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April 23, 2013

Rosemary Chiavetta
Pennsylvania Public Utility Commission
Attn: Secretary
P. O. Box 3265
Harrisburg, Pa. 17105-3265



Re: Docket L-2013-2349042

This revision is proposed to be effective as soon as possible. I believe Erie Transportation Services would be dramatically affected by this change. We take pride and deep concern for our vehicles. We do not have and inspection problems and all our cars are maintained to our high standards. It is our insurance premiums and reputation which we would be paying for it if we did not maintain our standards. We carefully buy cars that we inspect prior to purchasing and go over them to bring up to our standards if they are not. Our business has been falling for years because of demand. In our market we do not have the ability to purchase new cars so we selectively purchase ones that we can afford and be proud of. When these cars were acquired, a major deciding factor was the eight year age rule, which would enable the car to operate into the eighth year and then reviewed annually as to the condition and usability for an additional year. The cars made today last substantially longer than eight years and longer if maintained properly, which we do Implementing this new proposal as proposed creates a substantial and unrealistic financial burden upon Erie Transportation Services, Inc. It retroactively transforms a good faith investment decisions relying upon the then existing PUC rules to upgrade the services a substantial financial loss. By making this rule, without any transitional or grandfather component, the PUC would be creating a "stranded asset" and severely penalizing the operator of this small company for making, what at the time was a conscientious and responsible investment. The debt service on these vehicles continues into 2015. Requiring these well maintained cars to be removed from service by the end of 2014, earlier than was the basis of its acquisition, and while continuing to pay the debt service on these cars without any corresponding proceeds, would result in a severe and perhaps fatal cash flow impact on this, small company.

Implementing this new proposal as proposed creates a substantial and unrealistic financial burden upon Erie Transportation Services, Inc.. It retroactively transforms a good faith investment decision relying upon the then existing PUC rules to upgrade the services a substantial financial loss. By making this rule, without any transitional or grandfather component, the PUC would be creating a "stranded asset" and severely penalizing the operator

of this small company for making, what at the time was a conscientious and responsible investment.

We take great pride in the quality and roadworthiness of our units. Our cars are inspected by State Certified Mechanics at the return of <u>each</u> service to assure the safe operation of our units on the next service. We provide First Class service and to ensure that we conduct extensive preventive maintenance as well as daily care of the units. Our vehicles are inspected annually by an independent Inspection Station and are always ready for the annual PUC fleet inspection.

We respectfully request you reconsider this action and at least implement a "grandfathering" clause or extension to 10 years so that operators of units that would be significantly and adversely impacted by this unexpected rule change would be able to recover their considerable investment which made to upgrade the scope and quality of service to an area that until recently had limited alternatives.

The stated Mission Statement of the "Pennsylvania Public Utility Commission balances the needs of consumers and utilities; ensures safe and reliable utility service at reasonable rates; protects the public interest; educates consumers to make independent and informed utility. Choices; furthers economic development; and fosters new technologies and competitive markets in an environmentally sound manner". This request is a need to maintain the balance for the utilities/operators.

Respectively submitted,

Mark J. McEnery

President



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