Premium on Debt	26,565.51	274.16		26,565.51
Other Deferred Credits	38,416.77	1,148.30		38,690.93
Clearing Accounts - Credit Balances	4,967.11	1,422.46		6,115.41
Total	<u>69,949.39</u>			<u>71,371.85</u>

THE SCRANTON ELECTRIC COMPANY

Pro Forma Balance Sheet as at October 31, 1951  
Giving Effect to the Merger of Abington Electric Company

	The Scranton Electric Company Per Books	Abington Electric Company Per Books	Consolidating Eliminations	Consolidated
<u>Liabilities and Other Credits (Cont'd.)</u>				
<u>RESERVES</u>	\$17,443,729.98	\$ 300,540.22		\$17,744,270.20
Reserve for Depreciation of Electric Plant	540,360.62	2,227.22		540,360.62
Reserve for Depreciation and Amortization of Other Property	272,825.59	16,930.70		275,052.81
Reserve for Uncollectible Accounts	24,334.40	319,698.14		41,265.10
Other Reserves	<u>18,281,250.59</u>	<u>4,229.46</u>		<u>18,600,948.73</u>
Total	105,515.53	6,960.00		109,744.92
<u>CONTRIBUTIONS IN AID OF CONSTRUCTION</u>				
<u>SURPLUS</u>	1,866.39	226,276.40	-6,960.00	1,866.39
Capital Surplus	<u>1,379,718.65</u>	233,236.40	-181,808.89	<u>1,424,186.16</u>
Earned Surplus	1,381,585.04		-188,768.89	1,426,052.55
Total	<u>\$48,796,555.60</u>	<u>\$1,589,541.72</u>	<u>\$-507,492.32</u>	<u>\$49,878,605.00</u>
TOTAL LIABILITIES AND OTHER CREDITS				

ABINGTON ELECTRIC COMPANY  
and  
THE SCRANTON ELECTRIC COMPANY

EXHIBIT C

Pro Forma Consolidated Income Account  
For the Twelve Months Ended October 31, 1951

	The Scranton Electric Company Per Books	Abington Electric Company Per Books	Intercompany Eliminations	Consolidated
<b>OPERATING INCOME</b>				
<b>Electric Department:</b>				
Operating Revenues	\$10,092,530.91	\$445,288.76	\$8,333.30	\$10,529,586.37
Operating Revenue Deductions:				
Depreciation	5,356,409.32	280,567.78	-8,333.30	5,628,643.80
Federal Taxes on Income	918,521.28	39,424.71		957,945.99
Federal Excess Profits Tax	1,206,338.80	28,182.46		1,234,521.26
Other Taxes	86,579.32			86,579.32
Total Operating Revenue Deductions	<u>8,157,139.05</u>	<u>25,707.95</u>	<u>-8,333.30</u>	<u>8,522,688.65</u>
Operating Income - Electric	1,935,391.86	373,882.90		2,006,897.72
<b>Heating Department:</b>				
Operating Revenues	546,350.47			546,350.47
Operating Revenue Deductions:				
Depreciation	497,369.91			497,369.91
Taxes - Other	40,669.25			40,669.25
Total Operating Revenue Deductions	<u>1,583.02</u>			<u>1,583.02</u>
Operating Income - Heating	539,622.18			539,622.18
Total Utility Operating Income	<u>6,728.29</u>			<u>6,728.29</u>
	1,942,120.15	71,505.86		2,013,626.01
<b>OTHER INCOME</b>				
Income from Merchandising, Jobbing and Contract Work (Net)	3,943.75	586.18		4,529.93
Interest Revenues	37,648.05			37,648.05
Total Other Income	<u>41,591.80</u>	<u>586.18</u>		<u>42,177.98</u>
Gross Income	1,983,711.95	72,092.04		2,055,803.99
<b>INCOME DEDUCTIONS</b>				
Interest on Long-Term Debt	323,750.00	22,335.93		346,085.93
Amortization of Debt Discount and Expense	667.44	465.72		1,133.16
Other Interest Charges	-1,062.72	346.61		-1,062.72
Miscellaneous Income Deductions	13,509.55			13,856.16
Total Income Deductions	<u>8,301.20</u>	<u>23,148.26</u>		<u>368,313.73</u>
Net Income	\$1,638,546.48	\$48,943.78		\$1,687,490.26

THE SCRANTON ELECTRIC COMPANY

Proposed Journal Entries to be Recorded by The Scranton Electric Company in the Merger of Abington Electric Company, as of October 31, 1951

		<u>Dr.</u>	<u>Cr.</u>
100.1	Electric Plant in Service		
	391 Electric Plant Purchased	\$1,086,190.55	
120	Cash	71,433.51	
125	Accounts Receivable	43,954.57	
126	Receivables from Associated Companies	1,045.70	
132	Prepayments	149.40	
133	Other Current and Accrued Assets	9,000.00	
140	Unamortized Debt Discount and Expense	8,072.78	
144	Retirement Work in Progress	4,818.24	
145	Work in Progress	60,107.29	
143	Clearing Accounts-Credit Balances		\$ 1,148.30
210	Bonds		550,000.00
213	Miscellaneous Long-Term Debt, Serial Notes		62,500.00
220	Notes Payable		12,500.00
222	Accounts Payable		28,425.16
223	Payables to Associated Companies		17,677.73
227	Customers' Deposits		6,494.10
228	Taxes Accrued		47,568.13
229	Interest Accrued		4,734.70
230	Other Current and Accrued Liabilities		1,055.44
242	Other Deferred Credits		274.16
254	Reserve for Uncollectible Accounts		2,227.22
258	Other Reserves		16,930.70
-	Merger Agreement-Abington Electric Company		533,236.40

To record the assets acquired and the liabilities assumed as of October 31, 1951 in the merger of Abington Electric Company.

		<u>Dr.</u>	<u>Cr.</u>
-	Merger Agreement-Abington Electric Company	\$533,236.40	
111.1	Investments in Securities of Associated Companies-Common Capital Stock, Abington Electric Company		\$488,768.89
271	Earned Surplus		44,467.51

To record the cancellation of 30,000 shares of Common Stock of Abington Electric Company in the merger of Abington Electric Company.

THE SCRANTON ELECTRIC COMPANY

Proposed Journal Entries to be Recorded by The Scranton  
Electric Company in the Merger of Abington Electric Com-  
pany, as of October 31, 1951

Entry No. 3

	<u>Dr.</u>	<u>Cr.</u>
100.1 Electric Plant in Service	\$1,387,057.78	
100.3 Construction Work in Progress	3,902.45	
100.1 Electric Plant in Service		
391 Electric Plant Purchased		\$1,086,190.55
250 Reserve for Depreciation of Electric Plant		300,540.22
265 Contributions in Aid of Construction		4,229.46

To record the cost of electric plant, together with the applicable depreciation reserve and contributions in aid of construction, acquired as of October 31, 1951 in the merger of Abington Electric Company.

Entry No. 4

	<u>Dr.</u>	<u>Cr.</u>
223 Payables to Associated Companies	\$18,723.43	
126 Receivables from Associated Companies		\$18,723.43


To offset the outstanding payables to and receivables from associated companies as of October 31, 1951 in connection with the merger of Abington Electric Company.

THE SCRANTON ELECTRIC COMPANY

CERTIFICATE

The undersigned Secretary of The Scranton Electric Company hereby certifies the annexed to be a true and correct copy of resolutions unanimously adopted by the Board of Directors of The Scranton Electric Company at a meeting thereof duly called and held September 27, 1951, at Scranton, Pa., at 10:00 A.M. (E.D.S.T.) at which meeting a quorum was present and voted thereon, and the said resolutions have not been revoked or amended, and are in full force and effect.

CERTIFIED this 10th day of October 1951.

  
Secretary of The Scranton  
Electric Company

(Corporate Seal)

THE SCRANTON ELECTRIC COMPANY

Excerpt of Minutes of Regular Meeting of  
Board of Directors

The Chairman presented to the meeting a form of contract, dated as of September 25, 1951, executed by the Vice President and Assistant Secretary of the Company, providing for the sale to The Scranton Electric Company of all the property, franchises and rights of Abington Electric Company. Upon motion duly made, seconded and unanimously carried, the following resolutions were adopted:

BE IT RESOLVED, AND IT IS HEREBY RESOLVED by the Board of Directors of The Scranton Electric Company, that a certain contract dated as of September 25, 1951, with Abington Electric Company, in the form presented at this meeting, providing for the sale, assignment, disposition and conveyance of Abington Electric Company to The Scranton Electric Company, its successors and assigns, of all of the franchises of Abington Electric Company, and all of its property, real, personal and mixed, and the conveyance and assignment of all accounts receivable, contracts and agreements, including, but without limiting the generality of the foregoing, a certain contract or agreement entered into by Abington Electric Company with Northern Pennsylvania Power Company, dated April 16, 1945, and amendments, all in accordance with the Act of April 29, 1874, P.L. 73, Section 23, and the Act of April 17, 1876, P.L. 30, Section 5, and the amendments and supplements thereto, for the consideration of the delivery by The Scranton Electric Company to the Abington Electric Company of all of the authorized and outstanding capital stock of Abington Electric Company, in the amount of thirty thousand (30,000) shares of Common Stock, for cancellation, and in further consideration of the assumption by The Scranton Electric Company of the mortgage and all of the obligations, liabilities and indebtedness of Abington Electric Company, subject to the approval of the Pennsylvania Public Utility Commission, the Federal Power Commission, and all other governmental regulatory bodies having or claiming jurisdiction, be and it is hereby approved;

FURTHER RESOLVED that the action of the Vice President and Assistant Secretary of The Scranton Electric Company in executing the said contract be and it is hereby approved and ratified;

FURTHER RESOLVED that the proper officers of The Scranton Electric Company be and they are hereby authorized and empowered to do any and all such other acts and things which they may deem necessary or advisable to carry out the intentment of the foregoing resolutions, and of the said contract, including the execution, delivery and filing of all petitions, applications, declarations, certificates or other documents, required by any governmental regulatory body having or claiming jurisdiction in the premises, and the taking of all proper action for obtaining the approval of such governmental bodies.

The Secretary then presented to the meeting Notice of Special Meeting of the Stockholders of Abington Electric Company to be held on Friday, the 5th day of October, 1951, at 10:00 o'clock A.M., at the principal office of the Company, Scranton Electric Building, 507 Linden Street, Scranton, Pa., for the purpose of considering and voting upon matters pertaining to the sale of the Abington Electric Company to The Scranton Electric Company as provided for in the foregoing contract. A copy of said notice was ordered filed with the minutes of the meeting.

Upon motion duly made, seconded and unanimously carried, the following resolution was adopted:

WHEREAS, the President of Abington Electric Company, by virtue of power conferred on him by the Board of Directors of Abington Electric Company, has issued a call for a Special Meeting of the Stockholders of Abington Electric Company to be held on Friday, the 5th day of October, 1951, at 10:00 o'clock A.M., at the principal office of the Abington Electric Company, Scranton Electric Building, 507 Linden Street, Scranton, Pennsylvania, for the purposes stated in said call, and in the notice thereof, and

WHEREAS, The Scranton Electric Company is the holder of 29,997 shares of the Common Stock of Abington Electric Company;

NOW, THEREFORE, BE IT RESOLVED, and it is hereby resolved by the Board of Directors of The Scranton Electric Company that any and all notice provided by the constitution and statutes of the Commonwealth of Pennsylvania, or by the Articles of Incorporation, or By-Laws of said Abington Electric Company, be waived and the proper officers of

The Scranton Electric Company are authorized to execute and deliver a waiver of all such notice, and to consent to the holding of a Special Meeting of the Stockholders of said Abington Electric Company at the time, place and for the purposes stated in the call and notice of said Special Meeting.

Upon motion duly made, seconded and unanimously carried, the following resolutions were adopted:

WHEREAS, the President of Abington Electric Company, by virtue of authority of the Board of Directors of Abington Electric Company, has called a Special Meeting of the Stockholders of Abington Electric Company to be held on Friday the 5th day of October, 1951, at 10:00 o'clock A.M., at the principal office of that Company, Scranton Electric Building, 507 Linden Street, Scranton, Pennsylvania, for the following purposes:

1. For the purpose of considering and voting upon the following resolution adopted by the Board of Directors of Abington Electric Company the 27th day of September, 1951:

"R E S O L U T I O N

"BE IT RESOLVED, AND IT IS HEREBY RESOLVED by the Board of Directors of Abington Electric Company, that a certain contract dated as of September 25, 1951, with The Scranton Electric Company, in the form presented at this meeting, providing for the sale, assignment, disposition and conveyance to The Scranton Electric Company, its successors and assigns, of all of the franchises of Abington Electric Company, and all of its property, real, personal and mixed, and the conveyance and assignment of all accounts receivable, contracts, and agreements including, but without limiting the generality of the foregoing, a certain contract or agreement entered into by Abington Electric Company with Northern Pennsylvania Power Company, dated April 16, 1945, and amendments, all in accordance with the Act of April 29, 1874, P.L. 73, Section 23, and the Act of April 17, 1876, P.L. 30, Section 5, and the amendments and supplements thereto, for the consideration of the delivery by The Scranton Electric Company to the Abington Electric Company of all of the authorized and outstanding capital stock of Abington Electric Company, in the amount of thirty thousand (30,000) shares of Common Stock, for cancellation, and in further consideration of the assumption by The Scranton Electric Company of the mortgage and all of the obligations, liabilities and indebtedness of Abington Electric Company, subject to the approval of the Pennsylvania Public Utility Commission,

the Federal Power Commission, and all other governmental regulatory bodies having or claiming jurisdiction, be and it is hereby approved;

"AND IT IS FURTHER RESOLVED that the action of the President and Secretary of Abington Electric Company in executing the said contract be and it is hereby approved and ratified;

"AND IT IS FURTHER RESOLVED that the President of Abington Electric Company be and he is hereby authorized and directed to call a Special Meeting of the Stockholders of Abington Electric Company on Friday, the 5th day of October, 1951, at 10:00 o'clock A.M., at the principal office of Abington Electric Company, Scranton Electric Building, 507 Linden Street, Scranton, Pa., for the purpose of obtaining the consent and ratification of said contract, and of the sale, assignment, disposition and conveyance to The Scranton Electric Company, its successors and assigns, of all of the franchises of Abington Electric Company, and all of its property, real, personal and mixed, and the conveyance and assignment of all accounts receivable, contracts, and agreements including, but without limiting the generality of the foregoing, a certain contract or agreement entered into by Abington Electric Company with Northern Pennsylvania Power Company dated April 16, 1945, and amendments, all in accordance with the Act of April 29, 1874, P.L. 73, Section 23, and the Act of April 17, 1876, P.L. 30, Section 5, and the amendments and supplements thereto, for the consideration of the delivery by The Scranton Electric Company to the Abington Electric Company of all of the authorized and outstanding capital stock of Abington Electric Company, in the amount of thirty thousand (30,000) shares of Common Stock, for cancellation, and in further consideration of the assumption by The Scranton Electric Company of the mortgage and all of the obligations, liabilities and indebtedness of Abington Electric Company, subject to the approval of the Pennsylvania Public Utility Commission, the Federal Power Commission and all other governmental regulatory bodies having or claiming jurisdiction.

"AND IT IS FURTHER RESOLVED that upon approval and consent of the stockholders, the proper officers of Abington Electric Company be and they are hereby authorized and empowered to do any and all such other acts and things which they may deem necessary or advisable to carry out the intendment of the foregoing resolutions and of the said contract, including the execution, delivery and filing of all petitions, applications, declarations, certificates or other documents, required by any governmental regulatory

body having or claiming jurisdiction in the premises, and the taking of all proper action for obtaining the approval of such governmental bodies."

2. For the purpose of obtaining the consent and ratification of the contract executed by the officers of Abington Electric Company dated September 25, 1951, with The Scranton Electric Company, its successors and assigns.

3. For the purpose of obtaining the approval and consent of the stockholders of Abington Electric Company for the sale, assignment, disposition and conveyance to The Scranton Electric Company, its successors and assigns, of all of the franchises of Abington Electric Company, and all of its property, real, personal and mixed, and the conveyance and assignment of all accounts receivable, contracts and agreements including, but without limiting the generality of the foregoing, a certain contract or agreement entered into by Abington Electric Company with Northern Pennsylvania Power Company, dated April 16, 1945, and amendments, all in accordance with the Act of April 29, 1874, P.L. 73, Section 23, and the Act of April 17, 1876, P.L. 30, Section 5, and the amendments and supplements thereto, for the consideration of the delivery by The Scranton Electric Company to the Abington Electric Company of all of the authorized and outstanding capital stock of Abington Electric Company, in the amount of thirty thousand (30,000) shares of Common Stock, for cancellation, and in further consideration of the assumption by The Scranton Electric Company of the mortgage and all of the obligations, liabilities and indebtedness of Abington Electric Company, subject to the approval of the Pennsylvania Public Utility Commission, the Federal Power Commission, and all other governmental regulatory bodies having or claiming jurisdiction.

4. To transact any other business that may come before the meeting.

AND, WHEREAS, The Scranton Electric Company is the holder of 29,997 shares of the Common Stock of Abington Electric Company, all of which it is entitled to vote at the said Special Meeting of the Stockholders of Abington Electric Company:

BE IT RESOLVED, AND IT IS HEREBY RESOLVED that D. A. GARDNER be, and he hereby is constituted and appointed the true and lawful attorney and agent of The Scranton Electric Company to vote as its proxy and representative, and in its name, place and stead, all of the shares of the capital stock of Abington Electric Company that said The Scranton Electric Company is entitled to vote, namely, 29,997 shares, at the said Special Meeting of Stockholders of Abington Electric Company designated hereinbefore, or at any and all adjournments thereof.

BE IT FURTHER RESOLVED that the said attorney and agent hereinbefore authorized to vote as the proxy and representative of The Scranton Electric Company is hereby directed to vote in favor of the proposed resolution designated hereinbefore, and also in the call for the said Special Meeting.

AND BE IT FURTHER RESOLVED that the President and the Secretary of The Scranton Electric Company be and they hereby are authorized and directed to make, execute and deliver to the said D. A. GARDNER, in the name of and in behalf of this corporation, and under its corporate seal, a written power of attorney expressing the authorization hereby given.

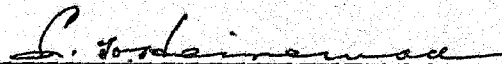
NOTE:

30,000 shares of common stock of the Abington Electric Company are beneficially owned and controlled by The Scranton Electric Company, 29,997 shares of said stock being issued and registered in the name of The Scranton Electric Company and 1 share each issued and registered in the names of D. J. Connell, L. H. Heineman and R. G. Houck, officers of The Scranton Electric Company and nominees of The Scranton Electric Company for the purpose of qualifying as Judges of Election to comply with the law of Pennsylvania, and the certificates of stock for said three (3) shares have been assigned by the said registered holders to The Scranton Electric Company and are now in the possession of The Scranton Electric Company.

ABINGTON ELECTRIC COMPANYCERTIFICATE

The undersigned Secretary of Abington Electric Company hereby certifies the annexed to be a true and correct copy of resolutions unanimously adopted by the Board of Directors of Abington Electric Company at a meeting thereof duly called and held September 27, 1951, at Scranton, Pa., at 10:00 A.M. (E.D.S.T.) at which meeting a quorum was present and voted thereon, and the said resolutions have not been revoked or amended, and are in full force and effect.

CERTIFIED this 10th day of October 1951.



Secretary of Abington  
Electric Company

(Corporate Seal)

ABINGTON ELECTRIC COMPANY

Excerpt of Minutes of Regular Meeting of  
Board of Directors

The Chairman then presented to the meeting a form of contract, dated as of September 25, 1951, executed by the President and Secretary of the Company, providing for the sale to The Scranton Electric Company of all of the property, franchises and rights of Abington Electric Company. He stated to the meeting that in connection with said sale, it would be necessary to call a Special Meeting of the Stockholders of the Company. Upon motion duly made, seconded and unanimously carried, the following resolutions were adopted:

BE IT RESOLVED, AND IT IS HEREBY RESOLVED by the Board of Directors of Abington Electric Company, that a certain contract dated as of September 25, 1951, with The Scranton Electric Company, in the form presented at this meeting, providing for the sale, assignment, disposition and conveyance to The Scranton Electric Company, its successors and assigns, of all of the franchises of Abington Electric Company, and all of its property, real, personal and mixed, and the conveyance and assignment of all accounts receivable, contracts and agreements including, but without limiting the generality of the foregoing, a certain contract or agreement entered into by Abington Electric Company with Northern Pennsylvania Power Company, dated April 16, 1945, and amendments, all in accordance with the Act of April 29, 1874, P.L. 73, Section 23, and the Act of April 17, 1876, P.L. 30, Section 5, and the amendments and supplements thereto, for the consideration of the delivery by The Scranton Electric Company to the Abington Electric Company of all of the authorized and outstanding capital stock of Abington Electric Company, in the amount of thirty thousand (30,000) shares of Common Stock, for cancellation, and in further consideration of the assumption by The Scranton Electric Company of the mortgage and all of the obligations, liabilities and indebtedness of Abington Electric Company, subject to the approval of the Pennsylvania Public Utility Commission, the Federal Power Commission, and all other governmental regulatory bodies having or claiming jurisdiction, be and it is hereby approved.

AND IT IS FURTHER RESOLVED that the action of the President and Secretary of Abington Electric Company in executing the said contract be and it is hereby approved and ratified;

AND IT IS FURTHER RESOLVED that the President of Abington Electric Company be and he is hereby authorized and directed to call a Special Meeting of the Stockholders of Abington Electric Company on Friday, the 5th day of October, 1951, at 10:00 o'clock A.M., at the principal office of Abington Electric Company, Scranton Electric Building, 507 Linden Street, Scranton, Pa., for the purpose of obtaining the consent and ratification of said contract, and of the sale, assignment, disposition and conveyance to The Scranton Electric Company, its successors and assigns, of all of the franchises of Abington Electric Company, and all of its property, real, personal and mixed, and the conveyance and assignment of all accounts receivable, contracts and agreements including, but without limiting the generality of the foregoing, a certain contract or agreement entered into by Abington Electric Company with Northern Pennsylvania Power Company, dated April 16, 1945, and amendments, all in accordance with the Act of April 29, 1874, P.L. 73, Section 23, and the Act of April 17, 1876, P.L. 30, Section 5, and the amendments and supplements thereto, for the consideration of the delivery by The Scranton Electric Company to the Abington Electric Company of all of the authorized and outstanding capital stock of Abington Electric Company, in the amount of thirty thousand (30,000) shares of Common Stock, for cancellation, and in further consideration of the assumption by The Scranton Electric Company of the mortgage and all of the obligations, liabilities and indebtedness of Abington Electric Company, subject to the approval of the Pennsylvania Public Utility Commission, the Federal Power Commission and all other governmental regulatory bodies having or claiming jurisdiction.

AND IT IS FURTHER RESOLVED that upon approval and consent of the stockholders, the proper officers of Abington Electric Company be and they are hereby authorized and empowered to do any and all such other acts and things which they may deem necessary or advisable to carry out the intentment of the foregoing resolutions and of the said contract, including the execution, delivery and filing of all petitions, applications, declarations, certificates or other documents, required by any governmental regulatory body having or claiming jurisdiction in the premises, and the taking of all proper action for obtaining the approval of such governmental bodies.

Upon motion duly made, seconded and unanimously carried, the following resolution was adopted:


BE IT RESOLVED, AND IT IS HEREBY RESOLVED that L. H. Heineman, R. G. Houck and Ernest W. Osborn, stockholders of Abington Electric Company, be and they hereby are appointed Judges to hold the election and Special Meeting of the Stockholders of Abington Electric Company, to be held on Friday, the 5th day of October, 1951, at 10:00 o'clock A.M., at the principal office of Abington Electric Company, Scranton Electric Building, 507 Linden Street, Scranton, Pa., the said Judges to take and subscribe the oath, conduct the election and Special Meeting, and make duplicate returns of said election in the manner and according to the requirements of the Act of Assembly in such case made and provided.

ABINGTON ELECTRIC COMPANY

CERTIFICATE

The undersigned Secretary of Abington Electric Company, a corporation created and existing under the laws of the Commonwealth of Pennsylvania, hereby certifies; that at a meeting of the stockholders of said corporation, regularly held in accordance with the requirements of the law of said Commonwealth, at the office of said corporation in Scranton, Pennsylvania, on October 5, 1951, at which meeting all of the stock of said corporation represented by the holders thereof in person or by proxy voted for the annexed resolutions, and the said resolutions have not been revoked or amended, and are in full force and effect.

CERTIFIED this 10th day of October 1951.

  
Secretary of Abington  
Electric Company

(Corporate Seal)

Excerpt of Minutes of  
Special Meeting of Stockholders

The Chairman then submitted to the meeting the contract executed by the officers of Abington Electric Company with The Scranton Electric Company, dated September 25, 1951, providing for the sale to The Scranton Electric Company of all of the property, franchises and rights of the Abington Electric Company.

Upon motion duly made, seconded and unanimously carried, the following resolution was presented to the meeting:

BE IT RESOLVED, AND IT IS HEREBY RESOLVED, that the stockholders of Abington Electric Company hereby approve and ratify the contract executed by the officers of Abington Electric Company with The Scranton Electric Company, dated September 25, 1951; and

IT IS FURTHER RESOLVED that the stockholders of Abington Electric Company hereby approve and ratify the resolution adopted by the Board of Directors of Abington Electric Company dated the 27th day of September, 1951, a copy of which is incorporated in the notice of the Special Meeting of the Stockholders of Abington Electric Company; and

IT IS FURTHER RESOLVED that the stockholders of Abington Electric Company hereby consent to the sale, assignment, disposition, and conveyance to The Scranton Electric Company, its successors and assigns, of all of the franchises of Abington Electric Company, and of all of its property, real, personal and mixed, and the conveyance and assignment of all accounts receivable, contracts and agreements including, but without limiting the generality of the foregoing, a certain contract or agreement entered into by Abington Electric Company with Northern Pennsylvania Power Company, dated April 16, 1945, and amendments, all in accordance with the Act of April 29, 1874, P.L. 73, Section 23, and the Act of April 17, 1876, P.L. 30, Section 5, and the amendments and supplements thereto, for the consideration of the delivery by The Scranton Electric Company to the Abington Electric Company of all of the authorized and outstanding capital stock of Abington Electric Company, in the amount of thirty thousand (30,000) shares of Common Stock, for cancellation, and in further consideration of the assumption by The Scranton Electric Company of the mortgage and all of the obligations, liabilities and indebtedness of Abington Electric Company, subject to the approval of the Pennsylvania Public Utility Commission, the Federal Power Commission, and all other governmental regulatory bodies having or claiming jurisdiction.

ARTICLES OF AGREEMENT, made and entered into this 25th day of September, 1951, by and between ABINGTON ELECTRIC COMPANY, a corporation of the Commonwealth of Pennsylvania, having its principal office in the City of Scranton, County of Lackawanna, Pennsylvania, Party of the First Part, and THE SCRANTON ELECTRIC COMPANY, a corporation of the Commonwealth of Pennsylvania, having its principal office in the City of Scranton, County of Lackawanna, Pennsylvania, Party of the Second Part, WITNESSETH:

WHEREAS, Abington Electric Company is a public utility, and has charter rights and franchises for rendering electric service, and is rendering electric service to the public in various communities in the Counties of Lackawanna and Wyoming, and is the owner of transmission and distribution lines and other facilities, as well as real estate, situate principally in said Counties of Lackawanna and Wyoming; and

WHEREAS, The Scranton Electric Company is a public utility and is rendering electric service in territory contiguous to that of Abington Electric Company; and

WHEREAS, both parties hereto are qualified corporations under the Act of April 29, 1874, P.L. 73, and the Act of April 17, 1876, P.L. 30, their supplements and amendments; and

WHEREAS, the said Abington Electric Company desires to sell, assign and transfer all of its property, franchises and rights to The Scranton Electric Company, its successors and assigns, upon certain terms and conditions; and

WHEREAS, The Scranton Electric Company desires to acquire all of the property, franchises and rights of said Abington Electric Company:

NOW, THEREFORE, in consideration of the mutual promises, contracts, agreements and covenants herein contained, it is hereby agreed as follows:

FIRST: Abington Electric Company agrees to sell, assign, dispose of, and convey to The Scranton Electric Company, its successors and assigns, all of the franchises of Abington Electric Company, and all of its property, real, personal and mixed, and to convey and assign all accounts receivable, contracts and agreements including, but without limiting the generality of the foregoing, a certain contract or agreement entered into by Abington Electric Company with Northern Pennsylvania Power Company, dated April 16, 1945, and amendments, all in accordance with the Act of April 29, 1874, P.L. 73, Section 23, and the Act of April 17, 1876, P.L. 30, Section 5, and the amendments and supplements thereto, for the consideration of the delivery by The Scranton Electric Company to the Abington Electric Company of all of the authorized and outstanding capital stock of Abington Electric Company, in the amount of thirty thousand (30,000) shares of common stock, for cancellation, and for the further consideration of the assumption by The Scranton Electric Company of all of the liabilities of the Abington Electric Company.

SECOND: The Abington Electric Company agrees to make and deliver to The Scranton Electric Company, its successors and assigns, all necessary deeds, assignments, bills of sale or other instruments necessary to effectuate the agreements contained herein, and to secure and deliver to The Scranton Electric Company, its successors and assigns, all necessary consents, or permission for such conveyances and assignments.

THIRD: The Scranton Electric Company agrees to purchase all of the franchises and all of the property of Abington Electric Company, real, personal and mixed, for the consideration set forth in the first

paragraph hereof. On compliance by Abington Electric Company with the agreements set forth in paragraphs first and second hereof, The Scranton Electric Company agrees to deliver to Abington Electric Company all of the said authorized and outstanding capital stock of Abington Electric Company, in the amount of thirty thousand (30,000) shares, for cancellation, and to assume all obligations, liabilities, mortgages and indebtedness of Abington Electric Company.

FOURTH: The Abington Electric Company agrees to cancel the said thirty thousand (30,000) shares of its capital stock immediately on receipt thereof from The Scranton Electric Company.

FIFTH: The agreements contained herein are subject to the following conditions:

(a) Approval and ratification of this contract by the Board of Directors and stockholders of the Abington Electric Company.

(b) Approval and ratification of this contract by the Board of Directors of The Scranton Electric Company.

(c) Approval of the entire transaction by the Pennsylvania Public Utility Commission, Federal Power Commission, and any other governmental regulatory bodies having or claiming jurisdiction.

SIXTH: It is agreed that the parties hereto will take the necessary action as soon as practicable for ratification by the respective Boards of Directors and by the stockholders of Abington Electric Company, and likewise will, as soon as practicable, present the required applications to the Pennsylvania Public Utility Commission, Federal Power Commission, and any other governmental regulatory bodies, whose approval may be necessary.

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

ABINGTON ELECTRIC COMPANY

By (S) C. F. Nagle  
President

ATTEST:

(S) L. H. Heineman  
Secretary

(SEAL)

THE SCRANTON ELECTRIC COMPANY

By (S) D. J. Connell  
Vice-President

ATTEST:

(S) R. G. HOUCK  
Asst. Secretary

(SEAL)

THIS DEED, made the \_\_\_\_\_ day of \_\_\_\_\_, in the year of our Lord one thousand nine hundred fifty-two, BETWEEN ABINGTON ELECTRIC COMPANY, a corporation created and existing under the laws of the Commonwealth of Pennsylvania, hereinafter called the Grantor, party of the first part,

AND

THE SCRANTON ELECTRIC COMPANY, a corporation created and existing under the laws of the Commonwealth of Pennsylvania, hereinafter called the Grantee, party of the second part:

WHEREAS, the parties to this deed are both created and existing under the General Corporation Act of 1874, entitled, "An Act for the Creation and Regulation of Corporations" approved April 29, 1874, and the several supplements thereto and amendments thereof, for the purpose of supplying electric energy, light, heat and power to the public; and

WHEREAS, the stockholders of the said Grantor, at a meeting regularly called for that purpose, held an election on the 5th day of October, 1951, and did unanimously authorize the sale, assignment, disposition of and conveyance to the Grantee, its successors and assigns, of all franchises, and all the property, real, personal and mixed, of the Grantor, and the conveyance and assignment of all of the Grantor's accounts receivable, contracts and agreements, to the said Grantee, its successors and assigns, for the consideration of the delivery by the Grantee to the Grantor of all of the authorized and outstanding capital stock of the Grantor, in the amount of thirty thousand (30,000) shares of common stock, for cancellation, and for the further consideration of the assumption, by the Grantee, of all of the liabilities of the Grantor; and

WHEREAS, the Pennsylvania Public Utility Commission has approved of said transaction, as evidenced by its certificate of public convenience dated \_\_\_\_\_, Docket No. \_\_\_\_\_, and the Federal Power Commission has approved of the said transaction, as evidenced by its order dated \_\_\_\_\_, Docket No. \_\_\_\_\_; and

WHEREAS, the Board of Directors of said Grantor, by resolution duly adopted, authorized the execution and delivery of such deeds, assignments and other instruments as may be necessary to complete such sale, assignment, disposition of, and conveyance of its franchises, and all of its property, real, personal and mixed:

WITNESSETH, That the said Abington Electric Company, Grantor, for and in consideration of the delivery to it by The Scranton Electric Company, of all of the authorized and outstanding capital stock of said Abington Electric Company, in the amount of thirty thousand (30,000) shares of common stock, for cancellation, and in further consideration of the assumption by The Scranton Electric Company of all of the liabilities of Abington Electric Company, the said Abington Electric Company does hereby sell, assign, dispose of and convey its franchises, and all of its property, real, personal and mixed, of whatsoever kind and wheresoever situate, and conveys and assigns all its accounts receivable, contracts and agreements, unto The Scranton Electric Company, Grantee herein, its successors and assigns forever.

TO HAVE AND TO HOLD the said franchises, and all said property, real, personal and mixed, so sold, assigned, disposed of and conveyed, or intended so to be, unto the said Grantee, its successors and assigns, to and for the only purpose, use and behoof of said Grantee, its successors and assigns.

The said Grantor hereby acknowledges receipt from the Grantee of all of the authorized and outstanding capital stock of the Grantor in the amount of thirty thousand (30,000) shares of common stock, for cancellation, and the Grantee, by acceptance of this deed, hereby assumes all of the liabilities of the Grantor, the acceptance of this deed, in accordance with the terms hereof, having been authorized by the Board of Directors of said Grantee by resolution duly adopted.

IN WITNESS WHEREOF, the said Abington Electric Company, Grantor, party of the first part, has caused its common and corporate seal to be affixed to these Presents by the hand of its President and the same to be attested by its Secretary.

Dated the day and year first above written.

ABINGTON ELECTRIC COMPANY

By \_\_\_\_\_  
PRESIDENT

ATTEST:

\_\_\_\_\_  
SECRETARY

COMMONWEALTH OF PENNSYLVANIA )  
  ) SS:  
COUNTY OF LACKAWANNA         )

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 1952, before me,  
\_\_\_\_\_ a Notary Public, the undersigned officer,  
personally appeared C. F. Nagle, who acknowledged himself to be  
the President of the Abington Electric Company, a corporation,  
and that he as such President, being authorized to do so, executed  
the foregoing instrument for the purposes therein contained by  
signing the name of the Corporation, by himself as President.

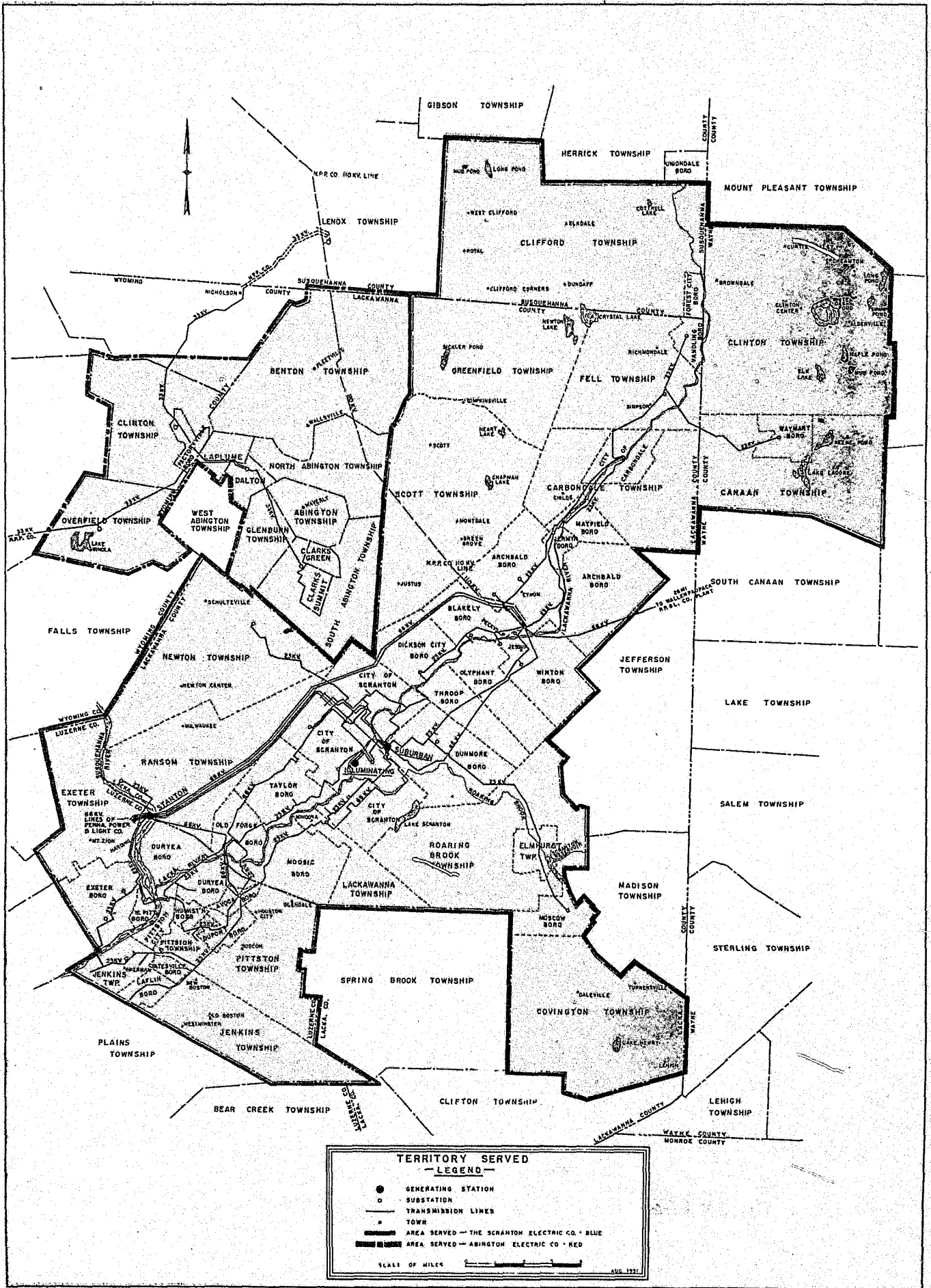
IN WITNESS WHEREOF, I hereunto set my hand and official seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:

Certified address of the Grantee is:

507-509 Linden Street,  
Scranton 3, Pa.



RED - ABINGTON ELECTRIC COMPANY  
 BLUE - THE SCRANTON ELECTRIC COMPANY

---

THE SCRANTON ELECTRIC COMPANY

to

PROVIDENT TRUST COMPANY OF  
PHILADELPHIA, TRUSTEE

---

FIRST SUPPLEMENTAL INDENTURE

Dated                      , 1952

to

INDENTURE OF MORTGAGE AND DEED OF TRUST

of

ABINGTON ELECTRIC COMPANY

to

PROVIDENT TRUST COMPANY OF PHILADELPHIA, TRUSTEE

Dated March 1, 1949

INDENTURE OF SUCCESSION

---

FIRST SUPPLEMENTAL INDENTURE dated as of 1952,  
made by and between The Scranton Electric Company, a corporation organized and existing under and by virtue of the laws of the Commonwealth of Pennsylvania (hereinafter called the "Company"), party of the first part, and Provident Trust Company of Philadelphia, a corporation organized and existing under and by virtue of the laws of the Commonwealth of Pennsylvania and having its principal office and place of business in the City of Philadelphia, Pennsylvania, (hereinafter called the "Trustee"), as Trustee, party of the second part.

WHEREAS, Abington Electric Company, a Pennsylvania corporation, executed, acknowledged and delivered to the Trustee a certain indenture of mortgage and deed of trust dated as of March 1, 1949 (hereinafter sometimes called the "Indenture"), whereby the Company did convey, pledge, transfer and assign unto the Trustee thereunder and to its successors in the trust thereby created and to its and their assigns forever, subject to the terms of the Indenture, all its property, real, personal and mixed, tangible and intangible, excepting such property as is therein expressly excepted from the lien and operation thereof, as security for its First Mortgage Bonds (hereinafter sometimes called the "bonds") to be issuable in one or more series, for the purposes and in the manner therein provided, of which Indenture this supplemental indenture is intended to be made a part as fully as if therein recited, and the Indenture was recorded (a) on June 29, 1949 in the office of the Recorder of Deeds of Lackawanna County, Pennsylvania, in Record Book number 406, page 494, and (b) on June 29, 1949 in the office of the Recorder of Deeds of Wyoming County, Pennsylvania, in Record Book number 38, page 300; reference being hereby made to the Indenture and the recording thereof for all pertinent purposes; and

WHEREAS, Abington was merged with and into the Company under and pursuant to Merger Agreement dated September 25, 1951, effective , 1952, and Section 13.01 of the Indenture provides, inter alia, that upon any consolidation or merger of Abington with or into another corporation, such corporation shall, by an indenture supplemental to the Indenture, executed and delivered to the Trustee, expressly assume the due and punctual payment of the principal of and interest on all bonds at the time outstanding and the observance of all of the covenants and conditions of the Indenture; and

WHEREAS, the Company desires to comply with the provisions of Section 13.01 of the Indenture and to that end, pursuant to appropriate corporate action duly had and taken before the execution and delivery hereof, the Company has duly authorized and directed the execution and delivery to the Trustee of this First Supplemental Indenture; and

WHEREAS, all things necessary to make this Supplemental Indenture a valid, binding and legal supplement to the Indenture have been done and performed and the execution and delivery hereof have been in all respects duly and lawfully authorized;

NOW THEREFORE, this FIRST SUPPLEMENTAL INDENTURE WITNESSETH:

That in consideration of the premises and of the acceptance by the Trustee of the trusts created by the Indenture and this Supplemental Indenture and of one dollar to it duly paid by the Trustee at or before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in order further to secure the payment of both the principal of and premium, if any, and interest on the bonds from time to time issued under the Indenture, according to their tenor and effect, and the performance and observance of all the provisions of the

Indenture (including this Supplemental Indenture and all other indentures supplemental thereto and any modification or alteration of the Indenture made as therein provided) and of the bonds, and for the proper assuring, conveying and confirming unto the Trustee, and to its successors in the trust created by the Indenture, and its and their assigns forever, upon the trusts and for the purposes expressed in the Indenture and all indentures supplemental thereto including this Supplemental Indenture, all and singular the estates, property and franchises of the Company thereby mortgaged or intended so to be, the Company has granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed, and by these presents doth grant, bargain, sell, release, convey, assign, transfer, mortgage, pledge, set over and confirm, unto Provident Trust Company of Philadelphia, as Trustee, and to its successor or successors in said trusts, and to its and their assigns forever, subject to the terms of the Indenture, all property, real, personal and mixed, tangible and intangible, owned by the Company on the date of the execution hereof which was acquired from Abington and which was subject to the lien of the Indenture immediately prior to said merger and consolidation becoming effective as hereinbefore recited, and all additions, extensions, improvements, repairs and replacements to or about the mortgaged property, and all such property as may be acquired or constructed by the Company in pursuance of any covenant or agreement of the Indenture to be kept or performed by the Company, and all property additions which shall be made the basis for the exercise of any privilege under the Indenture with respect to property additions including the taking of any credit for any purpose as provided in Section 13.02 of the Indenture; in each case with similar

force, effect and standing as if Abington had itself acquired or constructed such properties or property additions and had not been consolidated with or merged into the Company;

SUBJECT, HOWEVER, to encumbrances of the character defined in the Indenture as "excepted encumbrances."

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Trustee and its successor or successors in the trust created by the Indenture and its and their assigns forever;

IN TRUST, NEVERTHELESS, for the equal pro rata benefit and security of each and every the persons or corporations who may be or become the holders of any bonds secured by the Indenture, without preference, priority or distinction as to lien or otherwise of any bond over or from any other bond, so that each and every of said bonds issued or to be issued, of whatsoever series, shall have the same right, lien and privilege under the Indenture and shall be equally secured thereby and hereby, with the same effect as if the bonds had all been made, issued and negotiated simultaneously on the date of the Indenture; subject, however, to the provisions of Sections 10.03 and 10.12 of the Indenture.

AND IT IS HEREBY COVENANTED, DECLARED AND AGREED by and between the parties hereto that the property aforesaid is hereby conveyed to the Trustee upon and subject to the trusts, conditions and limitations set

forth in the Indenture and in any indenture supplemental thereto and upon and subject to the further trusts, conditions and limitations hereinafter set forth, as follows:

Section 1. The Company has assumed and agreed to pay, and does hereby assume and agree to pay, duly and punctually, the principal of and interest on all the bonds outstanding under the Indenture according to their tenor, and has agreed and does hereby agree to perform and observe, duly and punctually, all the covenants and conditions of the Indenture and of any indenture supplemental thereto.

Section 2. It is the intention of the parties and it is hereby agreed and declared that upon executing and causing to be recorded this Supplemental Indenture the Company shall succeed to and shall be substituted for Abington under the Indenture and all indentures supplemental thereto, with the same effect as if the Company had been named therein as the mortgagor company, subject, however, to the terms and conditions of Article XIII of the Indenture.

Section 3. The Trustee hereby accepts the trusts hereby declared and provided and agrees to perform the same upon the terms set forth in the Indenture and upon the following terms and conditions:

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or the due execution hereof by the Company or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. In general, each and every term and condition contained in Article XIV of the Indenture shall apply to this Supplemental Indenture with the same force and effect as if the same were herein set forth in full, with such omissions, variations and modifications

thereof as may be proper to make the same conform to this Supplemental Indenture.

Section 4. The lien and priority of the Indenture shall continue and remain unimpaired and all the terms and provisions thereof and all the rights, privileges and powers of the holders of the bonds secured thereby shall continue and remain effective and unchanged.

Section 5. This Supplemental Indenture shall be simultaneously executed in several counterparts, and all such counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties of the first and second parts hereto have caused their corporate seals to be hereunto affixed and their Presidents or Vice-Presidents, under and by the authority vested in them have hereto affixed their signatures and their Secretaries or Assistant Secretaries have duly attested the execution hereof, as of the day and year first above mentioned.

THE SCRANTON ELECTRIC COMPANY

By \_\_\_\_\_  
President

Attest: \_\_\_\_\_  
Secretary

Signed, sealed and de-  
livered by The Scranton Electric  
Company in the presence of:

PROVIDENT TRUST COMPANY OF PHILADELPHIA

By \_\_\_\_\_  
Vice-President

Attest: \_\_\_\_\_  
Assistant Secretary

Signed, sealed and de-  
livered by Provident Trust  
Company of Philadelphia in  
the presence of:

CERTIFICATE OF RESIDENCE

Provident Trust Company of Philadelphia, the Mortgagee and  
Trustee within named, hereby certifies that its precise residence is  
1632 Chestnut Street, in the City of Philadelphia, Commonwealth of  
Pennsylvania.

PROVIDENT TRUST COMPANY OF PHILADELPHIA

By \_\_\_\_\_  
Vice-President





RECEIVED

BEFORE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

FEB 25 10 23 AM 1952

SECRETARY'S OFFICE  
PUBLIC UTILITY COMM.

In re: Application of The Scranton Electric )  
Company and Abington Electric Company )  
for approval of the acquisition by )  
the former and the transfer by the )  
latter of all the property and rights )  
of Abington Electric Company )

Application  
Docket  
No. A.78384

REPORT

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Now comes The Scranton Electric Company, and refers to Application, Docket No. A.78384, filed January 24, 1952 and letter from your Honorable Commission dated February 1, 1952 and respectfully states and shows unto this Honorable Commission as follows:

- (a) That on the 7th day of February, 1952 a copy of Application, A.78384, was addressed and mailed, registered first class, to the authorities of all municipalities in which Abington Electric Company is presently furnishing service, accompanied by letter of transmittal giving notice of time and place of a public hearing thereon.
- (b) That on the 7th day of February, 1952 a notice, by letter, was addressed and mailed, postage prepaid, to all of the customers of Abington Electric Company giving notice of time and place of a public hearing thereon.
- (c) No other individual, partnership or corporation furnishes a similar service in the territory presently being served by Abington Electric Company.

RECORD  
FOLDER

DOCKETED  
APR 1952  
FEB 26 1952  
R

- (d) That once during the weeks of February 4 and February 11, 1952 there was published in The Scranton Times, The Scranton Tribune, The Abington Journal and the Tunkhannock Republican and New Age, a notice, an exact copy whereof is hereunto attached to this Report.
- (e) Proof of service and publication, in affidavit form, is attached hereto and made a part of this Report, marked Exhibit A.

Respectfully submitted this 18th day of February, 1952.

THE SCRANTON ELECTRIC COMPANY

By C. J. Doyle  
President

ABINGTON ELECTRIC COMPANY

By C. J. Doyle  
President

COMMONWEALTH OF PENNSYLVANIA )  
  ) SS:  
COUNTY OF LACKAWANNA )

C. F. NAGLE, being duly sworn according to law, deposes and says that he is President of The Scranton Electric Company; that he is authorized to and does make this affidavit for it; and that the facts set forth are true and correct.

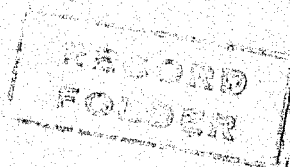
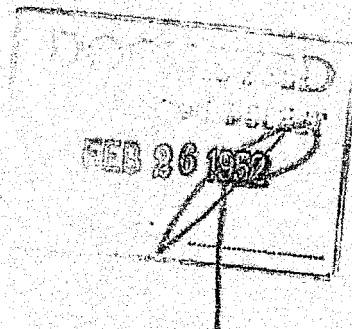
C. F. Nagle

Sworn and subscribed before me  
this 18<sup>th</sup> day of February, 1952

Louella Dorney  
Notary Public

My Commission Expires: March 6, 1955

(SEAL)



COMMONWEALTH OF PENNSYLVANIA )  
COUNTY OF LACKAWANNA ) ss:

C. F. NAGLE, being duly sworn according to law, deposes and says that he is President of Abington Electric Company; that he is authorized to and does make this affidavit for it; and that the facts set forth are true and correct.

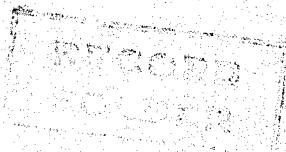
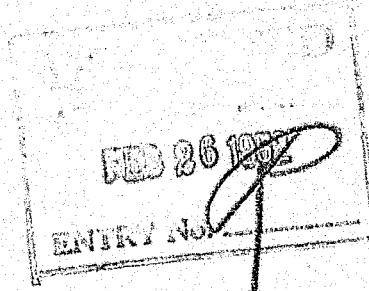
C. F. Nagle

Sworn and subscribed before me  
this 18<sup>th</sup> day of February, 1952

Loretta Doney  
Notary Public

My Commission Expires: March 6, 1953

(SEAL)



Re: Application of The Scranton Electric Company and Abington Electric Company for approval of the acquisition by the former and the transfer by the latter of all the property and rights of Abington Electric Company. Docket No. A.78384

AFFIDAVIT OF SERVICE

COMMONWEALTH OF PENNSYLVANIA )
COUNTY OF LACKAWANNA ) ss:

I, R. G. HOUCK, being duly sworn depose and say:

1. I am Assistant Secretary and Assistant Treasurer of The Scranton Electric Company and the Abington Electric Company, corporations of the Commonwealth of Pennsylvania.

2. Under my direction, a copy of said Application, Docket No. A.78384, was served upon the respective authority of each municipality in the territory in which Abington Electric Company is presently furnishing service, by mailing by registered mail, return receipts of which have been received, as indicated on the list attached hereto, marked Exhibit B.

3. All said Applications, accompanied by a letter of transmittal giving notice of time and place of a public hearing thereon, a copy of which is attached hereto, marked Exhibit C, were mailed registered first-class, by delivery personally by me on the 7th day of February, 1952, to the United States Post Office in the Borough of Clarks Summit, County of Lackawanna, Pennsylvania.

4. Under my direction, a notice by letter, in the form attached hereto, marked Exhibit D, was addressed to each customer of Abington Electric Company served under said Company's presently existing rate schedules, at his or her address as the same appeared on the official billing records of said Company at the close of business February 5, 1952.

5. All said notices to customers of Abington Electric Company were mailed first class, postage prepaid, by delivery personally by me on the 7th day of February, 1952, to the United States Post Office in the Borough of Clarks Summit, County of Lackawanna, Pennsylvania.

6. Under my direction, there was published once during the weeks of February 4 and February 11, 1952, in The Scranton Times, The Scranton Tribune, The Abington Journal and the Tunkhannock Republican and New Age, newspapers having general circulation in the territory in which Abington Electric Company is presently rendering service, a notice, an exact copy whereof is attached hereto marked Exhibit E. Proof of Publication of such notice in each newspaper listed herein is attached and marked Exhibit F.

DOCKETED FEB 26 1952 ENTRY NO. 7

RECORD FOLDER

R. G. Houck (Signature) R. G. Houck

Sworn to and subscribed before me this 18th day of February, 1952

Louella Dorsey Notary Public

My Commission Expires: March 6, 1955

(SEAL)

ABINGTON ELECTRIC COMPANY

List of authorities of all municipalities in which Abington Electric Company is presently furnishing electric service, and to whom copy of Application was mailed by registered first-class mail February 7, 1952

Lackawanna CountyAbington Township

Mr. McKinley Parker, Secretary  
Board of Supervisors, Abington Township  
Waverly, Pennsylvania

Benton Township

Mr. Donald Brown, Secretary  
Board of Supervisors, Benton Township  
R. D. No. 2  
Factoryville, Pennsylvania

Clarks Green Borough

Mr. J. M. LaCoe, Secretary  
Borough Council, Clarks Green Borough  
Clarks Green, Pennsylvania

Clarks Summit Borough

Mr. Richard Wenner, Secretary  
Borough Council, Clarks Summit Borough  
Clarks Summit, Pennsylvania

Dalton Borough

Mr. John Wehr, Secretary  
Borough Council, Dalton Borough  
Dalton, Pennsylvania

Glenburn Township

Mr. Robert B. Hall, Secretary  
Board of Supervisors, Glenburn Township  
R. D. No. 2  
Dalton, Pennsylvania

LaPlume Township

Mr. A. E. Seamans, Secretary  
Board of Supervisors, LaPlume Township  
R. D. No. 2  
Factoryville, Pennsylvania

North Abington Township

Mr. William Carlyle Sullivan, Secretary  
Board of Supervisors, North Abington Township  
R. D. No. 1  
Dalton, Pennsylvania

South Abington Township

Mr. J. Reginald Watkins, Secretary  
Board of Supervisors, South Abington Township  
Chinchilla, Pennsylvania

Wyoming CountyClinton Township

Mr. Cecil Dixon, Secretary  
Board of Supervisors, Clinton Township  
R. D. No. 2  
Factoryville, Pennsylvania

Factoryville Borough

Mr. Harold L. Scheuer, Secretary  
Borough Council, Factoryville Borough  
Factoryville, Pennsylvania

Overfield Township

Mrs. Charles W. Garey, Secretary  
Board of Supervisors, Overfield Township  
R. D. No. 2  
Dalton, Pennsylvania

ABINGTON ELECTRIC COMPANY

507 LINDEN STREET

SCRANTON 3, PA.

EXHIBIT C

(COPY)

February 7, 1952

Re: Application of The Scranton Electric Company and Abington Electric Company for approval of the acquisition by the former and the transfer by the latter of all the property and rights of Abington Electric Company. (A.78384)

Dear Sir:

In accordance with the rules and regulations of the Pennsylvania Public Utility Commission, there is attached copy of the application of The Scranton Electric Company and Abington Electric Company filed with the Commission and docketed to the above number.

Notice is hereby given that the Pennsylvania Public Utility Commission will hold a public hearing upon this application in the Courthouse at Scranton, on Monday, February 18, 1952, at 10:00 A.M., where and when all persons in interest may appear and be heard, if they so desire.

Very truly yours,

ABINGTON ELECTRIC COMPANY

(S) C. F. Nagle

C. F. Nagle  
President



ABINGTON ELECTRIC COMPANY

507 LINDEN STREET

SCRANTON 3, PA.

EXHIBIT D

(COPY)

NOTICE TO CUSTOMERS

February 7, 1952

Dear Customer:

Notice is hereby given that application has been made to the Pennsylvania Public Utility Commission, under the provisions of the Public Utility Law, by The Scranton Electric Company and Abington Electric Company for an order evidencing the Commission's approval of the acquisition by the former and the transfer by the latter of all the property and rights of Abington Electric Company. (A.78384)

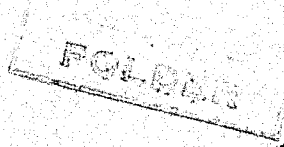
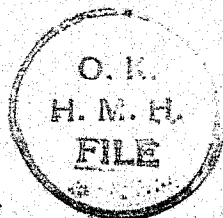
A public hearing upon this application will be held in the Courthouse at Scranton, on Monday, February 18, 1952, at 10:00 A.M., where and when all persons in interest may appear and be heard, if they so desire.

Very truly yours,

ABINGTON ELECTRIC COMPANY

*C. F. Nagle*

C. F. Nagle  
President



(COPY)

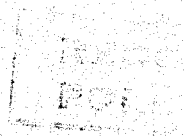
Notice is hereby given that application has been made to the Pennsylvania Public Utility Commission, under the provisions of the Public Utility Law, by The Scranton Electric Company and Abington Electric Company for an order evidencing the Commission's approval of the acquisition by the former and the transfer by the latter of all the property and rights of Abington Electric Company. (A.78384)

A public hearing upon this application will be held in the Courthouse at Scranton, on Monday, February 18, 1952, at 10:00 A.M., where and when all persons in interest may appear and be heard, if they so desire.

THE SCRANTON ELECTRIC COMPANY

and

ABINGTON ELECTRIC COMPANY



PROOF OF PUBLICATION

# The Scranton Times

(Under Act. No. 587, approved May 16th, 1929)

COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF LACKAWANNA

ss:

Cecil C. Sullivan

being duly sworn according to law deposes and says that

EXHIBIT F(1)

he is an advertising clerk  
for The Scranton Times, a newspaper published in the City of Scranton, County and State aforesaid;  
that the said Scranton Times was established in 1870 and published continuously since that time in the  
said City, and that the printed notice or publication hereto attached is exactly as printed in the regular  
editions of the said Scranton Times on the following dates, viz:

February 7, 13, 1952

Affiant further deposes and says that The Scranton Times is a newspaper of general circulation, and  
that neither the affiant nor The Scranton Times is interested in the subject matter of the aforesaid  
notice or advertisement, and that all allegations in the foregoing statement as to time, place and character  
of publication are true.

Cecil C. Sullivan

Sworn and subscribed to before me this 13th day of February A. D., 1952

Thomas L. Moran

Notary Public.

## TO THE SCRANTON TIMES

My Commission Expires

For publishing attached notice on above stated dates, \$  
Publishers Record for Advertising Costs:

RECORDED  
FEB 26 1952

THE SCRANTON TIMES, a newspaper of general circulation, hereby acknowledges  
receipt of the costs as above and certifies that the same have been duly paid.

THE SCRANTON TIMES,

RECORD  
FOLDER

, 19

Per



City of Scranton, ss.:

Margaret Ryan  
Jerk

being sworn

EXHIBIT F(2)

saith that she is  
for THE SCRANTON TRIBUNE, a daily paper published in  
the City of Scranton, County of Lackawanna and State of  
Pennsylvania, and that a notice, an exact copy whereof is here-  
unto attached, was published in said SCRANTON TRIBUNE,  
Est. 1867, February 7 and 13, 1952

The affiant is not interested in the subject matter of this notice  
or advertisement and that all the allegations of the statement,  
place and character of publication are true.

The first publication being on the 7<sup>th</sup>  
day of February, 1952, and  
subsequently on February 13, 1952

Margaret Ryan

Sworn and subscribed before me this 13<sup>th</sup>  
day of February, 1952

My Commission Expires

Notary Public.

NOTARY PUBLIC

My Commission expires January 20, 1956

Notice is hereby given that application  
has been made to the Pennsylvania Public  
Utility Commission under the pro-  
visions of the Public Utility Law by The  
Scranton Electric Company and Abington  
Electric Company for an order evidenc-  
ing the Commission's approval of the  
acquisition by the former and the trans-  
fer by the latter of all the property and  
rights of Abington Electric Company  
(A-78384).  
A public hearing upon this application  
will be held in the Courthouse at Scranton,  
on Monday, February 15, 1952, at  
10:00 A. M., where and when all persons  
in interest may appear and be heard if  
they so desire.  
THE SCRANTON ELECTRIC COMPANY  
and  
ABINGTON ELECTRIC COMPANY.  
F-7-13

DOCKETED  
FEB 26 1952  
ENTRY No. P

RECORD  
FOLDER

STATE OF PENNSYLVANIA )  
COUNTY OF LACKAWANNA ) 56:

COPY OF ADVERTISEMENT

Personally appeared before the undersigned, a \_\_\_\_\_

Notary Public within and for said county and State,

Joseph L. Mann

editor and publisher of The Abington Journal, a weekly newspaper of general circulation, as defined by the Act of May 16, 1929, P.L. 1784, established in 1948 and regularly issued and published at 105 Main Avenue, Clarks Summit, Lackawanna County, Penna., who being duly sworn, states under oath that the advertisement, \_\_\_\_\_ Notice of Hearing - Abington Electric Company \_\_\_\_\_ Scranton Electric Company \_\_\_\_\_

Legal Notice  
Notice is hereby given that application has been made to the Pennsylvania Public Utility Commission under the provisions of the Public Utility Law, by The Scranton Electric Company and Abington Electric Company for an order evidencing the Commission's approval of the acquisition by the former and the transfer by the latter of all the property and rights of Abington Electric Company (A-7824)  
A public hearing upon this application will be held in the Court House at Scranton, on Monday, February 18, 1952, at 10:00 a.m., where and when all persons having interest may appear and be heard, if they so desire.  
THE SCRANTON ELECTRIC CO.  
and  
ABINGTON ELECTRIC CO.

RECORD FOLDER

a true copy of which is hereto attached, was published in said newspaper in the regular issues of February 8 and February 15, 1952

DOCKET  
FEB 26 1952  
ENTRY No. 1

The affiant further states under oath that he is not interested in the subject matter of the notice or advertising, and that all the allegations of the statement as to the time, place and character of publication, are true.

Joseph L. Mann  
Editor and Publisher, The Abington Journal

Sworn to and subscribed before me this 15th day of February 1952

Hazel E. Ash  
Notary Public  
Hazel E. Ash, Notary Public  
My Commission Expires March 21, 1955

# PROOF of PUBLICATION

State of Pennsylvania, }  
County of Wyoming, } ss:

**COPY OF ADVERTISEMENT**

Notice is hereby given that application has been made to the Pennsylvania Public Utility Commission under the provisions of the Public Utility Law by the Scranton Electric Company and Abington Electric Company for an order evidencing the Commission's approval of the acquisition by the former and the transfer by the latter of all the property and rights of Abington Electric Company (A73384).

A public hearing upon this application will be held in the Courthouse at Scranton on Monday, February 18, 1952, at 10:00 A.M. where and when all persons in interest may appear and be heard if they so desire.

THE SCRANTON HILL SURIC COMPANY  
and  
ABINGTON ELECTRIC COMPANY  
2-7-52

Personally appeared before the undersigned, a .....

Notary Public within and for said county and State,

Cecil K. Krewson

editor and publisher of the Tunkhannock Republican and New Age, a weekly newspaper of general circulation, as defined by the Act of May 16, 1929, P. L. 1784, established in 1869, and regularly issued and published at 16 East Tioga St., Tunkhannock, Wyoming County, Penna., who being duly sworn, states under oath that the advertisement,

Notice of Hearing - Abington Electric Company

Scranton Electric Company

a true copy of which is hereto attached, was published in said newspaper in the regular issues of February 7 and February 14, 1952

RECORD FOLDER

DOCKETED  
APPROPRIATE  
FEB 26 1952  
ENTRY No. *R*

The affiant further states under oath that he is not interested in the subject matter of the notice or advertising, and that all the allegations of the statement as to the time, place and character of publication, are true.

*Cecil K. Krewson*  
Editor and Publisher Tunkhannock Republican and New Age.

Sworn to and subscribed before me this *14th* day of *February*, 19*52*

*Cecil Krewson*  
Notary Public.

My commission expires Feb. 7, 1954