



July 10, 2018

VIA E-FILING

**Jonathan P. Nase**

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Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor North  
Harrisburg, PA 17120

**Re: In re: Application and related filings of Pennsylvania-American Water Company under Sections 507, 1102(a), and 1329 of the Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 507, 1102(a), 1329, for approval of its acquisition of wastewater system assets of Sadsbury Township, related wastewater service rights, fair market valuation ratemaking treatment, deferral of the post-acquisition improvement costs, and certain contracts with municipal corporations; Docket No. A-2018-3002437**

**Stipulation of the Parties Regarding Objections and Preservation of Issues**

Dear Secretary Chiavetta:

Enclosed please find the Stipulation of the Parties Regarding Objections and Preservation of Issues in the above-referenced matter. Copies have been served on the parties as indicated on the attached Certificate of Service. Should you have any questions or concerns, please feel free to contact me.

Sincerely,

COZEN O'CONNOR

By: Jonathan P. Nase  
Counsel for *Pennsylvania-American Water Company*

JPN:kmg  
Enclosures

cc: Hon. Darlene D. Heep  
Per Certificate of Service  
Susan Simms Marsh, Esq.

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Application and related filings of Pennsylvania- :  
American Water Company under Sections 507, 1102(a), and :  
1329 of the Pennsylvania Public Utility Code, 66 Pa. C.S. §§ :  
507, 1102(a), 1329, for approval of its acquisition of : Docket No. A-2018-3002437  
wastewater system assets of Sadsbury Township, related :  
wastewater service rights, fair market valuation ratemaking :  
treatment, deferral of the post-acquisition improvement costs, :  
and certain contracts with municipal corporations :

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing Stipulation of the Parties Regarding Objections and Preservation of Issues, upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

**VIA E-MAIL AND FIRST CLASS MAIL:**

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Erika L. McLain, Esq.  
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DATED: July 10, 2018

  
Jonathan P. Nase, Esquire  
Counsel for *Pennsylvania-American Water Company*

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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Administrative Law Judge Darlene D. Heep

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In re: Application and related filings of Pennsylvania-American Water Company under Sections 507, 1102(a), and 1329 of the Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 507, 1102(a), 1329, for approval of its acquisition of wastewater system assets of Sadsbury Township, related wastewater service rights, fair market valuation ratemaking treatment, deferral of the post-acquisition improvement costs, and certain contracts with municipal corporations :  
: Docket No. A-2018-3002437

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**STIPULATION OF THE PARTIES REGARDING  
OBJECTIONS AND PRESERVATION OF ISSUES**

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Pennsylvania-American Water Company (“PAWC”), the Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission (“Commission”), the Pennsylvania Office of Consumer Advocate (“OCA”), and the Township of Sadsbury (collectively, the “Parties”) in the above-captioned matter stipulate as follows:

1. In re: Application and related filings of Pennsylvania-American Water Company under Sections 507, 1102(a), and 1329 of the Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 507, 1102(a), 1329, for approval of its acquisition of wastewater system assets of Sadsbury Township, related wastewater service rights, fair market valuation ratemaking treatment, deferral of the post-acquisition improvement costs, and certain contracts with municipal corporations. The Application was accepted for filing by the Commission on June 19, 2018.

2. The Parties anticipate the exchange of discovery during the Application proceedings, including without limitation data or discovery requests from I&E, OCA, and/or

OSBA (and any other parties that may become part of the proceedings) for information regarding the appraised fair market value for rate-base ratemaking purposes of the System and related information.

3. The Parties have competing views regarding the proper scope of Section 1329 proceedings, including the proper scope of discovery and the Commission's scope and standard of review, as expressed in their respective briefs filed in the matter of *Application of Aqua Pennsylvania Wastewater, Inc. Pursuant to Sections 1102 and 1329 of the Public Utility Code for Approval of its Acquisition of the Wastewater System Assets of New Garden Township*, Docket No. A-2016-2580061 (the "*Aqua Application Proceeding*") and on appeal before the Commonwealth Court in *McCloskey v. Pa. Pub. Util. Comm'n*, No. 1624 C.D. 2017 ("*Aqua Application Appeal*").

4. In an effort to streamline the instant proceedings and avoid situations in which the parties are compelled to lodge objections to data or discovery requests and litigate those matters in order to raise, preserve, and resolve any issues, objections, or arguments, and in recognition of the six-month application processing period set by Section 1329, the Parties hereby stipulate that the issues, objections, and arguments raised in their respective briefings in the *Aqua Application Proceeding* and *Aqua Application Appeal* shall be treated as though the Parties have raised and preserved any and all such issues, objections, and arguments in this proceedings.

5. Nothing in this stipulation constitutes a waiver of any rights, objections, or issues that the Parties intend to raise and preserve or advance before the Commission or in any further appeal from an order of the Commission.

[Signature page follows.]

Accepted and agreed to this 10th day of July, 2018.



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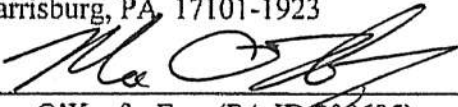
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