



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

August 10, 2007

A-230257 F5000

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THOMAS THOMAS ARMSTRONG AND NIESEN
PO BOX 9500 SUITE 500
212 LOCUST STREET
HARRISBURG PA 17108-9500

RJP DOCUMENT
FOLDER

Application of meadows Sewer Company, Inc. for approval of the transfer of
control of Meadows Sewer Company, Inc. from Charles J. Taylor to Frank Perano.

DOCKETED
OCT 11 2007

To Whom It May Concern:

This is to advise you that the Commission in Public Meeting on August 8, 2007 adopted
an Order in the above entitled proceeding.

An Order has been enclosed for your records.

Very truly yours,

James J. McNulty
Secretary

Encls
Cert. Mail
MH

CHARLES B ZWALLY ESQUIRE
RANDALL G HURST ESQUIRE
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3401 N FRONT STREET
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PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265

Public Meeting held August 8, 2007

Commissioners Present:

Wendell F. Holland, Chairman
James H. Cawley, Vice Chairman
Terrance J. Fitzpatrick
Tyrone J. Christy
Kim Pizzingrilli

DOCUMENT
FOLDER

Application of Meadows Sewer Company, Inc. for approval of the transfer of control of Meadows Sewer Company, Inc. from Charles J. Taylor to Frank Perano. A-230257F5000

ORDER

DOCKETED
OCT 11 2007

BY THE COMMISSION:

On May 23, 2007, Meadows Sewer Company, Inc. (Meadows Sewer or the Applicant) filed an application pursuant to Chapter 11 of the Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 1101-1103, and our policy statement at 52 Pa. Code § 69.901 (relating to utility stock transfers) seeking approval of the transfer of control of Meadows Sewer from Charles J. Taylor to Frank Perano (Purchaser).

The applicant provided proof of compliance with our regulations at 52 Pa. Code § 5.14 (relating to applications requiring notice). Notice of the Application for the transfer of ownership was published June 9, 2007, at 37 Pa.B. 2669. No protests or comments were received.

The Commission has determined that Meadows Sewer is current with its annual financial report filing requirements and has no outstanding Commission fines or

assessments. However, Commission review revealed that Meadows Sewer had not filed its Security Planning and Readiness Self Certification Form. The Applicant subsequently complied, and filed its Security Planning and Readiness Self Certification Form on July 10, 2007.

Meadows Sewer is a Pennsylvania corporation and public utility that provides wastewater service in Middlesex Township, Cumberland County, Pennsylvania. Meadows Sewer is 100% owned by Mr. Charles J. Taylor, a U.S. citizen. The Applicant provides service to 251 residential customers who reside in The Meadows development, and one commercial customer: the Country Manor West mobile home park. Meadows Sewer is certified to provide wastewater service pursuant to authority granted by the Commission on March 6, 1986, at Docket No. A-230257.

The Applicant receives wastewater operations and maintenance service from Applied Water Management Group, a contract operator. Administrative services are provided by an affiliate, Taylor Enterprises, under an affiliated interest agreement approved by the Commission at G-00061160.

In a rate case docketed at R-00050672, Meadows Sewer agreed not to seek a rate increase for 27 months after the entry of the final Order of the Commission. The final Order in this case was entered on April 7, 2006. The Applicant avers that after its proposed change of ownership, Meadow Sewer will continue to remain in existence and will continue to be bound by this Agreement.

The purchaser, Mr. Frank Perano, a U. S. Citizen, resides at 2846 Main Street, Morgantown, PA 19543. Mr. Perano is a businessman who has owned and operated manufactured home communities for approximately 25 years. As such, Mr. Perano has operated a number of private water and wastewater treatment facilities serving those communities. Mr. Perano is also the current owner of Country Manor West, the lone commercial customer served by Meadows Sewer.

Mr. Perano desires to purchase 100% of the stock of Meadow Sewer and avers that Meadows Sewer will remain in existence after the transaction and all of the assets will remain with the utility. The purchaser plans to retain Applied Water Management to provide wastewater operations and maintenance service; additionally, he states that he will contract with Applied Water Management to handle all administrative services currently provided by Taylor Enterprises.

The Applicant avers that the transaction is contemplated because Mr. Taylor intends to retire. Purchase price for the stock of Meadows Sewer is \$350,000 in cash. No financing for the purchase is anticipated.

Meadows Sewer avers that the instant transfer of control will be transparent to customers and that customers will experience no change in service. No change in tariffs or rates is anticipated, and customers will only be contacted regarding the administrative changes and the address change required for billing purposes. The Applicant further asserts that the purchase of Meadows Sewer by Mr. Perano is in the public interest because it will provide continuity of service to customers with a new owner who has a vested interest in providing quality service. Mr. Perano avers that as the owner of the largest commercial customer of the Applicant, he has a significant interest in providing quality service.

We find that the record sufficiently supports the Applicant's claims that the proposed transfer of ownership of Meadows Sewer from Mr. Taylor to Mr. Perano will benefit customers. For the reasons supported by the Applicant, we conclude that the record provides substantial evidence of affirmative public benefits sufficient to warrant approval of the proposed transaction under *City of York v. Pennsylvania Public Utility Commission*, 295 A.2d 825 (Pa. 1972).

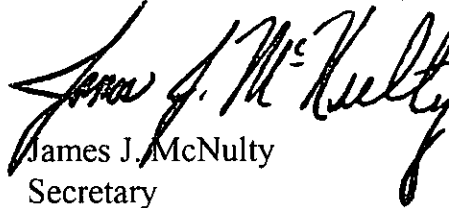
Having reviewed the application, we have determined that the proposed transfer of control is necessary or proper for the service, accommodation, convenience, or safety of the public, and that the application should be approved; **THEREFORE,**

IT IS ORDERED:

1. That the application is hereby approved and that a certificate of public convenience be issued to Meadows Sewer Company, Inc. evidencing our approval of the transfer of control of Meadows Sewer Company, Inc. from Mr. Charles J. Taylor to Mr. Frank Perano consistent with the discussion contained in this Order.

2. That appropriate updates be made to files in the Commission Bureaus of Fixed Utility Services, Administrative Services and Consumer Services noting Meadows Sewer Company Inc.'s new owner and address, and the case be marked closed.

BY THE COMMISSION,


James J. McNulty
Secretary

(SEAL)

ORDER ADOPTED: August 8, 2007

ORDER ENTERED: **AUG 10 2007**

2. Article Number



7160 3901 9843 1291 8943

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

A-230257F5000 0
Charles B. Zwally

COMPLETE THIS SECTION ON DELIVERY	
A. Received by (Please Print Clearly)	B. Date of Delivery
<i>[Signature]</i>	8/14/17
C. Signature	<input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee
x <i>John C. Lower</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
D. Is delivery address different from item 1? If YES, enter delivery address below:	

BTL

PS Form 3811, March 2005

Domestic Return Receipt

2. Article Number



7160 3901 9843 1291 8981

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

A-230257F5000 0
Thomas T. Niesen Esq.

COMPLETE THIS SECTION ON DELIVERY	
A. Received by (Please Print Clearly)	B. Date of Delivery
<i>[Signature]</i>	8/10/07
C. Signature	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
x <i>Thussido</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
D. Is delivery address different from item 1? If YES, enter delivery address below:	

BTL

PS Form 3811, March 2005

Domestic Return Receipt