



June 30, 2017

VIA E-FLE

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

Re: Petition of Delaware Sewer Company for an Investigation Into Whether the Public Utility Commission Should Order a Capable Public Utility to Acquire Delaware Sewer Company; Docket No. I-2016-2526085

PETITION TO INTERVENE OF PENNSYLVANIA-AMERICAN WATER COMPANY

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission, please find the Petition to Intervene of Pennsylvania-American Water Company. A copy of this document has been served in accordance with the attached Certificate of Service.

If you have any questions regarding this filing, please direct them to me. Thank you for your attention to this matter.

Sincerely,

COZEN O'CONNOR

By: Jonathan P. Nase

Counsel for *Pennsylvania-American Water Company*

JPN
Enclosure

cc: Administrative Law Judge Steven Haas
Per Certificate of Service

LEGAL\31439423\1

CERTIFICATE OF SERVICE
Docket No. I-2016-2526085

I hereby certify that I have this day served a true copy of Pennsylvania-American Water Company's Petition to Intervene, upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

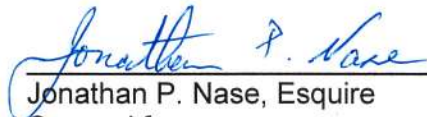
VIA E-MAIL AND FIRST CLASS MAIL:

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DATED: June 30, 2017



Jonathan P. Nase, Esquire
Counsel for
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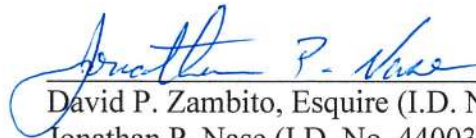
**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Administrative Law Judge
Steven K. Haas

Petition of Delaware Sewer Company for an :
Investigation into Whether the Public Utility : Docket No. I-2016-2526085
Commission Should Order a Capable Public Utility :
to Acquire Delaware Sewer Company :

NOTICE TO PLEAD

You are hereby advised that, pursuant to 52 Pa. Code § 5.66, you may respond to the enclosed Petition to Intervene of Pennsylvania-American Water Company within twenty (20) days after the date of service. Your answer should be filed with the Secretary of the Pennsylvania Public Utility Commission, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120. A copy should also be served on the undersigned counsel.



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Counsel for *Pennsylvania-American Water Company*

Date: June 30, 2017

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Administrative Law Judge
Steven K. Haas

Petition of Delaware Sewer Company for an :
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**PETITION TO INTERVENE OF
PENNSYLVANIA-AMERICAN WATER COMPANY**

NOW COMES Pennsylvania-American Water Company (“PAWC”), by and through its attorneys, Cozen O’Connor, to submit this Petition to Intervene (“Petition”) pursuant to 52 Pa. Code §§ 5.71-5.75 and the Notice of Section 529 Acquisition Investigation issued in this matter on June 7, 2017 (“Notice”). In support of its Petition, PAWC states as follows:

1. PAWC is a regulated public utility corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, and is engaged in the business of collecting, treating, storing, supplying, distributing and selling water to the public, and collecting, treating, transporting and disposing of wastewater for the public. Water and wastewater service is furnished by PAWC to the public in a service territory encompassing more than 400 communities across the Commonwealth with a combined population of over 2,300,000.

2. PAWC’s attorneys in this matter are:

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PAWC agrees to accept electronic service to all attorneys listed above to be followed up with one hard copy of the documents served.

3. In *Petition of Delaware Sewer Company for the Opening of an Investigation into Whether the Public Utility Commission Should Order a Capable Public Utility to Acquire the Company Pursuant to 66 Pa. C.S. § 529*, Docket No. P-2014-2404341 (Order entered January 28, 2016) (“*January 2016 Order*”), the Pennsylvania Public Utility Commission (“Commission”) directed the commencement of an investigation pursuant to 66 Pa. C.S. § 529 into whether the Commission shall order a capable public utility to acquire Delaware Sewer Company (“DSC”).

4. In the Notice, the Commission established a deadline of June 30, 2017, for filing a formal petition to intervene or other responsive pleading.

5. The Commission’s Regulations allow intervention where a person has an interest in the proceeding which may be directly affected and which is not adequately represented by existing parties, and as to which the person may be bound by the action of the Commission in the

proceeding. 52 Pa. Code § 5.72(a)(2). Intervention is also permitted where participation of the person may be in the public interest. 52 Pa. Code § 5.72(a)(3). A “person” includes a corporation and an association. 52 Pa. Code § 1.8.

6. PAWC meets the standards for intervention set forth in the 52 Pa. Code § 5.72(a). PAWC has a direct interest in this proceeding because the Commission’s Bureau of Investigation and Enforcement (“I&E”) has identified PAWC as a proximate public utility providing the same type of service as DSC. In addition, PAWC was a party to the underlying proceeding at Docket No. P-2014-2404341, and participated in prior proceedings at the instant docket number.

7. PAWC’s interests in this proceeding are unique from and not adequately represented by other parties that may seek to intervene, including other proximate public utilities. Even before the Commission ordered the commencement of a Section 529 investigation, the Office of Consumer Advocate (“OCA”) averred that PAWC “is the most likely capable public utility to acquire DSC’s wastewater system.” Motion of the Office of Consumer Advocate to Join Pennsylvania-American Water Company, filed on March 29, 2016 in Docket No. I-2016-2526085, at 2. OCA may make similar claims now that the Commission has commenced a Section 529 investigation. PAWC is uniquely interested in responding to any such averment and contends that there may be other proximate public utilities and municipal corporations capable of providing service to the customers of DSC.

8. PAWC will be bound by the action of the Commission in this proceeding, 52 Pa. Code § 5.72(a)(2), which could result in an order for a capable public utility to acquire DSC. Basic notions of due process require that PAWC be permitted to participate in a proceeding in which the Commission conceivably could order it to acquire DSC.

9. PAWC's position regarding the issues involved in this proceeding, 52 Pa. Code § 5.73(a)(3), is that the Commission should not issue an order requiring any capable public utility to acquire DSC. To the extent that such an order is issued, the forced acquisition should be limited to DSC's existing customer base and should not include the totality of DSC's certificated service territory, *i.e.* additional connections in the undeveloped portions of the community should not be required.

10. As more-fully explained in the Petition of Pennsylvania-American Water Company to Amend the Order Entered January 28, 2016 in *Petition of Delaware Sewer Company for the Opening of an Investigation into Whether the Public Utility Commission Should Order a Capable Public Utility to Acquire the Company Pursuant to 66 Pa. C.S. § 529*, Docket No. P-2014-2404341, filed contemporaneously with this Petition, the scope of the instant investigation should include: DSC's use of the proceeds from its 2014 rate case, the potential alternative of the abandonment of service by DSC and the payment to customers toward converting to alternative service, and the financial capability of DSC to make conversion payments to customers. As further argued in that petition, it is PAWC's position that the ALJ possesses broad authority to make an appropriate recommendation, based on the record developed during the investigation.

WHEREFORE, Pennsylvania-American Water Company respectfully requests that the Commission grant its Petition to Intervene.

Respectfully submitted,



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Date: June 30, 2017

VERIFICATION

I, David R. Kaufman, Vice President - Engineering for Pennsylvania-American Water Company; that, as such, I am authorized to make this verification on its behalf; that the facts set forth in the foregoing document are true and correct to the best of my knowledge, information and belief; and that I make this verification subject to the penalties of 18 Pa. C.S. §4904 pertaining to false statements to authorities.

6/30/17
Date



David R. Kaufman