# CLARK HILL

Eric M. Hocky

T 215.640.8523 F 215.640.8501 Email: ehocky@clarkhill.com Clark Hill PLC One Commerce Square 2005 Market Street Suite 1000 Philadelphia, PA 19103 T 215.640.8500 F 215.640.8501

clarkhill.com

July 14, 2014

**VIA FEDEX** 

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

Re: Docket No. 1-00970069

Dear Secretary Chiavetta:

Enclosed for filing are the original and three copies of the Stipulation and Settlement, fully executed by all counsel on behalf of their clients. Please time stamp the extra copy enclosed, and return it to me in the stamped, self-addressed envelope provided for your convenience.

Please let me know if there are any questions regarding this filing. Thank you.

Respectfully,

CLARK HILL PLC

Eric M. Hocky

EMH/dml Encls.

cc: Hon. Ember S. Jandebeur (by email) All counsel of record (by email)

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

### PENNSYLVANIA PUBLIC UTILITY COMMISSION

Before the

Investigation upon the Commission's	)
own motion to determine the condition,	)
disposition, and responsibility for	)
maintenance of the existing crossing	)
structure carrying Mary Street (T439)	)
above the grade of the track of the	)
Reading, Blue Mountain and Northern	)
Railroad Company in Fairview Township,	)
Luzerne County (AAR 361 417 S)	)

Docket No. 1-00970069

#### STIPULATION AND SETTLEMENT

The undersigned, being counsel for all of the parties to this proceeding, hereby submit this Stipulation and Settlement to address all of the issues that the Commission and the Administrative Law Judge have requested the parties to address:

#### **Procedural Background**

1. By Letter dated June 12, 1997, Fairview Township ("Township") notified the Commission that the existing bridge carrying Mary Street over the tracks of RBMN ("Bridge") had been closed to vehicular and pedestrian traffic on February 3, 1997, upon the recommendation of the Township's consultants.

2. On October 6, 1997, the Commission initiated the above-captioned investigation. Administrative Law Judge (ALJ) Richard Lovenwirth issued a Recommended Decision on December 7, 1998, in which he found that demolition and reconstruction of the Bridge was appropriate.

3. In an Order entered May 24, 1999 (the "1999 Order"), the Commission adopted ALJ Lovenwirth's Recommended Decision and, *inter alia*, directed the Township to prepare, and submit to this Commission for approval, construction plans for the demolition and removal of the Bridge. The pertinent plans were to be submitted on or before May 24, 2001. 1999 Order at ¶¶ 7-8.

4. The Township requested and was granted several extensions of time to submit the relevant plans. By Secretarial Letter issued on June 14, 2007, the Commission certified the plans as correct and approved them.

5. Ordering Paragraph No. 9 of the 1999 Order required the Township, within twelve months of Commission approval of the construction plans, to furnish the material and complete the construction work in accordance with the approved plans. The Township requested and was granted a number of extensions of time in which to complete the work directed by Ordering Paragraph No. 9. Per the terms of the Commission's Order entered on August 2, 2012, the most recent deadline for completion of the project was December 31, 2013.

6. On December 24, 2013, the Township filed (1) a Petition for Partial Rescission and Amendment ("Petition") of the 1999 Order seeking authority to remove the Bridge, and to eliminate the obligation to replace it, and (2) a Motion in the Alternative for Extension of Time to Comply with Paragraph No. 9 of the 1999 Order.

7. On January 14, 2014, Reading Blue Mountain and Northern Railroad Company ("RBMN") filed an Answer agreeing that the Bridge should not be replaced, but suggesting that the Bridge could be abandoned as a roadway and left in place.

8. By Opinion and Order dated April 3, 2014 (the "2014 Order"), the Commission agreed that the circumstances have changed in the seventeen years the Bridge has been closed, but referred the matter to the Office of Administrative Law Judge ("OALJ") for updating the record and making a recommendation on disposition and timing. The OALJ assigned this matter to ALJ Ember S. Jandebeur.

9. The direct written testimony requested by the ALJ and the Commission requested that the parties address the current condition of the Mary Street Bridge, whether the Mary Street Bridge should be removed, replaced or left in place, how the costs should be apportioned, and who should be responsible for future maintenance.

#### **Stipulations of Fact**

The following stipulations of fact are based upon the written testimony submitted by Township, the PUC Bureau of Technical Utility Services ("BTUS"), and the Pennsylvania Department of Transportation ("PennDOT"), and the agreement of the parties.

10. The Mary Street Bridge is deteriorating, is not safe for use by the public, and should be removed.

11. It has been determined that at this time, reopening of the Mary Street Bridge would create an unsafe intersection where Mary Street would connect with State Route 309.

12. The Township has made permanent arrangements for access to the Solomon Gap area of the Township so there is no longer any public necessity to replace the Mary Street Bridge, and the crossing should be abolished.

13. RBMN withdraws its request to have the crossing abolished with the Bridge being left in place.

14. The Bridge should be demolished and removed at the initial cost and expense of the Township. Removal will be completed by December 31, 2016.

15. Based on the estimated cost of removal provided by the Township, and the confirmation by the Township and PennDOT that public funding of the project will continue to be available for the removal of the Bridge, the parties agree that the cost allocations of the 1999 Order,  $\P$  22-24, should not be changed, i.e., the costs incurred by the Township to date, and the costs of removal should be allocated as follows:

Township	50%
County	10%
RBMN	40%

16. The 1999 Order required the non-carrier utilities PG Energy Inc. (now UGI Penn Natural Gas, Inc. ("UGI")) and Pennsylvania American Water Company ("PAWC") to bear the costs of removing their facilities from the Bridge before it is demolished and to relocate their facilities to accommodate the project. 1999 Order, ¶ 14. The parties agree that the cost allocations to the non-carrier utilities should not be changed.

17. The abolishment of the crossing and removal of the Mary Street Bridge will require UGI and PAWC to relocate their facilities.

18. RBMN has agreed that after the removal of the Bridge, UGI and PAWC may cross above the railroad right of way at the location (and height) of the current Mary Street Bridge pursuant to private license agreements entered or to be entered into between each utility and RBMN. Pursuant to the agreements, the utilities shall, inter alia, reimburse RBMN for the costs of any necessary engineering review and flagmen related to construction of new facilities / support structures to cross the right of way, as well as the costs of future maintenance of their facilities.

#### Settlement

Based on the stipulations set forth above, the parties jointly request that the ALJ recommend to the Commission the following amendments to the 1999 Order:

(1) The circumstances relied upon in the 1999 Order have changed.

(2) It is no longer necessary or in the public interest for the Mary Street Bridge to be replaced.

(3) Based on the condition of the Mary Street Bridge, the Bridge should be removed and the crossing abolished.

(4) Township, at its initial cost and expense, will demolish and remove the existing Mary Street Bridge, remove the existing pavement materials between SR 309 and the Bridge, and permanently barricade the roadway on both sides of where the Bridge has been removed. The work of demolition and removal shall be completed by December 31, 2016.

(5) The work of the Township shall be coordinated with RBMN, UGI and PAWC.

(6) The demolition and removal work of the Township shall be completed to the satisfaction of the Commission by and through BTUS, and the Township shall report to the Commission the actual date of completion of its work, and thereafter submit to the Commission a detailed statement of the actual costs incurred and the amount of public funds received.

(7) The cost allocations set forth in paragraphs 22-24 of the 1999 Order shall remain unchanged.

(8) UGI and PAWC shall each respectively, at its sole cost and expense, furnish all material and do all work necessary to remove its facilities from the Bridge before it is demolished, and to relocate or reconstruct its facilities as needed.

(9) Township shall be responsible for future maintenance of the barricades. RBMN,

UGI and PAWC shall each respectively be responsible for future maintenance of its own facilities.

Respectfully submitted,

FAIRVIEW TOWNSHIP By its counsel ROSENN, JENKINS & GREENWALD, LLP

Dated: July **1**, 2014

By: Donald H. Brobst

Donald H. Brobst Attorney ID No. 17833

PUBLIC UTILITY COMMISSION, BUREAU OF TECHNICAL UTILITY SERVICES By its counsel

Dated: July \_\_\_, 2014

Adam D. Young Prosecuting Attorney Attorney ID No. 91822

PENNSYLVANIA DEPARTMENT OF TRANSPORTATION By its counsel

Dated: July \_\_, 2014

Nicholas D. Mertens Assistant Counsel Attornet ID No. 313998

[signatures continued on next page]

(9) Township shall be responsible for future maintenance of the barricades. RBMN, UGI and PAWC shall each respectively be responsible for future maintenance of its own facilities.

Respectfully submitted,

FAIRVIEW TOWNSHIP By its counsel ROSENN, JENKINS & GREENWALD, LLP

Dated: July \_\_, 2014

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By: \_

Donald H. Brobst Attorney ID No. 17833

PUBLIC UTILITY COMMISSION, BUREAU OF TECHNICAL UTILITY SERVICES By its counsel

Adam D/Young

Prosecuting Attorney Attorney ID-No.-91822

PENNSYLVANIA DEPARTMENT OF TRANSPORTATION By its counsel

Dated: July \_\_, 2014

Nicholas D. Mertens Assistant Counsel Attornet ID No. 313998

[signatures continued on next page]

(9) Township shall be responsible for future maintenance of the barricades. RBMN, UGI and PAWC shall each respectively be responsible for future maintenance of its own facilities.

	Respectfully submitted,
	FAIRVIEW TOWNSHIP By its counsel ROSENN, JENKINS & GREENWALD, LLP
Dated: July, 2014	By: Donald H. Brobst Attorney ID No. 17833
	PUBLIC UTILITY COMMISSION, BUREAU OF TECHNICAL UTILITY SERVICES By its counsel
Dated: July, 2014	Adam D. Young Prosecuting Attorney Attorney ID No. 91822
	PENNSYLVANIA DEPARTMENT OF TRANSPORTATION By its counsel
Dated: July (6, 2014	Har Mert

Nicholas D. Mertens Assistant Counsel Attornet ID No. 313998

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	LUZERNE COUNTY By its counsel
Dated: June 14, 2014	Stephen henn Stephen Menn Attorney ID No. <u>40655</u>
	READING BLUE MOUNTAIN AND NORTHERN RAILROAD COMPANY By its counsel CLARK HILL PLC
Dated: June, 2014	By: Eric M. Hocky Attorney ID No. 34560
	UGI PENN NATURAL GAS, INC. By its counsel
Dated: June, 2014	Mark C. Morrow Attorney ID No. 33590
	PENNSYLVANIA AMERICAN WATER COMPANY By its counsel COZEN O'CONNOR
Dated: June, 2014	By: David F. Zambito Attorney ID No. 80017 Joshua L. Belcher

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Attorney ID No. 313129

LUZERNE COUNTY By its counsel

Dated: June , 2014 Stephen Menn Attorney ID No. 40655 **READING BLUE MOUNTAIN AND** NORTHERN RAILROAD COMPANY By its counsel CLARK HILL PLC Lim Don Eric M. Hocky Attorney ID No. 34560 Dated: July <u>//</u>, 2014 By: UGI PENN NATURAL GAS, INC. By its counsel Dated: July \_\_, 2014 Mark C. Morrow Attorney ID No. 33590 PENNSYLVANIA AMERICAN WATER COMPANY By its counsel COZEN O'CONNOR Dated: July \_\_, 2014 By: \_\_\_\_\_ David F. Zambito Attorney ID No. 80017 Joshua L. Belcher Attorney ID No. 313129

## LUZERNE COUNTY

By its counsel

Dated: June \_\_, 2014

Stephen Menn

Attorney ID No. 40655

READING BLUE MOUNTAIN AND NORTHERN RAILROAD COMPANY By its counsel

CLARK HILL PLC

Dated: July \_\_, 2014

Dated: July 10, 2014

By:

UGI PENN NATURAL GAS, INC.

Eric M, Hocky

Attorney ID No. 34560

By its counsel

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Mark C. Morrow Attorney ID No. 33590

PENNSYLVANIA AMERICAN WATER COMPANY By its counsel COZEN O'CONNOR

Dated: July \_\_, 2014

By: \_\_\_

David F. Zambito Attorney ID No. 80017 Joshua L. Belcher Attorney ID No. 313129

#### LUZERNE COUNTY By its counsel

Dated: June \_\_, 2014

Dated: July \_\_, 2014

Dated: July \_\_, 2014

Dated: July 12, 2014.

Stephen Menn Attorney ID No. 40655

READING BLUE MOUNTAIN AND NORTHERN RAILROAD COMPANY By its counsel CLARK HILL PLC

By:

Eric M. Hocky Attorney ID No. 34560

UGI PENN NATURAL GAS, INC. By its counsel

Mark C. Morrow Attorney ID No. 33590

PENNSYLVANIA AMERICAN WATER COMPANY By its counsel COZEN O CONNOR

By. David F. Zambito

Attorney ID No. 80017 Joshua L. Belcher Attorney ID No. 313129

#### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing document by U.S. first class mail, postage prepaid, upon the participants listed below, in accordance with the requirements of Section 1.54 (relating to service by a participant):

Daniel H. Brobst, Esquire Robert N. Gawlas, Jr., Esquire Abigail M. Boylan, Esquire Rosenn, Jenkins & Greenwald, LLP 15 South Franklin Street Wilkes-Barre, PA 18711

Adam D. Young, Prosecutor PA Public Utility Commission Bureau of Investigation & Enforcement Commonwealth Keystone Building P.O. Box 3265 Harrisburg, PA 17105

Mark C. Morrow, Esquire UGI Corporation 460 North Gulph Road King of Prussia, PA 19406 Stephen Menn, Esquire County of Luzerne 200 North River Street Wilkes-Barre, PA 18711

Nicholas D. Mertens, Assistant Counsel Commonwealth of Pennsylvania Department of Transportation Office of Chief Counsel P.O. Box 8212 Harrisburg, PA 17105-8212

David P. Zambito, Esquire Joshua L. Belcher, Esquire Cozen O'Connor 305 North Front Street Suite 400 Harrisburg, PA 17101 and one true copy of the foregoing document by first class mail, postage prepaid, and by e-mail upon:

Hon. Ember S. Jandebeur Administrative Law Judge Room 317, State Office Building 100 Lackawanna Avenue Scranton, PA 18503

Dated: July 14, 2014

ERIC M. HOCKY Pa Bar No. 34560 CLARK HILL PLC One Commerce Square 2005 Market Street, Suite 1000 Philadelphia, PA 19103 Tel: (215) 640-8500 Fax: (215) 640-8501 Email: <u>ehocky@thorpreed.com</u>

Attorneys for Reading Blue Mountain and Northern Railroad Company



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