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May 20, 2022

Via Electronic Filing

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

Re:

PaPUC Docket No. M-2018-2645983

Pa. P.U.C. v. North Heidelberg Sewer Company

PaPUC Docket No. I-2018-3001161

Section 529 Investigation – North Heidelberg Sewer Company

Dear Secretary Chiavetta:

We are counsel to Aqua Pennsylvania Wastewater, Inc. in the above matters and are submitting, via electronic filing with this letter, the Joint Stipulation of Aqua, North Heidelberg Sewer Company, the Bureau of Investigation and Enforcement, the Office of Consumer Advocate and Metropolitan Edison Company of Facts in support of their Joint Petition for Approval of Settlement. Copies of the Joint Stipulation of Facts are being served upon the persons and in the manner set forth on the certificate of service attached to it.

Very truly yours,

THOMAS, NIESEN & THOMAS, LLC

Thomas T. Niese

cc: Certificate of Service (w/encl.)

Alexander R. Stahl, Esquire (via email, w/encl.)

Before The PENNSYLVANIA PUBLIC UTILITY COMMISSION

Administrative Law Judge Steven K. Haas, Presiding

Pennsylvania Public Utility Commission : Docket No. M-2018-2645983

North Heidelberg Sewer Company

Section 529 Investigation –

V,

North Heidelberg Sewer Company

Docket No. I-2018-3001161

JOINT STIPULATION OF FACTS

TO THE HONORABLE STEVEN K. HAAS, ADMINISTRATIVE LAW JUDGE:

This Joint Stipulation of Facts ("Joint Stipulation") is made and entered into by and between Aqua Pennsylvania Wastewater, Inc. ("Aqua"), North Heidelberg Sewer Company ("NHSC"), the Bureau of Investigation and Enforcement of the Pennsylvania Public Utility Commission ("I&E"), the Office of Consumer Advocate ("OCA") and Metropolitan Edison Company ("Met-Ed"), parties to the above captioned proceedings (hereinafter collectively referred to as the "Stipulating Parties") in support of the Joint Petition for Approval of Settlement ("Joint Petition") filed by the Stipulating Parties.¹

¹ The other parties to the proceeding, Pennsylvania American Water Company and Suez Water Pennsylvania Inc. do not oppose the Joint Stipulation.

A. The Parties

- NHSC is a regulated public utility providing wastewater service to approximately
 residential customers and one commercial customer in portions of North Heidelberg and
 Jefferson Townships in Berks County, Pennsylvania.
- 2. Aqua is a regulated public utility providing wastewater service to approximately 45,000 wastewater customers throughout Pennsylvania.
- 3. OCA is a Commonwealth agency created by Act 161 of 1976 to represent the interests of consumers before the Commission. 71 P.S. § 309-2.
- 4. I&E serves as the prosecutory bureau for the Commission for purposes of representing the public interest in ratemaking and service matters, and enforcing compliance with the Pennsylvania Public Utility Code ("Code"), 66 Pa. C.S. §§ 101 et seq., and Commission regulations, 52 Pa. Code §§ 1.1 et seq. See Implementation of Act 129 of 2008: Organization of Bureaus and Offices, Docket No. M-2008-2071852 (Order entered August 11, 2011).
 - 5. Met-Ed is a regulated public utility providing electric distribution service to NHSC.

B. The Section 529 Investigation

- 6. By Order entered February 9, 2018, at Docket No. M-2018-2645983, the Commission initiated a Section 529 investigation of NHSC for reasons stated in the Order.
- 7. In that same Order entered February 9, 2018, the Commission appointed Aqua as Receiver for NHSC, pursuant to Section 529(g) of the Code.

C. The Proposed Settlement

- 8. On May 13, 2022, the Stipulating Parties filed a Joint Petition asking the Commission to approve a settlement of the Section 529 investigation.
- 9. The Stipulating Parties agree, in the Joint Petition, that they will not contest that NHSC is a small, non-viable system as defined in 66 Pa. C.S. § 1327(a) and 52 Pa. Code § 69.711.

- 10. The Commission is asked, as part of that settlement, to approve an Asset Purchase Agreement between Aqua and NHSC whereby Aqua will purchase the wastewater system assets of NHSC for \$121,771.56.
- 11. Additional terms of the settlement ask that the Commission approve the purchase price of \$121,771.56; approve the Plan for Improvements included with the Joint Petition; and allow Aqua to implement the rates presented in the tariff supplement included with the Joint Petition.
- 12. The Joint Petition also resolves a formal complaint of I&E against NHSC at Docket No. C-2016-2547755, including a Motion for Default Judgment, for NHSC's failure to pay its Commission assessment for the 2015-2016 fiscal year.
- 13. The sale of the system, moreover, is subject to all necessary government approvals by the Commission, the Department of Environmental Protection, and North Heidelberg and Jefferson Townships.
- 14. The Joint Petition further asks that, upon closing of the sale of the NHSC system to Aqua, the Commission issue certificates of public convenience authorizing Aqua to provide wastewater service in the Requested Territory in North Heidelberg and Jefferson Townships and NHSC to abandon its wastewater service.
- 15. Aqua, NHSC, I&E, OCA and Met-Ed have submitted Statements presenting their reasons for supporting the Joint Petition.

AQUA PENNSYLVANIA WASTEWATER, INC.	NORTH HEIDELBERG SEWER COMPANY
By: Thomas T. Niesen, Esquire	By: Sean M. Cooper, Esquire
BUREAU OF INVESTIGATION AND ENFORCEMENT	OFFICE OF CONSUMER ADVOCATE
By: Carrie B. Wright, Prosecutor	By: Christine Maloni Hoover Deputy Consumer Advocate
METROPOLITAN EDISON COMPANY	
By: Tori L. Giesler Managing Counsel	

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By: Thomas T. Niesen, Esquire	By: M. Cooper, Esquire
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METROPOLITAN EDISON COMPANY	
By:	

Tori L. Giesler Managing Counsel

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Managing Counsel

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CERTIFICATE OF SERVICE

I hereby certify that I have this 20th day of May 2022, served a true and correct copy of the foregoing Joint Stipulation of Facts, upon the persons and in the manner indicated below:

VIA ELECTRONIC MAIL

The Honorable Steven K. Haas Administrative Law Judge Pennsylvania Public Utility Commission sthaas@pa.gov Carrie B. Wright, Prosecutor Bureau of Investigation and Enforcement Pennsylvania Public Utility Commission carwright@pa.gov

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PA Attorney ID No. 31379

Counsel for Aqua Pennsylvania Wastewater, Inc.