UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11 Case No.
	:	
LEHMAN BROTHERS HOLDINGS, INC., et al.,	:	08-13555 (JMP)
Debtors	:	
	:	Jointly Administered
	:	

CITIZENS ELECTRIC COMPANY OF LEWISBURG, PA AND WELLSBORO ELECTRIC COMPANY, d/b/a CEWECo'S OBJECTION TO LEHMAN BROTHERS COMMODITY SERVICES, INC.'S NOTICE OF ASSIGNMENT

Citizens Electric Company of Lewisburg, PA and Wellsboro Electric Company, d/b/a CEWECo ("CEWECo"), by and through their undersigned counsel, hereby objects to Lehman Brothers Commodity Services, Inc. ("Lehman Brothers") Notice of Assignment and in support thereof aver the following:

1. Lehman Brothers delivered a notice of assignment (the "Notice") dated Wednesday, March 4, 2009 by overnight courier to CEWECo indicating its intent to assign an "EEI Master Power Purchase & Sale Agreement dated June 26, 2008" (the "2009 Contract") between Lehman Brothers and CEWECo to an unknown third party.

The 2009 Contract

2. The 2009 Contract is purportedly for Lehman Brothers to provide electricity to CEWECo starting on January 1, 2009 and ending on December 31, 2009.

The 2008 Contract

3. CEWECo previously entered into a power contract with Lehman Brothers for the entire year of 2008 (the "2008 Contract").

4. Lehman Brothers unexpectedly defaulted under the 2008 Contract by failing to deliver electricity to CEWECo from September 15, 2008 through December 31, 2008.

5. Lehman Brothers has failed to issue an invoice for any outstanding sums due and owing under the 2008 Contract.

6. CEWECo believes and therefore avers the most due and owing under the 2008 Contract is $566,100.00, however, CEWECO is unable to pay Lehman Brothers under the 2008 Contract until Lehman Brothers issues a final invoice to CEWECO detailing the exact amount due and owing under the 2008 Contract.

Objection

7. CEWECo objects to the Notice because the 2009 Contract is void *ab initio* as a result of:

(a) Lehman Brothers fraudulently misrepresenting its financial ability, and that of its guarantor, i.e., Lehman Brothers Holdings, Inc., regarding the 2009 Contract;

(b) Lehman Brothers' anticipatory repudiation of the 2009 Contract by unexpectedly failing to perform under the 2008 Contract;

(c) certain regulatory restrictions under the Pennsylvania Utility Commission that legally prevented CEWECo from continuing with the 2009 Contract as a result of Lehman Brothers' anticipatory repudiation of the 2009 Contract;

(e) Lehman Brothers materially breached the 2009 Contract and therefore, may not enforce the 2009 Contract.

8. To the extent the 2009 Contract is deemed a valid contract, which is denied, CEWECo further objects to the Notice because:

(a) the Notice fails to properly indicate what amount is due and owing under the 2009 Contract. Lehman Brothers has not delivered any electricity under the 2009 Contract and CEWECo fails to see how any sum could be due and owing under the 2009 Contract.; and

(b) Lehman Brothers has failed to provide adequate information which would allow CEWECo to determine: (i) the actual assignee, (ii) whether such assignee is creditworthy, and (iii) whether such assignee has the capability to perform under the 2009 Contract and applicable regulatory laws.

9. CEWECo objects to the following entities as an assignee of the 2009 Contract because CEWECo does not believe they have the requisite financial and/or regulatory experience to fulfill the 2009 Contract: Credit Suisse International; Barclays PLC; Citigroup, Inc.; Deutsche Bank AG and Bank of America.

Dated: New York, New York
March 17, 2009

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