

February 4, 2019

*Via Electronic Filing*

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
400 North Street, 2<sup>nd</sup> Floor  
Harrisburg, PA 17120

Re: PaPUC Docket No. M-2018-2645983  
Pa. P.U.C. v. North Heidelberg Sewer Company

PaPUC Docket No. I-2018-3001161  
Section 529 Investigation – North Heidelberg Sewer Company

Dear Secretary Chiavetta:

We are counsel to Aqua Pennsylvania Wastewater, Inc. (“Aqua”) concerning the above matters. In its Order entered February 9, 2018, at M-2018-2645983, the Public Utility Commission identified Aqua as receiver for the North Heidelberg Sewer Company and, in Appendix 1o of that Order, directed Aqua to “[s]ubmit an initial status report with the Commission within 60 days of assuming operations and then quarterly thereafter to detail any relevant updates pursuant to duties and responsibilities assigned through receivership.” As required by subpart 1o of Appendix A, we are submitting, via electronic filing with this letter, Aqua’s Fourth Status Report dated February 4, 2019. We are also filing the Fourth Status Report at I-2018-3001161, the Section 529 Investigation Docket. Please contact me with any questions concerning this matter.

Very truly yours,

THOMAS, NIESEN & THOMAS, LLC

By 

Thomas T. Niesen

Enclosure

cc: The Honorable Steven K. Haas (via email, w/encl.)  
Carrie B. Wright, Prosecutor (via email, w/encl.)  
Christine Maloni Hoover, Senior Assistant Consumer Advocate (via email, w/encl.)  
John Evans, Small Business Advocate (via email, w/encl.)  
Sean Cooper, Esq. (via email, w/encl.)  
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Susan Simms Marsh, Esq. (via email, w/encl.)  
John D. Hollenbach (via email, w/encl.)  
Alexander R. Stahl, Esq. (via email, w/encl.)



**FOURTH STATUS REPORT TO THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**NORTH HEIDELBERG SEWER COMPANY  
AQUA PENNSYLVANIA WASTEWATER, INC. RECEIVERSHIP**

**DOCKET NO. M-2018-2645983**

**DOCKET NO. I-2018-3001161**

**Dated: February 4, 2019**

## **A. BACKGROUND**

On February 9, 2018, the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) entered an Order in Docket No. M-2018-2645983 (“February 9 Order”) naming Aqua Pennsylvania Wastewater, Inc. (“Aqua” or the “Company”) as receiver for the North Heidelberg Sewer Company (“NHSC”). Aqua was ordered to assume its receivership role on March 5, 2018. Included within the PUC’s February 9 Order, the Company was directed to “[s]ubmit an initial status report with the Commission within 60 days of assuming operations and then quarterly thereafter to detail any relevant updates pursuant to duties and responsibilities assigned through receivership.”<sup>1</sup>

Aqua submitted its initial status report on the operations of NHSC as directed by the Commission on May 4, 2018. Aqua submitted its second status report to the Commission on August 6, 2018. Aqua submitted its third status report to the Commission on November 5, 2018. Aqua now submits its fourth status report on the operations of NHSC to the Commission.

## **B. FOURTH STATUS REPORT**

### **1. Operations and Capital Expenditures**

On March 5, 2018, Aqua assumed its role as receiver for NHSC. Since the third status report, filed by Aqua on November 5, 2018, Aqua has not had any additional improvements to the NHSC system. There were also no Pennsylvania Department of Environmental Protection (“DEP”) violations since the third status report from November 5, 2018.

As Aqua continues to operate the system to ensure compliance with the PUC Order, Aqua will make improvements necessary to provide safe and reliable service. Aqua will have further information on operational issues in later reports.

### **2. Financial**

As previously reported, Aqua is continuing to work with the contract accountant to bring the books of NHSC current and receive a trial balance for calendar year end 2017. Aqua has received the 2017 financials from the contract accountant, however, tax provision and depreciation expense calculations continue to be worked on to finalize calendar year end 2017. Final reconciliations are currently being made. The contract accountant is also continuing to work to establish the financial status of NHSC as of the date Aqua became receiver, March 5, 2018. Aqua will provide further updates in subsequent reports.

## **C. CONCLUSION**

Aqua will continue to investigate the system’s operations and financial status, and will make necessary improvements to operate NHSC to ensure quality service to the NHSC

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<sup>1</sup> Pa. P.U.C. v. North Heidelberg Sewer Co., Docket No. M-2018-2645983, Opinion and Order Appendix A Paragraph 1.o. (Feb. 9, 2018).

customers for the period of its receivership duties during the 529 proceeding. Aqua will provide its next status report on or before May 6, 2019.