



VIA ELECTRONIC FILING

April 14, 2022

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

Re: Potential Affiliate Filing

Dear Secretary Chiavetta,

On December 2, 2021, the Pennsylvania Public Service Commission approved the Joint Application of Veolia Environnement S.A., Veolia North America, Inc., SUEZ S.A., SUEZ Water Pennsylvania Inc., and SUEZ Water Bethel Inc. for all approvals pursuant to Sections 1102(a)(3), (4), and 1103 of the Pennsylvania Public Utility Code, and as otherwise required under the Pennsylvania Public Utility Code for the change in control of SUEZ Water Pennsylvania Inc. and SUEZ Water Bethel Inc. The merger was consummated on January 18, 2022. At the date of the consummation, Veolia entities, which were previously non-affiliates, became affiliates of Veolia Water New Jersey, Inc.

Previous to the Commission's approval and the consummation of the Veolia/SUEZ merger, an agreement existed between Veolia ES Technical Solutions, LLC and SUEZ Water Pennsylvania Inc. ("SWPA") which provided for emergency spills and cleaning services on an as needed basis. An identical agreement existed with SUEZ Water Bethel Inc. ("SWB"). The agreement also extended to other of SUEZ's utility and non-regulated environmental services divisions. The original agreement was for a three year term from January 19, 2018 through January 18th, 2021 which was subsequently extended through January 18, 2023. As this agreement is expiring in approximately 9 months, any new agreement will be bid.



Payments for Veolia Water Pennsylvania, Inc. (Formerly SWPA) (“VWPA”) to its now affiliate were:

2018	\$16,820
2019	5,879
2020	44,788
2021	82,588
2022 YTD ¹	0

No activity occurred for Veolia Water Bethel, Inc. (formerly SWB now VWB).

We believe an affiliate agreement would generally be necessary. However, from an administrative standpoint, it is foreseeable that such a filing would likely result in approval of the current agreement and then, with the expiration of the agreement, it almost immediately becomes moot. As at the expiration of the current agreement, the service would appropriately be competitively bid, approval of the new agreement would need to be sought if the affiliate were to be selected.

Practically speaking and in order to save what could be significant time and expense with duplicative filings, VWPA would propose that the current agreement be allowed continue until its expiration. If in the competitive bid process, the affiliate were to win the bid for a new agreement, approval of the new agreement would be sought. SWPA and SWBE would provide notice to your office what, if any, of the affiliate’s services were utilized throughout the remainder of the agreement term and the amount(s) charged.

I appreciate your consideration of the above proposal as a potential work saving measure. If you have any questions or need further information, please don’t hesitate to call me at 201-916-2901 or email at james.cagle@veolia.com.

Best regards,

James C. Cagle
Vice President Rates & Regulatory Affairs

cc: Paul Diskin, Director, Technical Utility Services
Kelly Monaghan, Director of Audits

¹ Through April 12, 2022.