



VIA E-FILING

January 30, 2023

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
400 North Street
Keystone Building
Harrisburg, PA 17120

**Re: Docket No. M-2018-2645983
Pa. P.U.C. v. North Heidelberg Sewer Company**

**Docket No. I-2018-3001161
Section 529 Investigation – North Heidelberg Sewer Company**

Dear Secretary Chiavetta:

Enclosed please find Aqua Pennsylvania Wastewater, Inc.'s ("Aqua") Twentieth Status Report to the Pennsylvania Public Utility Commission ("PUC" or the "Commission") regarding Aqua's Receivership duties for the North Heidelberg Sewer Company ("NHSC"). This status report is also being filed at Docket No. I-2018-3001161.

If you have any questions regarding this filing, please contact me at 610-645-1130.

Sincerely,

A handwritten signature in blue ink, appearing to read "Alex Stahl".

Alexander R. Stahl
Regulatory Counsel

cc: The Honorable Steven K. Haas (via email, w/encl.)
Carrie B. Wright, Esq., Prosecutor (via email, w/encl.)
Christine Maloni Hoover, Esq., Deputy Consumer Advocate (via email, w/encl.)
Teresa Reed Wagner, Office of Small Business Advocate (via email, w/encl.)
Sean Cooper, Esq. (via email, w/encl.)
Tori L. Giesler, Esq. (via email, w/encl.)
Aaron J. Beaty, Esq. (via email, w/encl.)
Elizabeth R. Triscari, Esq. (via email, w/encl.)
Michael A. Gruin, Esq. (via email, w/encl.)
John D. Hollenbach (via email, w/encl.)

Enclosure



TWENTIETH STATUS REPORT
TO THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

NORTH HEIDELBERG SEWER COMPANY
AQUA PENNSYLVANIA WASTEWATER, INC., AS RECEIVER

DOCKET NO. M-2018-2645983

DOCKET NO. I-2018-3001161

Dated: January 30, 2023

A. BACKGROUND

On February 9, 2018, the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) entered an Order in Docket No. M-2018-2645983 (“February 9 Order”) naming Aqua Pennsylvania Wastewater, Inc. (“Aqua” or the “Company”) as receiver for the North Heidelberg Sewer Company (“NHSC”). Aqua was directed to assume its receivership role on March 5, 2018. Included within the PUC’s February 9 Order, the Company was directed to “[s]ubmit an initial status report with the Commission within 60 days of assuming operations and then quarterly thereafter to detail any relevant updates pursuant to duties and responsibilities assigned through receivership.”¹

Aqua submitted its initial status report on the operations of NHSC as directed by the Commission on May 4, 2018. Aqua submitted its second, third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth, thirteenth, fourteenth, fifteenth, sixteenth, seventeenth, eighteenth, and nineteenth status reports to the Commission on August 6, 2018, November 5, 2018, February 3, 2019, May 7, 2019, August 5, 2019, November 4, 2019, February 3, 2020, May 4, 2020, August 3, 2020, November 2, 2020, February 1, 2021, May 3, 2021, August 2, 2021, November 1, 2021, January 31, 2022, May 2, 2022, August 1, 2022, October 31, 2022, respectively. Aqua now submits its twentieth status report on the operations of NHSC to the Commission.

On September 14, 2021, Aqua submitted a Petition to Affirm and Clarify the Conditions Set Forth in Appendix A of the Opinion and Order Entered February 9, 2018, at Docket No. M-2018-2645983 (“September 2021 Petition”). The September 2021 Petition sought to clarify and ensure that the Company could expeditiously remediate and rebuild the NHSC wastewater treatment facilities that experienced extraordinary storm damage from Hurricane Ida. The Commission issued its Order Entered October 7, 2021 (“October 7 Order”), amending Appendix A to the February 9 Order requiring Aqua to identify, list, and undertake the capital investments required to fully remediate extraordinary storm damage sustained by NHSC. As part of the Commission’s October 7 Order, the Commission required, on a going forward basis beginning with the November 1, 2021 status report, that Aqua provide data regarding the estimated cost of repairs versus the estimated cost of replacement of the affected NHSC facilities, timelines for implementing those options, and the option that Aqua selects or intends to select. The Commission required this ongoing reporting until all necessary capital improvements have been completed and placed in service.

B. TWENTIETH STATUS REPORT

1. Operations and Capital Expenditures

On March 5, 2018, Aqua assumed its role as receiver for NHSC. On September 1 and 2, 2021, the NHSC system experienced extraordinary damage from Hurricane Ida as detailed in the Company’s September 2021 Petition and its fifteenth status report.

¹ Pa. P.U.C. v. North Heidelberg Sewer Co., Docket No. M-2018-2645983, Opinion and Order Appendix A Paragraph 1.o. (Feb. 9, 2018).

Since the nineteenth status report, the NHSC system did not experience any violations or other operating issues. Please refer to **Attachment A** for an updated detailed listing of repairs and replacements completed to restore operational function of the NHSC plant. In addition, the following improvements were made to the system:

- i. Replaced two chemical feed pumps.

As Aqua continues to make improvements to ensure quality and reliable service, Aqua will provide progress and cost updates consistent with the Commission's February 9 Order and October 7 Order. Aqua will have further information on operational issues in later reports.

2. Financial

In Aqua's fifth status report to the Commission, filed on May 7, 2019, Aqua submitted trial balances for NHSC for year-end 2017 and a balance sheet and income statement for NHSC as of March 5, 2018 which was the beginning of Aqua's receivership.

3. Acquisition of System

The Commission has requested that Administrative Law Judge ("ALJ") Haas issue a decision no later than June 30, 2022, regarding the NHSC 529 Proceeding. On June 24, 2022, ALJ Haas issued his recommended decision approving without modification the Joint Petition for Approval of Settlement filed on May 13, 2022. On October 27, 2022 the Commission issued its Order adopting the recommended decision of ALJ Haas without modification. Aqua is preparing to close on the transaction and will update the Commission in accordance with its October 27, 2022 Order.

C. CONCLUSION

Aqua will continue to investigate the system's operations and financial status and will make necessary improvements to operate NHSC to ensure quality service to the NHSC customers for the period of its receivership duties during the 529 proceeding. Aqua will provide its next status report on or before May 1, 2023, provided that if Aqua closes prior to this date no subsequent status report will be submitted.

Attachment A

(A)

(B)

Incurred Costs Regarding Hurricane Ida Repairs		
	Amount	Description
(1)	\$ 4,920.50	Seed Sludge/Hauling to restore biological processes.
(2)	\$ 6,427.00	Three (3) replacement blower motors and miscellaneous electrical equipment
(3)	\$ 93.76	Miscellaneous fittings and supplies
(4)	\$ 204,031.14	Hauling costs to Pottstown and Bernville
(5)	\$ 7,590.00	Overtime labor for contract operator
(6)	\$ 21,624.00	Electrical repairs and labor and first month rental of generator
(7)	\$ 22,984.50	Engineering consulting, permitting, design, site management through 9/25/21
(8)	\$ 108,750.00	Ultraviolet disinfection and Mag Meter
(9)	\$ 241,821.40	Installation of 36-inch primary culvert and 24-inch emergency culvert
(10)	\$ 123,443.24	Equipment and Labor for site repairs, hauling, UV install, site clean up
(11)	\$ 2,410.00	2nd Month Rental of Generator & Cables
(12)	\$ 2,410.00	3rd Month Rental of Generator & Cables
(13)	\$ 2,135.00	Purchase and installation of heat trace on exterior piping from UV shed
(14)	\$ 15,428.73	Professional services from GHD rendered through 10/30/21
(15)	\$ 4,745.00	Electrical work on floats/alarm contacts, replace starter relays, HOA switches, alternator relays in EQ, start up UV
(16)	\$ 2,324.30	Replace a pump at Patricia Pump Station
(17)	\$ 3,086.16	Hach Lab Equip, DO, Turbidimeter, pH
(18)	\$ 13,867.91	Hach Lab Equipment, 2 Auto samplers
(19)	\$ 9,640.00	4 Additional Months Rental of Generator & Cables
(20)	\$ 7,230.00	3 Additional Months Rental of Generator & Cables
(21)	\$ 7,230.00	3 Additional Months Rental of Generator & Cables
(22)	\$ 7,230.00	3 Additional Months Rental of Generator & Cables
(23)	\$ 819,422.64	TOTAL