


COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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December 2, 2021

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

Re: Petition of Twin Lakes Utilities, Inc. For A
Commission Order Authorizing The Acquisition
Of Twin Lakes Utilities, Inc. By A Capable Public
Utility Pursuant To 66 Pa. C.S. § 529
Docket No. P-2020-3020914

Dear Secretary Chiavetta:

The Office of Consumer Advocate (OCA) files this letter in lieu of an answer to clarify statements in the most recent pleading filed by Twin Lakes Utilities, Inc. and to ensure that the customers will continue to receive service from Aqua Pennsylvania, Inc. as receiver.

On November 18, 2021, the Commission entered an Opinion and Order in the above-captioned proceeding which granted the Petition of Twin Lakes Utilities, Inc. for a Commission Order Authorizing the Acquisition of Twin Lakes Utilities, Inc. by a Capable Public Utility Pursuant to 66 Pa. C.S. § 529 “subject to the condition that within thirty (30) days after the Commission’s final action in this proceeding Middlesex Water Company (Middlesex) places in escrow \$1,675,000 to be used to offset the costs of replacing and remediating the existing infrastructure of the Twin Lakes system.” Petition of Twin Lakes Utilities, Inc. for a Commission Order Authorizing the Acquisition of Twin Lakes Utilities, Inc. by a Capable Public Utility Pursuant to 66 Pa. C.S. § 529, Opinion and Order at 37, Docket No. P-2020-3020914 (November 18, 2021) (November 2021 Order)

On November 19, 2021, Middlesex, Twin Lakes’ parent company and a New Jersey corporation, filed A Verified Complaint for Declaratory and Injunctive Relief in the United States District Court for the Middle District of Pennsylvania seeking to prohibit the Commission from enforcing its Order against Middlesex requiring it to place the funds in escrow. On November 22, 2021, Twin Lakes filed a Petition for Review of the Final Order with the Commonwealth Court (Petition for Review). On November 23, 2021, Twin Lakes filed an Emergency Petition for Partial Stay Pending Judicial Review (Emergency Petition) to stay the requirement that it place funds in escrow. On November 30, 2021, the Commission issued a Secretarial Letter advising that the

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Emergency Petition was accepted and responses to the Emergency Petition would be due on or before December 3, 2021. On December 1, 2021, Aqua Pennsylvania, Inc. (Aqua PA) filed an Answer to the Emergency Petition. The OCA files this Letter in response to the Emergency Petition filed by Twin Lakes.

Aqua PA was appointed Receiver of Twin Lakes pursuant to the Commission Order entered January 14, 2021. Petition of Twin Lakes Utilities, Inc. for a Commission Order Authorizing the Acquisition of Twin Lakes Utilities, Inc. by a Capable Public Utility Pursuant to 66 Pa. C.S. § 529, Opinion and Order at 19, Docket No. P-2020-3020914 (January 14, 2021) (January 2021 Order).

Contrary to Twin Lakes' statement that Aqua's receivership will end without an emergency stay (Emergency Petition at 2, and ¶ 94), the provision of service by Aqua PA as Receiver will continue during the pendency of the Section 529 proceeding. See January 2021 Order at 19, Ordering Paragraph 2 ("That pursuant to 66 Pa. C.S. § 529(g), the Commission directs Aqua Pennsylvania, Inc. to act as the Receiver for the Twin Lakes Utilities, Inc. beginning January 15, 2021 and to continue during the pendency of the current Section 529 proceeding in accordance with Appendix A to this Order."). The Commission's November 2021 Order did not end the Section 529 proceeding, nor will Middlesex's potential failure to make the escrow payment by December 17, 2021 terminate Aqua's responsibilities as Receiver under the January 2021 Order.

In accordance with the January 2021 Order, it is the OCA's position that the existing receivership will remain in place while the appellate and federal proceedings move forward or the Twin Lakes' Petition is granted. It is imperative that the customers of Twin Lakes continue to receive service from Aqua PA as Receiver.

Copies of this letter have been served per the attached Certificate of Service.

Respectfully submitted,

/s/ Lauren E. Guerra

Lauren E. Guerra

Assistant Consumer Advocate

PA Attorney I.D. # 323192

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Enclosures:

cc: The Honorable Joel H. Cheskis (**email only**)
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Certificate of Service

*320522

CERTIFICATE OF SERVICE

Re: Petition of Twin Lakes Utilities, Inc. For A :
Commission Order Authorizing The Acquisition : Docket No. P-2020-3020914
Of Twin Lakes Utilities, Inc. By A Capable Public :
Utility Pursuant To 66 Pa. C.S. § 529 :

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate's Letter Re: to Twin Lakes Utilities, Inc. Emergency Petition for Stay Pending Judicial Review, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 2nd day of December 2021.

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