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June 21, 2018

VIA eFile

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

Re: Investigation of North Heidelberg Sewer Company
Pursuant to Section 529 of the Pennsylvania Public Utility Code
Docket No. I-2018-3001161

PETITION TO INTERVENE OF PENNSYLVANIA-AMERICAN WATER COMPANY

Dear Secretary Chiavetta:

In response to your Notice of Section 529 Acquisition Investigation dated June 1, 2018, I am enclosing Pennsylvania-American Water Company's Petition to Intervene in the above-referenced matter.

A copy of the Petition to Intervene has also been served upon each of the parties listed on the enclosed Certificate of Service.

Should you have any questions concerning this filing, please contact me.

Sincerely,


Susan Simms Marsh

Enclosures

cc: Steven K. Haas, Administrative Law Judge
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Administrative Law Judge
Steven K. Haas**

In Re: Investigation of North Heidelberg :
Sewer Company Pursuant to Section 529 : Docket No. I-2018-3001161
of the Pennsylvania Public Utility Code :

NOTICE TO PLEAD

You are hereby advised that, pursuant to 52 Pa. Code § 5.66, you may respond to the enclosed Petition to Intervene of Pennsylvania-American Water Company within twenty (20) days after the date of service. Your answer should be filed with the Secretary of the Pennsylvania Public Utility Commission, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA, 17120. A copy should also be served on the undersigned counsel and all other parties.



Susan Simms Marsh, Esquire (PA ID No. 44689)
Brian Ardire, Esquire (PA ID No. 209386)
Pennsylvania-American Water Company
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Date: June 21, 2018

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Administrative Law Judge
Steven K. Haas**

In Re: Investigation of North Heidelberg :
Sewer Company Pursuant to Section 529 : Docket No. I-2018-3001161
of the Pennsylvania Public Utility Code :

**PETITION TO INTERVENE OF PENNSYLVANIA-AMERICAN WATER COMPANY
TO THE NOTICE OF SECTION 529 ACQUISITION INVESTIGATION**

Pursuant to 52 Pa. Code §§ 5.71-5.75 and the Notice of Section 529 Acquisition Investigation issued in this matter on June 1, 2018 ("Notice"), Pennsylvania-American Water Company ("PAWC") hereby files this Petition to Intervene in the above-captioned proceeding ("Petition"). In support of its Petition, PAWC states as follows:

1. The name and address of PAWC are:

Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

2. PAWC's attorneys in this matter are:

Susan Simms Marsh, Esquire (PA ID No. 44689)
Brian Ardire, Esquire (PA ID No. 209386)
Pennsylvania-American Water Company
800 West Hershey Park Drive
Hershey, PA 17033
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3. PAWC is a regulated public utility corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, and is engaged in the business of collecting, treating, storing, supplying, distributing and selling water to the public, and collecting, treating, transporting

and disposing of wastewater for the public. Water and wastewater service is furnished by PAWC to the public in a service territory encompassing more than 400 communities across the Commonwealth with a combined population of over 2,300,000.

4. North Heidelberg Sewer Company (“NHSC”) serves approximately 273 residential customers and one (1) commercial customer in portions of North Heidelberg and Jefferson Townships, Berks County and is regulated by the Pennsylvania Public Utility Commission (“Commission”).

5. By Order entered February 9, 2018, at Docket Number M-2018-2645983 (the “Order”), the Commission invoked its authority under 66 Pa. C.S. § 529 to: (1) appoint a receiver to protect the interests of the customers of NHSC; and (2) initiate a proceeding to determine whether a competent utility should acquire NHSC. The Order outlines NHSC’s failure to comply with applicable statutory and regulatory standards. These include, but are not limited to, not fulfilling its obligation under the 2013 Rate Order to use increased revenues to pay past-due balances currently owed the Metropolitan Edison Company, not filing annual reports with the Commission, not paying annual assessment charges currently owed to the Commission, not filing Public Utility Security Planning and Readiness Self-Certifications, and violations of environmental law.

6. To ensure customers of NHSC will receive safe and adequate service, the Commission appointed Aqua Pennsylvania Wastewater, Inc. (“Aqua”) as the receiver to manage and operate NHSC. On March 5, 2018, Aqua assumed its receivership role, and on May 4, 2018, filed its Initial Status Report.

7. The Commission, on June 1, 2018, opened an investigation at Docket No. I-2018-3001161 into whether it should order a capable public utility to acquire NHSC and provided the Notice upon proximate public utilities, municipalities and authorities that could offer the same type of service.

8. In the Notice, the Commission established a deadline of June 22, 2018, for filing a formal Petition to Intervene or other responsive pleading.

9. The Commission's regulations allow intervention where a person has an interest in the proceeding which may be directly affected and which is not adequately represented by existing parties, and as to which the person may be bound by the action of the Commission in the proceeding. 52 Pa. Code § 5.72(a)(2). Intervention is also permitted where participation of the person may be in the public interest. 52 Pa. Code § 5.72(a)(3). A "person" includes a corporation and an association. 52 Pa. Code § 1.8.

10. The Commission's Bureau of Investigation and Enforcement has identified PAWC as a proximate public utility providing the same type of service as NHSC in proximity to the customers served by NHSC.

11. PAWC submits there are other proximate wastewater utility providers that are in a better position to provide service to the NHSC customers.

12. For the foregoing reasons, PAWC may be directly affected and no other party can adequately represent the Company in this proceeding, and, therefore, PAWC's Petition should be granted.

WHEREFORE, Pennsylvania-American Water Company respectfully requests that the Commission grant its Petition to Intervene.

Respectfully submitted,



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Date: June 21, 2018

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In Re: Investigation of North Heidelberg :
Sewer Company Pursuant to Section 529 : Docket No. I-2018-3001161
of the Pennsylvania Public Utility Code :

VERIFICATION

I, David Kaufman, Vice President – Engineering, Pennsylvania-American Water Company, hereby state that the facts set forth in the foregoing Petition to Intervene of Pennsylvania-American Water Company to the Notice of Section 529 Acquisition Investigation are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing if held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: June 21, 2018



David Kaufman
Vice President – Engineering

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In Re: Investigation of North Heidelberg :
Sewer Company Pursuant to Section 529 : Docket No. I-2018-3001161
of the Pennsylvania Public Utility Code :

Certificate of Service

I hereby certify that I have this day served a true copy of Pennsylvania-American Water Company's Petition to Intervene upon the parties, listed below, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA UPS OVERNIGHT DELIVERY

Sean M. Cooper, Esq.
620 South 13th Street
Harrisburg, PA 17104
*Representing North Heidelberg Sewer
Company*

Alexander R. Stahl, Esq.
Aqua Pennsylvania, Inc.
762 West Lancaster Avenue
Bryn Mawr, PA 19010

Thomas T. Niesen, Esq.
Thomas Niesen & Thomas LLC
212 Locust Street, Suite 302
Harrisburg, PA 17101
Representing Aqua Pennsylvania, Inc.

Christine M. Hoover, Esq.
Office of Consumer Advocate
555 Walnut Street
5th Floor Forum Place
Harrisburg, PA 17101

Carrie B. Wright, Esq.
Bureau of Investigation and Enforcement
400 North Street, 2nd Floor West
Harrisburg, PA 17120

Elizabeth R. Triscari, Esq.
Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101

Date: June 21, 2018



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