



August 13, 2018

VIA ELECTRONIC AND FIRST CLASS MAIL

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Honorable Steven K. Haas
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor West
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

STATUS OF SETTLEMENT NEGOTIATIONS

Dear Administrative Law Judge Haas:

The Order Granting Further Stay of Litigation Schedule issued in this matter on June 13, 2018, requires the parties to provide an update as to settlement efforts on or before Monday, August 13, 2018. This correspondence is intended to provide that update.

Delaware Sewer Company and Pennsylvania-American Water Company are continuing to negotiate an Asset Purchase Agreement ("APA"). Although they have made significant progress toward reaching an agreement, the APA has not yet been executed.

It is requested that the stay of the litigation schedule be extended for a period of thirty days, so that the parties may continue their negotiations. If the parties have not submitted a settlement petition for consideration by that date, they will file another status report with the Commission.

Counsel for PAWC has discussed this extension request with the other counsel in the case. Counsel for the Bureau of Investigation and Enforcement, Aqua Pennsylvania Wastewater, and the Office of Consumer Advocate consent to this request for a thirty-day extension of the stay. Counsel for Delaware Sewer Company opposes it.

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Copies have been served on all active parties as indicated on the enclosed Certificate of Service. Should you have any questions or concerns, please contact me.

Sincerely,

COZEN O'CONNOR



By: David P. Zambito
Counsel for *Pennsylvania-American Water Company*

DPZ:kmg
Enclosure

cc: Rosemary Chiavetta, Secretary
Per Certificate of Service
Susan Simms Marsh, Esq.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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 :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of Pennsylvania-American Water Company's Letter Re: Status of Settlement Negotiations, 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: August 13, 2018



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