

July 23, 2020

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-2019-3015173

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 Delaware County Regional Water Quality Control Authority (DELCORA)

Dear Secretary Chiavetta:

We are counsel for Aqua Pennsylvania Wastewater, Inc. ("Aqua") in the above referenced Application proceeding. Please be advised as follows in connection with your Conditional Acceptance Letter of June 11, 2020:

1. In compliance with the Conditional Acceptance Letter and the Final Supplemental Implementation Order entered February 28, 2019, at Docket No. M-2016-2543193, Aqua advised the Public Utility Commission ("Commission"), on June 16, 2020, that it was beginning to provide individualized notice of the proposed acquisition to its water and wastewater customers during a billing cycle beginning June 15, 2020. The billing cycle has run through completion and Aqua has provided individualized customer notice.
2. Concurrently, individualized notice was provided to DELCORA wastewater customers.
3. On July 22, 2020, Aqua filed (1) proofs of publication of the notice of the filing of the Application in *The Daily Local News* on June 25, 2020 and July 2, 2020 and *The Daily Times* on June 25, 2020 and July 2, 2020 and (2) a certificate verifying service of the Application on designated entities.
4. On July 9, 2020, Aqua advised the Commission, in regard to the Agreement, dated May 3, 1966, between the City of Chester and the Borough of Rose Valley (Application Exhibit F103) that, inasmuch as DELCORA now owns both the City of Chester sewer system and the Borough of Rose Valley sewer system, the 1966 Agreement is no longer effective, and Aqua will not be assuming the Agreement.

5. Please be advised, concerning the Agreement, dated October 12, 1960, between the Borough of Rose Valley and the Township of Nether Providence (Application Exhibit F101), that Aqua will not be assuming that Agreement. A complete copy of the Agreement was not found. A *pro forma* copy of a draft replacement Agreement between DELCORA and Nether Providence Township is included with this letter. The *pro forma* agreement will be updated prior to closing and filed with the Commission.

The Verification of William C. Packer, confirming completion and satisfaction of the notice requirements and conditions set forth in the Conditional Acceptance Letter is also attached.

Aqua respectfully requests that the Commission issue its Secretarial Letter finalizing acceptance of the Application by July 27, 2020, at the latest, and publish notice of the filing of the Application in the *Pennsylvania Bulletin* on August 15, 2020 with August 31, 2020 as the due date for the filing of protests and petitions to intervene.

Please contact me with any questions about the foregoing.

Very truly yours,

THOMAS, NIESEN & THOMAS, LLC

By



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 23rd day of July, 2020, served a true and correct copy of the foregoing letter, *Pro Forma* Copy of Draft Replacement Agreement and Verification of William C. Packer, upon the persons and in the manner set forth below:

VIA ELECTRONIC MAIL

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Pennsylvania Public Utility Commission
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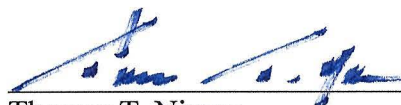
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***PRO FORMA* COPY OF
DRAFT REPLACEMENT AGREEMENT**

AMENDED AND RESTATED
SERVICE AGREEMENT

This Amended and Restated Service Agreement, dated as of the ____ of _____, 2020 (this "Amended and Restated Service Agreement"), is by and between The Delaware County Regional Water Quality Control Authority, a body corporate and politic existing under the Pennsylvania Municipal Authorities Act, 42 P.S. 5601, et seq. ("DELCORA"), and The Township of Nether Providence, Delaware County, Pennsylvania (the "Township" and collectively, with DELCORA, the "Parties").

WITNESSTH:

WHEREAS, DELCORA currently operates and maintains a sanitary sewer collection, transmission, and treatment system (the "DELCORA Sewer System") serving various residential, commercial, industrial, and municipal customers in Delaware and Chester Counties, Pennsylvania;

WHEREAS, the Township also currently operates and maintains a sanitary sewer collection system (the "Township Sewer System") serving various [residential, commercial, industrial, and municipal] customers within the Township;

WHEREAS, the Township and DELCORA, as successor in interest to Rose Valley Borough, are currently parties to that certain Agreement dated as of October 12, 1960, as supplemented by that certain Sanitary Sewer Agreement for the Vernon Run Outfall Sewer dated as of 1989 (collectively, the "Service Agreement");

WHEREAS, due to the changes in operations of the DELCORA Sewer System and Township Sewer System since inception of the Service Agreement, the Parties hereby desire to amend and restate the Service Agreement to reflect the current flow and billing arrangement

NOW, THEREFORE, the Parties hereby agree to amend and restate the Service Agreement in its entirety as follows:

1. **Service Charges and Payments.** DELCORA and the Township hereby obligate themselves as follows:

(a) The Township shall bill DELCORA annually during which this Agreement is in effect, for the nine (9) residences located in the Borough of Rose Valley and which flow to the Township as set forth on Exhibit "A" hereto. The Township bills at the budgeted rate adopted for its fiscal year.

(b) The Township shall bill DELCORA annually during which this Agreement is in effect, for the conveyance costs for the seventy-three (73) residences located in the Todmorden area of the Borough of Rose Valley and which flow to the Township as set forth on Exhibit "B"

hereto. In addition, the Township bills DELCORA for the conveyance costs of the 73 EDUs going through the Township Sewer System at a rate calculated by the Township engineer for the respective fiscal year.

(c) DELCORA bills the Township annually during which this Agreement is in effect, for the one hundred twenty-seven (127) residences located in the Township and which flow through the Borough of Rose Valley as set forth on Exhibit "C" hereto. The rate is the Borough of Rose Valley residential rate calculated and updated by DELCORA as part of DELCORA's yearly budget process. For the year 2020, the rate is \$972.

(d) DELCORA bills the Township quarterly during which this Agreement is in effect, for the flow from approximately 2,800 equivalent dwelling units that originate in the Township and flow through the Ridley Creek Interceptor and Chester Pump Station into DELCORA's Western Regional Treatment Plant. Billing and payment will be within the fiscal year that the charge is incurred. The billing is based on flow as measured by a metering system located throughout the Township and monitored by the DELCORA consulting engineer. The billing rate is calculated and updated by DELCORA as part of DELCORA's budget process. For the year 2020, the rate is \$2.89 per thousand gallons.

2. **Rose Valley Pump Station.** As of the date hereof, DELCORA has built a pump station and force main that replaced the Rose Valley Treatment Plant for the benefit of the customers of DELCORA, and the residents of the Township and the Borough of Rose Valley (the "Project"). DELCORA bills the Township and the Borough of Rose Valley quarterly for their portion of the cost of the Project, including the costs for decommissioning and deconstructing the Rose Valley Treatment Plant as part of its annual rate as described in Section 1(c).

3. **Vernon Run Line.** As of the date hereof, DELCORA has undertaken the costs for repairing a stop gap measure at the Vernon Run Line. DELCORA bills the Township and the Borough of Rose Valley quarterly for their portion of the cost of the aforementioned repairs as part of its annual rate as part of its annual rate as described in Section 1(c).

4. **Middletown.** As of the date hereof, DELCORA has contributed \$950,000 of initial capital costs to Middletown Township, Delaware County for improvements made to the Middletown Township Sewer Authority System to facilitate connection of the Rose Valley Pump Station which pumps both Township and the Borough of Rose Valley flows to the Middletown Township Sewer Authority System. DELCORA pays an additional amount when the flows to the Middletown Township Sewer Authority System exceeds 100,000 gallons per day in the Rose Valley Pump Station. DELCORA bills the Township and the Borough of Rose Valley quarterly for their portion of the initial capital contribution to Middletown Township and subsequent costs paid by DELCORA to Middletown Township for maintaining the line as part of its quarterly billing for the system as part of its annual rate as described in Section 1(c).

5. **Successors.** All covenants and agreements contained herein shall be binding upon and inure to the benefit of DELCORA, the Township, and their respective successors by operation of law.

6. **No Assignment.** The rights and obligations of the Parties under this Amended and Restated Service Agreement may not be voluntarily assigned by either party without the consent of the other, except that this Agreement shall be assigned to Aqua Pennsylvania Wastewater, Inc. ("*Aqua*") effective as of the closing of the transaction contemplated by that certain Asset Purchase Agreement between DELCORA and Aqua dated September 17, 2019, as amended (the "*Asset Purchase Agreement*").

7. **Assumption by Aqua.** Upon the Closing of the transaction between DELCORA and Aqua pursuant to the Asset Purchase Agreement (the "*Transaction*"), Aqua will incorporate the existing rates, described in Sections 1(c) and (d) which include the costs described in Sections 2 through 4 hereof, in Aqua's tariff. The rates charged by Aqua to the Township after Closing of the Transaction shall be amended from time to time, as set forth in Aqua's tariff and as approved by the Pennsylvania Public Utility Commission ("*PUC*"). Payments by the Township to Aqua shall be made in accordance with Aqua's tariff, as amended from time to time, as approved by the PUC.

8. **Entire Agreement.** This Amended and Restated Service Agreement represents the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, negotiations, discussions and understandings, written or oral, between the Parties relating to the subject matter hereof.

9. **Amendment.** The Parties may amend this Amended and Restated Service Agreement only by a written agreement signed by the Parties that identifies itself as an amendment to this Amended and Restated Service Agreement. Any waiver of, or consent to depart from, the requirements of any provision of this Amended and Restated Service Agreement will be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given.

10. **Term.** The term of this Agreement shall be perpetual.

11. **Governing Law.** This agreement is governed by, and construed in accordance with, the laws of the Commonwealth of Pennsylvania, including all matters of construction, validity, and performance, including torts.

12. **Notices.** All demands, notices, and communications upon or to DELCORA and the Township under this Amended and Restated Service Agreement shall be in writing, personally delivered, sent by electronic facsimile (with hard copy to follow via first class mail), or mailed by certified mail return receipt requested, and shall be deemed to have been duly given upon receipt, to the following address (or to such address as the notice party may direct):

To DELCORA:

DELCORA
100 East Fifth Street
Chester, PA 19013
Attention: Executive Director

with copies to:

DELCORA
100 East Fifth Street
Chester, PA 19013
Attention: Solicitor

To the Township:

Township of Nether Providence

Attention: _____

with a copy to:

Attention: _____

13. **Headings, etc.** The section and paragraph headings in this Amended and Restated Service Agreement are for reference purposes only and do not affect the meaning or interpretation of this Amended and Restated Service Agreement.

14. **Counterparts.** This Amended and Restated Service Agreement may be executed by the Parties hereto in separate counter parts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

[Signature page follows]

IN WITNESS WHEREOF, the Parties hereto have duly executed this Amended and Restated Service Agreement the day and year first set forth above.

DELCORA:

DELAWARE COUNTY REGIONAL WATER
QUALITY CONTROL AUTHORITY

By: _____

Name: _____

Title: _____

TOWNSHIP:

THE TOWNSHIP OF NETHER PROVIDENCE

By: _____

Name: _____

Title: _____

EXHIBIT “A”

145 Rose Valley Road

149 Rose Valley Road

153 Rose Valley Road

Methodist Manse – 0 Brookhaven Road

402 Woodward Road

404 Woodward Road

406 Woodward Road

305 W. Brookhaven Road

307 W. Brookhaven Road

DRAFT

EXHIBIT "B"

DELCORA-Rose Valley-Nether Providence				
Todmorden Sewer Connections				
1	1	Briarcrest Dr		67 Todmorden Rd
2	2	Briarcrest Dr		
3	5	Briarcrest Dr		
4	8	Briarcrest Dr		
5	9	Briarcrest Dr		
6	15	Briarcrest Dr		
7	16	Briarcrest Dr		
8	19	Briarcrest Dr		
9	20	Briarcrest Dr		
10	23	Briarcrest Dr		
11	27	Briarcrest Dr		
12	30	Briarcrest Dr		
13	31	Briarcrest Dr		
14	35	Briarcrest Dr		
15	1	Brookview Ln		
16	5	Brookview Ln		
17	6	Brookview Ln		
18	9	Brookview Ln		
19	10	Brookview Ln		
20	14	Brookview Ln		
21	18	Brookview Ln		
22	21	Brookview Ln		
23	23	Brookview Ln		
24	1	Cedarhollow Dr		
25	2	Cedarhollow Dr		
26	6	Cedarhollow Dr		
27	9	Cedarhollow Dr		
28	10	Cedarhollow Dr		
29	14	Cedarhollow Dr		
30	15	Cedarhollow Dr		
31	18	Cedarhollow Dr		
32	22	Cedarhollow Dr		
33	38	Cedarhollow Dr		19 Cedar Hollow Rd
34	3	Sackville Lane		
35	5	Sackville Lane		

36	15	Sackville Lane			
37	17	Sackville Lane			
38	2	Todmorden Dr			
39	6	Todmorden Dr			
40	7	Todmorden Dr			
41	10	Todmorden Dr			
42	11	Todmorden Dr			
43	15	Todmorden Dr			
44	18	Todmorden Dr			
45	19	Todmorden Dr			16 Orchard Ln
46	23	Todmorden Dr			
47	24	Todmorden Dr			
48	27	Todmorden Dr			
49	28	Todmorden Dr			
50	51	Todmorden Dr			
51	52	Todmorden Dr			
52	55	Todmorden Dr			
53	56	Todmorden Dr			
54	59	Todmorden Dr			
55	60	Todmorden Dr			
56	63	Todmorden Dr			
57	64	Todmorden Dr			
58	74	Todmorden Dr			
59	75	Todmorden Dr			
60	78	Todmorden Dr			
61	79	Todmorden Dr			
62	82	Todmorden Dr			
63	86	Todmorden Dr			
64	90	Todmorden Dr			
65	1	W Brookhaven Rd			1 Todmorden Rd
66	503	W Brookhaven Rd			
67	505	W Brookhaven Rd			
68	507	W Brookhaven Rd			
69	509	W Brookhaven Rd			
70	511	W Brookhaven Rd			
71	603	W Brookhaven Rd			
72	605	W Brookhaven Rd			
73	607	W Brookhaven Rd			

EXHIBIT "C"

PARCEL #	STREET ADDRESS	
34-10600	502 BANCROFT RD	
34-10601	500 BANCROFT RD	
34-38600	6 KELLY LA	
34-38801	1 KELLY LA	
34-38802	3 KELLY LA	
34-38803	4 KELLY LA	
34-39700	1 BROOKSIDE RD	
34-39800	5 BROOKSIDE RD	
34-40000	15 BROOKSIDE RD	
34-40100	19 BROOKSIDE RD	
34-40200	21 BROOKSIDE RD	
34-40300	23 BROOKSIDE RD	
34-40400	25 BROOKSIDE RD	
34-40500	33 BROOKSIDE RD	
34-40600	35 BROOKSIDE RD	
34-40800	34 BROOKSIDE RD	
34-40900	32 BROOKSIDE RD	
34-41000	30 BROOKSIDE RD	
34-41100	28 BROOKSIDE RD	
34-41200	26 BROOKSIDE RD	
34-41300	24 BROOKSIDE RD	
34-41400	22 BROOKSIDE RD	
34-41500	20 BROOKSIDE RD	
34-41600	18 BROOKSIDE RD	
34-41700	16 BROOKSIDE RD	
34-41800	14 BROOKSIDE RD	
34-41900	12 BROOKSIDE RD	
34-42000	10 BROOKSIDE RD	
34-42200	4 BROOKSIDE RD	

34-42201		2 BROOKSIDE RD	
34-42202		6 BROOKSIDE RD	
34-43300		4 BYRE LA	
34-43400		6 BYRE LA	
34-43500		8 BYRE LA	
34-43600		10 BYRE LA	
34-43700		12 BYRE LA	
34-43800		14 BYRE LA	
34-43900		5 BYRE LA	
34-44000		7 BYRE LA	
34-44100		9 BYRE LA	
34-44200		11 BYRE LA	
34-59102		4 CHATHAM PL	
34-59103		6 CHATHAM PL	
34-59204		5 CHATHAM PL	
34-59205		3 CHATHAM PL	
34-64900		102 CHESTNUT LA	
34-65000		106 CHESTNUT LA	
34-65100		110 CHESTNUT LA	
34-65200		101 CHESTNUT LA	
34-65300		103 CHESTNUT LA	
34-96902		203 FOX LA	
34-96903		205 FOX LA	
34-96904		207 FOX LA	
34-96905		209 FOX LA	
34-96906		212 FOX LA	
34-96907		210 FOX LA	
34-96908		208 FOX LA	
34-96909		206 FOX LA	
34-96910		204 FOX LA	
34-96911		202 FOX LA	
34-96912		211 FOX LA	
34-144800		9 MANCHESTER RD	

34-205300		122 W POSSUM HOLLOW RD	
34-205301		2 FERN LA	
34-205302		3 FERN LA/POSSUM HOLLOW RD	
34-205303		4 FERN LA/POSSUM HOLLOW RD	
34-205400		118 W POSSUM HOLLOW RD	
34-205500		116 W POSSUM HOLLOW RD	
34-205501		12 W POSSUM HOLLOW RD	
34-205502		10 W POSSUM HOLLOW RD	
34-205503		114 W POSSUM HOLLOW RD	
34-205600		8 W POSSUM HOLLOW RD	
34-205700		4 W POSSUM HOLLOW RD	
34-206301		111 W POSSUM HOLLOW RD	
34-206302		115 W POSSUM HOLLOW RD	
34-206600		121 W POSSUM HOLLOW RD	
34-206700		117 W POSSUM HOLLOW RD	
34-206701		119 W POSSUM HOLLOW RD	
34-206902		11 W POSSUM HOLLOW RD	
34-220100		11 S PROVIDENCE RD	
34-220200		7 S PROVIDENCE RD	
34-220300		3 S PROVIDENCE RD	
34-268400		100 TOWNSEND TERR	
34-275200		103 VERNON LA	
34-275300		109 VERNON LA	
34-275400		111 VERNON LA	
34-275450		1 VIRGINIA LA	
34-275451		2 VIRGINIA LA	
34-275452		3 VIRGINIA LA	
34-307700		204 WOODWARD RD	
34-307800		206 WOODWARD RD	
34-307900		210 WOODWARD RD	
34-307901		212 WOODWARD RD	
34-307902		208 WOODWARD RD	
34-307903		107 TOWNSEND TERR	

34-308000		300 WOODWARD RD	
34-308100		302 WOODWARD RD	
34-308200		306 WOODWARD RD	
34-308300		312 WOODWARD RD	
34-308400		195 WOODWARD RD	
34-308402		197 WOODWARD RD	
34-308500		199 WOODWARD RD	
34-308600		201 WOODWARD RD	
34-308700		205 WOODWARD RD	
34-308900		209 WOODWARD RD	
34-309000		211 WOODWARD RD	
34-309100		215 WOODWARD RD	
34-309200		217 WOODWARD RD	
34-309300		219 WOODWARD RD	
34-309400		221 WOODWARD RD	
34-309500		223 WOODWARD RD	
34-309600		301 WOODWARD RD	
34-309700		305 WOODWARD RD	
34-309800		315 WOODWARD RD	
34-309801		309 WOODWARD RD	
34-309900		311 WOODWARD RD	
34-310000		401 WOODWARD RD	
34-310100		405 WOODWARD RD	
34-310200		409 WOODWARD RD	
34-310300		411 WOODWARD RD	
34-310400		415 WOODWARD RD	
34-310500		419 WOODWARD RD	
34-310600		421 WOODWARD RD	
34-312200	3	4 MANCHESTER AVE/ WOODWARD RD	APARTMENT
		home @ Corner of Woodward and W Possum Hollow	
		2nd home in on Chesnut Ln	
		home at end of Brookside Ln	
34-59101		2 CHATHAM PL	

34-59206		1 CHATHAM PL	
34-241000		13 ROSE VALLEY RD	
34-312200	1	4 MANCHESTER AVE/ WOODWARD RD	POST OFFICE
34-312200	2	4 MANCHESTER AVE/ WOODWARD RD	TRAIN STAT

DRAFT

VERIFICATION OF WILLIAM C. PACKER

VERIFICATION

I, William C. Packer, Vice President – Controller of Aqua Pennsylvania, Inc., hereby state that Aqua Pennsylvania Wastewater, Inc. has completed and satisfied the notice requirements and conditions set forth in the Secretarial Letter dated June 11, 2020, for Aqua Pennsylvania Wastewater, Inc.'s Application for approval of the acquisition of the wastewater system assets of the Delaware County Regional Water Quality Control Authority at Docket No. A-2019-3015173. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

William C. Packer

William C. Packer
Vice President – Controller
Aqua Pennsylvania, Inc.

Dated: July 23, 2020