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| PUC logo | COMMONWEALTH OF PENNSYLVANIAPENNSYLVANIA PUBLIC UTILITY COMMISSIONCOMMONWEALTH KEYSTONE BUILDING400 NORTH STREET, HARRISBURG, PA 17120 | **IN REPLY PLEASE REFER TO OUR FILE** |

 September 1, 2016

**Ms. Kim Joyce**

**Director, Legislative and Public Affairs and Regulatory Counsel**

**Aqua Pennsylvania, Inc.**

**762 West Lancaster Avenue**

**Bryn Mawr, PA 19010-2899**

Re: Management Efficiency Investigation of Aqua Pennsylvania, Inc. (D-2015-2496112 - to be closed)

Dear Ms. Joyce:

 The Commission appreciates the cooperation extended by the officers and employees of Aqua Pennsylvania, Inc. to our audit staff during the recent Management Efficiency Investigation. We seek Aqua Pennsylvania, Inc.’s further cooperation in implementing the recommendations cited in the MEI audit report.

 At its Public Meeting of September 1, 2016, the Commission acknowledged receipt of Aqua Pennsylvania’s Implementation Plan submitted on August 11, 2016 and released it, along with the Audit Staff’s MEI report, to the public. The Commission notes that the Companies’ Implementation Plan indicates acceptance or partial acceptance of all 21 recommendations. Receipt of the Implementation Plan does not constitute acceptance by the Commission of the actions already taken, those to be taken, or the explanations and analysis provided. The Company’s implementation actions, together with any explanations and cost/benefit analyses, may be reviewed by the Commission at a later date. This review would be made to determine if the Company has effectively implemented the recommendation.

 Accordingly, the Commission directs Aqua Pennsylvania, Inc. to proceed with the August 11, 2016 Implementation Plan. The Commission’s direction to proceed with the Implementation Plan should not be construed as approval of the plan.

 Sincerely,

 Rosemary Chiavetta

 Secretary

Contact Person: John Clista

 (717) 772-0317