**PENNSYLVANIA**

**PUBLIC UTILTY COMMISSION**

**Harrisburg, PA 17105-3265**

 Public Meeting held October 24, 2019

Commissioners Present:

Gladys Brown Dutrieuille, Chairman

David W. Sweet, Vice Chairman

Andrew G. Place

John F. Coleman, Jr.

Joint Application of Aqua Pennsylvania, Inc. : A-2018-2642837

and the Borough of Phoenixville for approval of :

1) the acquisition by Aqua of the water system assets : A-2018-2642839

of Phoenixville used in connection with the :

water service provided by Phoenixville in :

East Pikeland and Schuylkill Townships, :

Chester County, and Upper Providence Township, :

Montgomery County, PA; 2) the right of Aqua to :

begin to supply water service to the public in :

portions of East Pikeland Township, Chester County, :

and Upper Providence Township, :

Montgomery County, PA and 3) the abandonment :

by Phoenixville of public water service in :

East Pikeland Township, Chester County, and :

Upper Providence Township, Montgomery County, :

and certain locations in Schuylkill Township, :

Chester County, PA :

Request for approval of Section 507 PUMC :

contracts between Aqua and the Borough of :

Phoenixville :

Application of Pennsylvania-American Water : A-2019-3008980

Company for approval of the right to offer, render, :

furnish or supply water service to the public in :

certain portions of Upper Providence Township, :

Montgomery County, Pennsylvania, and :

East Pikeland Township, Chester County, :

Pennsylvania, and request to abandon service :

territory in certain portions of Upper Providence :

Township, Montgomery County, Pennsylvania, and :

East Pikeland Township, Chester County, :

Pennsylvania :

Request for approval of Section 507 PUMC : U-2019-3009763

contract between PAWC and the Borough of :

Phoenixville :

**ORDER**

 BY THE COMMISSION:

 We adopt as our action the Recommended Decision of Administrative Law Judge Dennis J. Buckley, dated September 13, 2019;

THEREFORE,

 IT IS ORDERED:

1. That Aqua Pennsylvania, Inc.’s acquisition of the water system assets of the Borough of Phoenixville as proposed in the Joint Application and modified by the Joint Petition for Settlement be approved.

2. That the Commission find that the Assets Purchase Agreement and the Amendment to the Assets Purchase Agreement between Aqua and the Borough is reasonable, legal and valid.

3. That the Amendment to the 1986 Water Supply Agreement between Pennsylvania-American Water Company and the Borough be approved as reasonable, legal and valid, pursuant to Section 507 of the Public Utility Code.

4. That the Water Wheeling Agreement between Aqua and the Borough be approved as reasonable, legal and valid pursuant to Section 507 of the Public Utility Code.

5. That the Water Supply Agreement between Aqua and the Borough, dated January 10, 2018, and the Amendment to the Water Supply Agreement between Aqua and the Borough be approved as reasonable, legal and valid pursuant to Section 507 of the Public Utility Code.

6. That the Application of Pennsylvania-American Water Company addressing the territory boundaries of PAWC in East Pikeland Township and Upper Providence Township and PAWC service to the 21 Egypt Road Customers be approved.

7. That the Secretary of the Commission issue certificates of public convenience evidencing Aqua Pennsylvania, Inc’s right under Section 1102 of the Public Utility Code, 66 Pa.C.S. § 1102, to: (a) acquire the water system assets of the Borough of Phoenixville used in connection with water service provided by the Borough in East Pikeland Township and Schuylkill Township, Chester County, and in Upper Providence Township, Montgomery County, Pennsylvania and (b) to begin to offer, render, furnish and supply water service to the public in portions of East Pikeland Township, Chester County, and in Upper Providence Township, Montgomery County, Pennsylvania, as presented in Appendix 2 (Schuylkill Township and East Pikeland Township) and Appendix 3 (Upper Providence Township) to this Joint Petition.

8. That the Secretary of the Commission issue certificates of public convenience evidencing Pennsylvania-American Water Company’s right under Section 1102 of the Public Utility Code, 66 Pa.C.S. § 1102, to offer, render, furnish and supply water service to the public in East Pikeland Township, Chester County, and in Upper Providence Township, Montgomery County, Pennsylvania, and to abandon service territory in certain portions of Upper Providence Township, Montgomery County, Pennsylvania, and East Pikeland Township, Chester County, Pennsylvania as presented in Appendix 7 (Schuylkill Township and East Pikeland Township) and Appendix 8 (Upper Providence Township).

9. That the Secretary of the Commission issue a certificate of public convenience evidencing the Borough’s right under Section 1102 of the Public Utility Code, 66 Pa.C.S. § 1102, to abandon its regulated water service in the Commonwealth of Pennsylvania including portions of East Pikeland Township, Chester County, and Upper Providence Township, Montgomery County, and to certain locations in Schuylkill Township, Chester County, Pennsylvania.

10. That within 10 days after closing of the acquisition, Aqua Pennsylvania, Inc. shall file a tariff supplement in the form attached hereto as Appendix 15 implementing rates for Phoenixville customers post-closing.

11. That the Secretary of the Commission issue certificates of filing pursuant to Section 507 for the following agreements:

i. The Assets Purchase Agreement, dated April 26, 2017, submitted by Aqua and the Borough as Exhibit D to the Joint Application and the Amendment to Assets Purchase Agreement, between the Borough and Aqua included as Appendix 1 to this Joint Petition.

ii. The Amendment to 1986 Water Supply Agreement, by and between the Borough and PAWC included as Appendix 4 to the Joint Petition.

iii. The Water Wheeling Agreement by and between the Borough and Aqua included as Appendix 5 to the Joint Petition.

iv. The Water Supply Agreement, dated January 10, 2018, submitted by Aqua and the Borough as Exhibit G1 to the Joint Application and Amendment to Water Supply Agreement between the Borough and Aqua included as Appendix 6 to the Joint Petition.

12. That all other approvals, certificates, registrations and relief are hereby issued with respect to Aqua’s acquisition of the water system assets of the Borough. of Phoenixville.

13. That the Protests of Pennsylvania-American Water Company and the Office of Consumer Advocate be deemed resolved consistent with the foregoing.

14. That the Joint Application proceeding at Dockets Nos. A-2018-2642837 and A-2018-2642839, the PAWC Application proceeding at Docket No. A-2019-3008980 and the PAWC Section 507 Filing at Docket No. U-2019-3009763 be marked closed.

**** BY THE COMMISSION,

Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: October 24, 2019

ORDER ENTERED: October 24, 2019