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December 11, 2018

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

e: Joint Application of Aqua America, Inc., Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Company LLC And Peoples Gas Company LLC for all of the Authority and the Necessary Certificates of Public Convenience to Approve a Change in Control of Peoples Natural Gas Company LLC, and Peoples Gas Company LLC By Way of the Purchase of All of LDC Funding LLC's Membership Interests by Aqua America, Inc.

Docket Nos. A-2018-3006061, A-2018-3006062, and A-2018-3006063

Dear Secretary Chiavetta:

Enclosed for filing in the above-referenced proceeding please find Petition to Intervene of Utility Workers Union of America, Local 612.

The document is being served on all parties of record as shown on the attached Certificate of Service, and was filed electronically with the Commission on this date.

Sincerely, Sett Vulgin

Enclosure

cc: All parties of record

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Application of Aqua America, Inc., Aqua

Pennsylvania, Inc., Aqua Pennsylvania Wastewater,

Inc., Peoples Natural Gas Company LLC And :

Peoples Gas Company LLC for all of the Authority

and the Necessary Certificates of Public

Convenience to Approve a Change in Control of Peoples Natural Gas Company LLC, and Peoples

Gas Company LLC By Way of the Purchase of

All of LDC Funding LLC's Membership Interests

by Aqua America, Inc.

Docket No. A-2018-3006061

Docket No. A-2018-3006062

Docket No. A-2018-3006063

PETITION TO INTERVENE OF UTILITY WORKERS UNION OF AMERICA, LOCAL 612

Pursuant to 52 Pa. Code §§ 5.71, et seq., the Utility Workers Union of America, Local 612 (Local 612) hereby petitions to intervene in the above-captioned proceeding. In support of this Petition, Local 612 states as follows:

- Local 612 is the authorized collective bargaining representative for more than 700
 employees of Peoples Natural Gas Company, LLC ("Peoples"), most of whom are also customers
 of Peoples.
 - 2. UWUA's mailing address is: 555 Pittsburgh Mills Circle, Tarentum, PA 15084.
 - 3. UWUA will be represented by, and all documents should be served upon, its counsel:

Scott J. Rubin (PA Supreme Court Id. 34536)

333 Oak Lane

Bloomsburg, PA 17815-2036

Voice: 570-387-1893

Fax: 570-387-1894

Email: scott.j.rubin@gmail.com

- 4. Pursuant to 52 Pa. Code §§ 1.53 and 1.54, counsel consents to the service of all documents by electronic mail.
- 5. This proceeding concerns the proposed acquisition by purchase of LDC Funding LLC by Aqua America, Inc. ("Aqua"). LDC Funding LLC is the ultimate parent company (through several layers of limited liability companies) of Peoples.
- 6. Local 612 desires to participate in this proceeding to ensure that its interests and the interests of its members, as employees and/or customers of Peoples, are fully protected and represented in this matter. Local 612 anticipates issues being raised in this proceeding that will or may affect its interests as a representative of its members' interests, including but not limited to the impact of the proposed transaction on Peoples's employees.
- 7. The Commission is required to consider the "effect of the proposed ... acquisition ... on the employees of the natural gas distribution company and on any authorized collective bargaining agent representing those employees." 66 Pa. C.S. § 2210(a)(2).
- 8. Paragraphs 64 through 67 and 99-103 of the Application contain averments concerning the effect of the proposed transaction on Peoples's employees. There is no direct mention of Local 612 or any potential effects on the Local, other than to state that Aqua will "honor the requirements of all union collective bargaining agreements" (Application ¶ 67) and "honor the existing union contracts and pension plans" of Peoples (Application ¶ 101).
- 9. In contrast to the very general averments contained in the Application, the actual agreement between Aqua and LDC Parent LLC (the parent company of LDC Funding LLC)

contains more detailed provisions concerning the potential effect of the proposed transaction on Peoples's employees.¹

- 10. Specifically, section 5.6 of the agreement is entitled "Employee Matters" and includes a provision requiring Aqua to "continue to be governed by the applicable Collective Bargaining Agreement for at least the remainder of the term of such applicable Collective Bargaining Agreement."
- 11. The existing collective bargaining agreement expired on October 31, 2018. While Peoples and Local 612 are continuing negotiations toward a new agreement, Local 612 does not know the intention behind the "Employee Matters" section of the Aqua acquisition agreement. Consequently, it is unclear whether Aqua is making any commitment to Local 612 and the more than 700 Peoples employees it represents beyond the expiration date of the collective bargaining agreement.
- 12. Other provisions of section 5.6 of the Aqua-LDC Parent agreement provide for only a limited time period (one year after closing, known as the "Continuation Period") during which Aqua will maintain employment levels at Peoples and not make significant changes in compensation or benefits.
- 13. Consequently, Local 612 is unclear as to the intentions of Aqua concerning the creation of a reasonable, long-term relationship with Local 612 and its members. Local 612 believes that a more complete understanding of Aqua's intentions and expectations is necessary

¹ The agreement between Aqua and LDC Parent LLC (without the disclosure schedules) was filed with the U.S. Securities and Exchange Commission on October 23, 2018. Local 612 does not know why the Applicants are claiming that the entire agreement is "highly confidential" or that "no public version is available." Certainly the body of the agreement without schedules has been public since the day after the agreement was signed.

in order for the Commission to consider the effects of the proposed transaction on Peoples's employees and Local 612, as required by Section 2210(a)(2) of the Code.

14. No other party represents the interests of Local 612 in this proceeding or can speak for Local 612 as to the effects of the proposed transaction on Local 612 and its members.

15. Local 612 intends to actively participate in this proceeding on such matters that affect its interests. Such participation may include conducting discovery, presenting testimony, cross-examining witnesses, and filing briefs and other pleadings.

WHEREFORE, Utility Workers Union of America, Local 612, respectfully requests the right to intervene in this proceeding.

Respectfully submitted,

Scott J. Rubin, Esq. (Pa. Supreme Court Id. 34536)

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Counsel for:

Utility Workers Union of America, Local 612

Dated: December 11, 2018

VERIFICATION

I, David Cole, the President of Utility Workers Union of America, Local 612, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 12-10-18

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of Petition to Intervene of Utility Workers Union of America, Local 612, upon the following parties by electronic mail (where an email address is shown) and first class mail.

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<u>Dec. 11,2018'</u> Date