
November 16, 2018

Via E-Filing

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

Re: Mahoning Township Statement in Support of Settlement in:

In re: Application of SUEZ Water Pennsylvania Inc. under Section 1102(a) of the Pennsylvania Public Utility Code, 66 Pa C.S. § 1102(a), for approval of (1) the transfer, by sale, of substantially all of the Township of Mahoning's assets, properties and rights related to its water distribution system to SUEZ Water Pennsylvania Inc., and (2) the rights of SUEZ Water Pennsylvania Inc. to begin to offer or furnish water distribution service to the public in portions of the Townships of Mahoning, Cooper and Valley, Montour County, Pennsylvania; Docket No. A-2018-3003519

In re: Application of SUEZ Water Pennsylvania Inc. under Section 1102(a) of the Pennsylvania Public Utility Code, 66 Pa C.S. § 1102(a), for approval of (1) the transfer, by sale, of substantially all of the Township of Mahoning's assets, properties and rights related to its wastewater collection and conveyance system to SUEZ Water Pennsylvania Inc., and (2) the rights of SUEZ Water Pennsylvania Inc. to begin to offer or furnish wastewater collection and conveyance service to the public in portions of the Townships; Docket No. A-2018-3003517

Dear Secretary Chiavetta:

Enclosed please find the Statement in Support of Settlement in the above-referenced matters submitted on behalf of the Township of Mahoning.

Secretary Rosemary Chiavetta
November 16, 2018
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Please contact me with any questions related to this matter.

Respectfully submitted,

McNERNEY, PAGE, VANDERLIN & HALL

BY: 

Ryan M. Tira, Esquire
I.D. No. 89338
Attorney for Township of Mahoning

cc: The Honorable Joel H. Cheskis (via email)
Jonathan Nase, Esquire (via email)
David P. Zambito, Esquire (via email)
Christine Maloni Hoover (via email)
Scott B. Granger, Esquire (via email)
Carrie B. Wright, Esquire (via email)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**In re: Application of SUEZ Water :
Pennsylvania Inc. under Section 1102(a) of the :
Pennsylvania Public Utility Code, 66 Pa C.S. § ;
1102(a), for approval of (1) the transfer, by :
sale, of substantially all of the Township of :
Mahoning’s assets, properties and rights :
related to its water distribution system to :
SUEZ Water Pennsylvania Inc., and (2) the : Docket No. A-2018-3003517
rights of SUEZ Water Pennsylvania Inc. to :
begin to offer or furnish water distribution :
service to the public in portions of the :
Townships of Mahoning, Cooper and Valley, :
Montour County, Pennsylvania**

and

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Pennsylvania Inc. under Section 1102(a) of the :
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Water Pennsylvania Inc. to begin to offer or :
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service to the public in portions of the :
Townships of Mahoning, Cooper and Valley, :
Montour County, Pennsylvania**

**STATEMENT OF THE TOWNSHIP OF MAHONING IN SUPPORT OF THE
JOINT PETITION FOR APPROVAL OF SETTLEMENT OF ALL ISSUES**

Date: November 16, 2018

The Township of Mahoning (the “Township”) files this statement in support of the Joint Petition for Approval of Settlement of All Issues (“Settlement”), entered into by SUEZ Water Pennsylvania, Inc. (“SUEZ”), the Office of the Consumer Advocate (“OCA”), the Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission (“Commission”) and the Township in the above-captioned proceedings (the “Joint Petitioners”). The Township respectfully requests that the Honorable Deputy Chief Administrative Law Judge Joel H. Cheskis (the “ALJ”) recommend approval of, and the Commission approve, the Settlement without modification.

In 2017, the Township publically advertised and solicited for proposals for the purchase of the Township’s water and wastewater systems. SUEZ and other entities submitted proposals in response to this request. The Township selected SUEZ as the successful purchaser. The Township and SUEZ entered into an Asset Purchase Agreement (the “APA”) related to the sale of the Township’s water and wastewater systems. To effectuate the APA, SUEZ filed the Application in the above-captioned cases for the necessary approvals from the Commission. The Joint Petitioners engaged in procedural litigation related to the Application. As a result of the actions of the Joint Petitioners, a joint settlement was reached on all issues in the above-captioned cases. The Settlement, if approved, will resolve and address all of the issues raised during the proceedings. The Township believes the Settlement is in the best interests of the Township and of its customers.

First, the Township believes the Settlement is in the public’s best interest based upon the proposals and commitments of SUEZ. The Township believes that SUEZ’s commitment to invest in the system will insure safe and efficient operations of the water and wastewater systems that will provide reliable service at a reasonable cost. Further, SUEZ’s commitment to maintain

current rates for water and wastewater services post-closing provides a protection to the current users of the water and wastewater systems. The Township found SUEZ's proposal to be comprehensive in addressing the items requested in the Request for Proposals and the needs of the Township and the users of the water and wastewater systems. Finally, the Township found the purchase price offered and agreed to by SUEZ to be an accurate and reasonable reflection of the fair market value of the Township's water and wastewater systems.

Next, the Township believes the Settlement is in the best interests of the public in that it allows the Township to be removed from the water and wastewater industry. While the Township has done an admirable job in operating the water and wastewater systems during the short duration of its ownership, it lacks the resources that can be provided by an entity dedicated to water and wastewater systems, such as SUEZ. The expertise and resources possessed by an entity like SUEZ permits them to more efficiently manager, operate and maintain the water and wastewater systems. SUEZ's ability to operate the water and wastewater systems in a more efficient matter will, in the end, lead to lower costs in the long term to the customers of these systems. The end result should be an enhanced water and wastewater systems at lower operating costs. This is in the public interest as it provides a better service at a lower cost.

An additional benefit to the public of this Settlement is that the Township will receive the fair market value of the water and wastewater systems. The revenue received by the Township will be utilized for the benefit of the public and not for any individuals. While the Township has not committed the proceeds to any specific project, the proceeds will allow the Township to provide much needed municipal services to the current users of the water and wastewater

systems without the need to increase taxes or other funding sources. The receipt of these funds will have a positive impact on the entire community.

TOWNSHIP OF MAHONING

By: 
James T.S. Scott, Supervisor

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**In re: Application of SUEZ Water :
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service to the public in portions of the :
Townships of Mahoning, Cooper and Valley, :
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Water Pennsylvania Inc. to begin to offer or :
furnish wastewater collection and conveyance :
service to the public in portions of the :
Townships of Mahoning, Cooper and Valley, :
Montour County, Pennsylvania**

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing Statement Of The Township Of Mahoning In Support Of The Joint Petition For Approval Of Settlement Of All Issues dated November 16, 2018, in the manner and upon the persons listed below:

Served via First Class and Electronic Mail

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