

APPLICATION CHECKLIST

1.	Transmittal letter with caption and statement that the filing is pursuant to 66 Pa. C.S. § 1329.	Yes	
2.	Verification form that is signed by an officer or authorized employee of the company, is dated, and accurately references the case.	Yes	
3.	Certificate of Service indicating that a complete copy of the application with exhibits was served by registered or certified mail, return receipt requested, or by hand delivery, upon the statutory advocates (OCA, OSBA) and the Bureau of Investigation and Enforcement.	Yes	A complete copy of the Application with Exhibits is being hand delivered to I&E, OCA and OSBA
4.	Provide responses to Section 1329 Application Standard Data Requests, including electronic working documents (i.e., Excel spreadsheets) for all the filing's schedules, studies, and working papers to the extent practicable.	Yes	Section XI and Exhibit Z
5.	Provide copies of two independent appraisals by separate utility valuation experts for use in establishing the fair market value of the Selling Utility.	Yes	Section XI, Paragraph 53, Page 14 and Exhibit Q and Exhibit R
6.	State the purchase price of the seller as agreed to by the buyer and seller.	Yes	Section XI, Paragraph 54, Page 15
7.	State the total fees paid to the utility valuation experts for providing the completed appraisals for the acquisition and provide documentation, i.e., the valuation service agreement and all associated invoices, supporting the subject fee amounts.	Yes	Section XI, Paragraph 59, Page 15 and Exhibit S1 and Exhibit S2
8.	Buyer and Seller Verification Statements:		
	a. Provide a verification statement of the Buyer that its utility valuation expert was selected by the Buyer.	Yes	Section XI, Paragraph 52, Page 14 and Exhibit AA1
	b. Provide a verification statement of the Seller that its utility valuation expert was selected by the Seller.	Yes	Section XI, Paragraph 52, Page 14 and Exhibit AA2
9.	Utility Valuation Expert Verification Statements:		
	a. Buyer Utility Valuation Expert has no affiliation with the buyer or seller	Yes	Section XI, Paragraph 60, Pages 15 and 16 and Exhibit T1

APPLICATION CHECKLIST

	b. Buyer Utility Valuation Expert determined fair market value in compliance with the most recent edition of the Uniform Standards of Professional Appraisal Practice as of the date of the report employing the cost, market, and income approaches.		Yes	Section XI, Paragraph 60, Pages 15 and 16 and Exhibit T1
	c. Buyer Utility Valuation Expert applied applicable jurisdictional exceptions to the submitted appraisal.		Yes	Section XI, Paragraph 60, Pages 15 and 16 and Exhibit T1
	d. Seller Utility Valuation Expert has no affiliation with the buyer or seller		Yes	Section XI, Paragraph 60, Pages 15 and 16 and Exhibit T2
	e. Seller Utility Valuation Expert determined fair market value in compliance with the most recent edition of the Uniform Standards of Professional Appraisal Practice as of the date of the report employing the cost, market, and income approaches.		Yes	Section XI, Paragraph 60, Pages 15 and 16 and Exhibit T2
	f. Seller Utility Valuation Expert applied applicable jurisdictional exceptions to the submitted appraisal.		Yes	Section XI, Paragraph 60, Pages 15 and 16 and Exhibit T2
10.	Estimated or, if available, actual transaction and closing costs incurred by the buyer that will be included in its rate base.		Yes	Section XI, Paragraph 56, Page 15
11.	State the ratemaking rate base as required in 66 Pa. C.S. § 1329 and specify whether it is based on either the fair market value determined by the valuation experts or the asset purchase price.		Yes	Section XI, Paragraph 55, Page 15
12.	Provide a proposed tariff containing a rate equal to the existing rates of the seller at the time of the acquisition and a rate stabilization plan, if applicable to the acquisition.		Yes	Section VI, Paragraph 32, Page 7 and Exhibit G
13.	Seller Testimony			
	a. Provide seller direct testimony supporting the application, if any.		Yes	Section XI, Paragraph 63, Page 16 and Exhibit W
	b. Provide seller UVE direct testimony.		Yes	Section XI, Paragraph 66, Page 16 and Exhibit Y
14.	Buyer Testimony:			

APPLICATION CHECKLIST

	a. Provide buyer direct testimony supporting the application.		Yes	Section XI, Paragraphs 61 and 62, Page 16 and Exhibit U and Exhibit V
	b. Provide buyer UVE direct testimony.		Yes	Section XI, Paragraph 65, Page 17 and Exhibit X
15.	Plant in Service:			
	a. Provide an inventory of the used and useful plant assets to be transferred. Identify separately any utility plant that is held for future use.		Yes	Section III, Paragraphs 11 and 13, Pages 3 and 4 and Exhibit D
	b. Provide a list of all non-depreciable property such as land and rights-of-way.		Yes	Section III, Paragraph 13, Page 4 and Exhibit D
	c. State the DEP-permitted productive or treatment capacity of sources or treatment facility and the pipe sizes and material used for construction for all transmission and distribution or collection facilities.		Yes	Section III, Paragraph 12, Page 4 and Exhibit D and Exhibit V
	d. State the elevations of major facilities and service areas.		Yes	Section III, Paragraph 16, Page 4 and Exhibit V
	e. State the approximate time schedule for installation of the various component facilities.		Yes	Section III, Paragraph 14, Page 4 and Exhibit V
	f. State the tentative journal entries for booking the acquisition.		Yes	Section IV, Paragraph 28, Page 7
16.	Map of Service Area - provide a scalable map or plan of suitable scale highlighting the boundaries of the proposed service area that includes:			
	a. The extent of the proposed service area with any existing adjoining service areas identified.		Yes	Section I, Paragraph 3, Page 2 and Exhibit A
	b. A north arrow depicting map orientation.		Yes	Section I, Paragraph 4, Page 2 and Exhibit A
	c. A written description of the boundaries for the service territory utilizing bearing angles and distances.		Yes	Section I, Paragraph 4, Page 2 and Exhibit A
	d. Size of the service territory area in terms of acres or square miles.		Yes	Section I, Paragraph 4, Page 2 and Exhibit A

APPLICATION CHECKLIST

	e. Identification and depiction of all municipal boundaries relative to the service area.		Yes	Section I, Paragraph 4, Page 2 and Exhibit A
	f. Depiction of the location or route of the waterworks or wastewater collection, treatment or disposal facilities.		Yes	Section III, Paragraph 11, Page 3 and Exhibit D, Confidential Appendix B
17.	Customers:			
	a. State the seller's actual number of customers by class and quantify the related consumption or gallons treated in the current calendar year and future number of connections anticipated for the next 5 years and, if available, the next 10 years.		Yes	Section V, Paragraphs 29, 30 and 31, Page 7 and Exhibit V
	b. Buyer shall demonstrate its ability to provide adequate water supply, treatment, storage and distribution or adequate wastewater collection, treatment or disposal capacity to meet present and future customer demands.		Yes	Exhibit V
	c. For water system acquisitions, quantify the number of public and private fire hydrants.		N/A	
18.	Rates:			
	a. State the current rates of the seller.		Yes	Section VI, Paragraph 33, Pages 7 and 8 and Exhibit H
	b. Provide a copy of the seller's current rules and regulations for service.		Yes	Section VI, Paragraph 33, Pages 7 and 8 and Exhibit H
	c. Provide a proposed tariff or tariff supplement showing the rates, proposed rules, and conditions of service.		Yes	Section VI, Paragraph 32, Page 7 and Exhibit G
	d. Provide a copy of the notification sent, or which will be sent, to affected customers describing the filing and the anticipated effect on rates.		Yes	Section VI, Paragraph 35, Page 8 and Exhibit I1 and Exhibit I2
19.	Cost of Service:			
	a. Provide a copy of the seller's two most recent audited financial statements.		Yes	Section VII, Paragraph 36, Page 8 and Exhibit J1 and Exhibit J2

APPLICATION CHECKLIST

	b. Provide a copy of the seller's two most recent adopted budgets.		Yes	Section VII, Paragraph 37, Page 8 and Exhibit J3 and Exhibit J4
	c. Provide a copy of the seller's most recent annual report filed with the Commonwealth's Department of Community and Economic Development.		Yes	Section VII, Paragraph 38, Page 8 and Exhibit K
	d. Provide calculations quantifying the projected revenues and expenses for the acquisition.		Yes	Section VII, Paragraphs 39 and 40, Pages 8 and 9
	e. State whether the seller has any outstanding loans on the utility plant and identify the nature, terms, and payment history.		Yes	Section VII, Paragraph 36, Page 8
20.	Proof of Compliance - provide proof of compliance with applicable design, construction and operation standards of DEP or of the county health department, or both, including:			
	a. For water system acquisitions, provide copies of the public water supply/water quality management permits for the utility plant.		N/A	
	b. For wastewater system acquisitions, provide copies of the water quality management and National Pollution Discharge Elimination System (NPDES) permits for the utility plant.		Yes	Section VIII, Paragraph 42, Page 10 and Exhibit M1, Exhibit M2, Exhibit M3 and Exhibit N1
	c. For wastewater system acquisitions, provide a copy of the Chapter 94 Municipal Wasteload Management Report that was most recently submitted to DEP.		Yes	Section III, Paragraph 15, Page 4 and Exhibit E
	d. Valid buyer's certified operators' certificates appropriate to the facilities being acquired.		Yes	Section VIII, Paragraph 41, Page 9 and Exhibit L
	e. Provide documentation evidencing a 5-year compliance history with DEP with an explanation of each violation for the seller's utilities that have been providing service as well as provide a copy of any DEP-approved corrective action plans.		Yes	Section VIII, Paragraph 43, Page 10 and Exhibit V
	f. Provide documentation of all Notices of Violation issued to seller by DEP for the last 5 years, an explanation of each, including a description of any corrective or compliance measures taken.		Yes	Section VIII, Paragraph 43, Page 10 and Exhibit O1, Exhibit O2, Exhibit O3, Exhibit O4 and Exhibit V
	g. Statement attesting to Aqua's compliance history with DEP		Yes	Section VIII, Paragraph 44, Page 10
	h. Provide a statement clarifying whether the acquired plant will be physically interconnected to the buyer's system or be operated as a standalone system.		Yes	Section VIII, Paragraph 41, Page 9

APPLICATION CHECKLIST

	i. Provide a statement that explains how the acquisition will fit into the current operations of the buyer.		Yes	Section VIII, Paragraph 47, Page 11
	j. Provide a statement that identifies the staff, district or division of the buyer that will operate and manage the acquisition.		Yes	Section VIII, Paragraph 41, Page 9 and Paragraph 47, Page 11
	k. Provide a statement quantifying the distance in miles the acquisition is from the buyer's existing system or facilities.		Yes	Section VIII, Paragraph 41, Page 9 and Paragraph 47, Page 11
	l. Provide a statement that identifies all planned physical, operational and managerial changes of the buyer that will occur after closing and state the timeframe and cost for each.		Yes	Section VIII, Paragraph 48, Page 11 and Exhibit V
21.	Affected Persons. State the identity of all public utilities, municipalities, municipal authorities, cooperatives and associations which provide public water service or wastewater collection, treatment or disposal service within each municipality, or a municipality directly adjacent to the municipality(ies), in which the applicant seeks to provide service that abuts or is situated within one mile of the applicant's proposed facilities.		Yes	Section IX, Paragraph 50, Pages 11 and 12
22.	Other requirements - demonstrate compliance with the following:			
	a. For wastewater system acquisitions, demonstrate compliance with the DEP-approved Act 537 Official Sewage Facilities Plans for the affected municipalities (including the extent of the requested service territory).		Yes	Section VIII, Paragraph 45, Page 10
	b. For wastewater system acquisitions, provide a copy of the DEP-approved Act 537 Official Sewage Facilities Plans for the affected municipalities.		Yes	Section VIII, Paragraph 45, Page 10 and Exhibit P1, Exhibit P2 and Exhibit P3
	c. For wastewater system acquisitions, state the method of water service being provided in the requested wastewater service territory (i.e., public water or private wells) and identify the name of water utility, if applicable.		Yes	Section III, Paragraph 17, Page 4
	d. For water system acquisitions, state the method of wastewater service being provided in the requested water service territory (i.e., public wastewater or private on-lot) and identify the name of wastewater utility, if applicable.		N/A	
	e. Provide evidence the filing is consistent with the affected municipality and county comprehensive plans if the filing proposes to expand service beyond the existing plant footprint.		Yes	Section VIII, Paragraphs 45 and 46, Page 10
23.	Verification:			

APPLICATION CHECKLIST

	a. For water system acquisitions, provide a verification that the water sources and customers are metered in accordance with 52 Pa. Code § 65.7 (relating to metered service). If unmetered water service is currently provided, the applicant shall provide a metering plan to the Commission.		N/A	
	b. Include a statement that there is no affiliation between the buyer and seller.		Yes	Section IV, Paragraph 21, Page 5
	c. Include a statement that the agreement was conducted at arm's length.		Yes	Section IV, Paragraph 21, Page 5
	d. Include a statement explaining how the customers will benefit from the Buyer's ownership.		Yes	Section X and Exhibit U, Exhibit V and Exhibit W
24.	Asset Purchase Agreement (APA):			
	a. Provide a copy of the APA that is signed by all parties.		Yes	Section I, Paragraph 5, Page 2 and Exhibit B
	b. APA clearly states the purchase price and terms.		Yes	Section IV, Paragraph 20, Page 5 and Exhibit B
	c. APA clearly states whether all assets or only a portion of the assets are to be purchased (e.g., water treatment and distribution or wastewater collection and treatment).		Yes	Section IV, Paragraph 25, Page 6 and Exhibit B
	d. APA adequately describes the assets to be acquired.		Yes	Section IV, Paragraph 23, Page 5 and Exhibit B
	e. APA adequately describes the assets to be excluded.		Yes	Section IV, Paragraph 26, Page 6 and Exhibit B
25.	Provide a copy of all municipal and affiliate contracts to be assumed by buyer as part of the acquisition and a list and annual dollar value of other contracts.		Yes	Section IV, Paragraph 24, Pages 5 and 6 and Exhibit F1, Exhibit F2, Exhibit F3, Exhibit F4, Exhibit F5, Exhibit F6 and Exhibit F7