

THOMAS T. NIESEN Direct Dial: 717.255.7641 tniesen@tntlawfirm.com

October 25, 2019

Via Electronic Filing

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street Harrisburg, PA 17105-3265

## In re: Docket No. A-2019-3009052

Application of Aqua Pennsylvania Wastewater, Inc. pursuant to Sections 1102, 1329 and 507 of the Public Utility Code for Approval of its Acquisition of the Wastewater System Assets of the Township of East Norriton

Dear Secretary Chiavetta:

We are counsel for Aqua Pennsylvania Wastewater, Inc. ("Aqua" or "Company") in the above referenced Application proceeding and are in receipt of your letter dated October 23, 2019 ("Conditional Acceptance Letter"), conditionally accepting the Application for filing.

In compliance with the Conditional Acceptance Letter and the Final Supplemental Implementation Order entered February 28, 2019, at Docket No. M-2016-2543193, please be advised that Aqua has begun providing individualized notice of the proposed acquisition to its water and wastewater customers. Aqua is providing the Notice with its water/wastewater bills during a billing cycle beginning October 25, 2019 and running through approximately November 25, 2019. A copy of Aqua's Notice to Customers is attached to this letter.

In further compliance with the Conditional Acceptance Letter, East Norriton Township will concurrently provide individualized notice of the proposed acquisition to its wastewater customers.

In addition to individualized notice, Aqua, as required by the Conditional Acceptance Letter, will provide newspaper publication once a week for two consecutive weeks in a newspaper having a general circulation in the East Norriton Township area.

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Aqua will file a Verification upon completion of the required notification.

Please contact me with any questions about the foregoing.

Very truly yours,

THOMAS, NIESEN & THOMAS, LLC

By 1 (10000 P

Thomas T. Niesen

cc: Certificate of Service (w/encl.) Alexander R. Stahl, Esquire (via email, w/encl.) Thomas S. Wyatt, Esquire (via email, w/encl.)

#### **CERTIFICATE OF SERVICE**

I hereby certify that I have this 25<sup>th</sup> day of October, 2019, served a true and correct copy of the foregoing letter and attached notice to customers, upon the persons and in the manner set forth below:

## VIA ELECTRONIC MAIL AND FIRST CLASS MAIL, POSTAGE PREPAID

Sean Donnelly, P.E. Clinton McKinley Bureau of Technical Utility Services Pennsylvania Public Utility Commission Commonwealth Keystone Building Post Office Box 1165 Harrisburg, PA 17105-3265 sdonnelly@pa.gov cmckinley@pa.gov

Shelbie A. Linton-Keddie Assistant Small Business Advocate Office of Small Business Advocate Suite 202, Commerce Building 300 North Second Street Harrisburg, PA 17101 slinton-ke@pa.gov Christine Maloni Hoover Erin L. Gannon Senior Assistant Consumer Advocates Harrison W. Breitman Assistant Consumer Advocate Office of Consumer Advocate 555 Walnut Street Forum Place, 5<sup>th</sup> Floor Harrisburg, PA 17101-1923 CHoover@paoca.org EGannon@paoca.org HBreitman@paoca.org

Gina L. Miller, Prosecutor Erika McLain, Prosecutor Bureau of Investigation and Enforcement Pennsylvania Public Utility Commission Commonwealth Keystone Building Post Office Box 3265 Harrisburg, PA 17105-3265 ginmiller@pa.gov ermclain@pa.gov

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Thomas T. Niesen PA Attorney ID No. 31379

# **NOTICE TO AQUA CUSTOMERS**

# NOTICE OF PROPOSED ACQUISITION AND RATE BASE ADDITION

Docket No. A-2019-3009052

Dear Customer:

On October 23, 2019, the Pennsylvania Public Utility Commission (PUC) conditionally accepted for filing the application of Aqua Pennsylvania Wastewater, Inc. (Aqua) for approval to acquire the East Norriton Township (East Norriton) wastewater system assets. East Norriton serves approximately 4,900 customers in Montgomery County, Pennsylvania. Aqua's application also requests that the PUC authorize an addition of up to \$21 million to Aqua's rate base pursuant to 66 Pa. C.S. § 1329. A utility's rate base is the value of property used by the utility to provide service to its customers and is one of several components used to establish a utility's customer rates.

This acquisition will not immediately, but may in the future, affect water and/or wastewater bills of Aqua customers, including the new East Norriton Township wastewater customers. Aqua is not requesting a rate increase as part of the acquisition. Your rates will not change until the conclusion of Aqua's next rate case where Aqua requests and receives PUC approval to increase its rates. Currently, it is not known when Aqua will file its next rate case. At that time, based on a preliminary analysis of the potential rate impacts, Aqua estimates that the rates of the average customer could increase. The amount of the increase will be determined in Aqua's next base rate case and will be dependent on how the PUC chooses to apportion the increase among Aqua's acquired and existing customers. The tables below present non-binding, estimated incremental rate effects of the proposed rate base addition on Aqua's existing water and wastewater customers:

Rate Class	Average Usage	Estimated Monthly	Estimated Percentage
		Increase	Increase
Residential	3,020 gal/month	\$1.66	2.43%
Commercial	21,940 gal/month	\$5.22	2.43%
Industrial	3,200 gal/month	\$1.34	2.43%

## **Aqua Wastewater Customers**

## **Aqua Water Customers**

Rate Class	Average Usage	<b>Estimated Monthly</b>	Estimated Percentage
		Increase	Increase
Residential	4,080 gal/month	\$0.17	0.26%
Commercial	37,050 gal/month	\$1.05	0.26%
Industrial	211,510 gal/month	\$4.95	0.26%

The amounts stated above could change and will depend on how the PUC chooses to apportion any increase among the types of service, rate zones, and classes of customers.

# PUC ROLE

The state agency which approves acquisitions and rates for regulated public utilities is the PUC. The PUC will review and investigate the proposed acquisition and requested \$21 million in additional rate base. After examining the evidence, the PUC may approve, modify or deny the acquisition and may approve or modify the \$21 million addition to rate base. The PUC will issue a decision on the application on or around May 21, 2020.

# **ACTIONS YOU CAN TAKE**

You can support or challenge Aqua's request by:

- 1) Sending a letter to the PUC. You can tell the PUC why you support or object to Aqua's acquisition of East Norriton's wastewater system in your letter. This information can be helpful when the PUC investigates the application. Send your letter to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
- 2) Filing a protest or a petition to intervene. If you want to be a party to the case, you must file a protest or a petition to intervene. You then have an opportunity to take part in all the hearings about the proposed acquisition. You can receive copies of all materials distributed by the other parties. Protests and petitions to intervene must be filed in accordance with 52 Pa. Code (relating to public utilities) on or before January 6, 2020. Filings must be made with the Secretary of the Pennsylvania Public Utility Commission at P.O. Box 3265, Harrisburg, PA 17105-3265, with a copy served on Aqua's counsel at Thomas, Niesen & Thomas, LLC, Attn: Thomas T. Niesen, 212 Locust Street, Suite 302, Harrisburg, PA 17101.

The documents filed as part of this application are available for inspection and copying at the Office of the Secretary of the PUC between 8 a.m. and 4:30 p.m., Monday through Friday, on the PUC's website at www.puc.pa.gov and at Aqua's offices at 762 West Lancaster Avenue, Bryn Mawr, PA 19010. The PUC docket number is A-2019-3009052.