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August 19, 2022

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: PA Public Utility Commission v. Aqua Pennsylvania, Inc.
Docket No. R-2021-3027385**
**PA Public Utility Commission v. Aqua Pennsylvania Wastewater, Inc.
Docket No. R-2021-3027386**

Dear Secretary Chiavetta:

Attached is the Answer of Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. to the Petition to Intervene of New Wilmington Municipal Authority in the above-referenced proceeding.

Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

Michael W. Hassell

Michael W. Hassell

MWH/cls
Attachment

cc: Honorable Mary D. Long (*w/att.*)
Office of Special Assistants (*w/att.*)
Certificate of Service

ALLENTOWN HARRISBURG LANCASTER MOUNT LAUREL PHILADELPHIA PITTSBURGH WASHINGTON, D.C. WILMINGTON
A PENNSYLVANIA PROFESSIONAL CORPORATION

**CERTIFICATE OF SERVICE
(R-2021-3027385 and R-2021-3027386)**

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), and the Prehearing Order dated October 19, 2021 (establishing the list of fully active parties in this proceeding).

VIA E-MAIL ONLY

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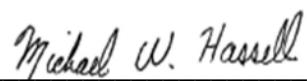
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Date: August 19, 2022



Michael W. Hassell

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, <i>et al.</i>	:	
	:	
v.	:	Docket Nos. R-2021-3027385, <i>et al.</i>
	:	
Aqua Pennsylvania, Inc.	:	
	:	
Pennsylvania Public Utility Commission, <i>et al.</i>	:	
	:	
v.	:	Docket Nos. R-2021-3027386, <i>et al.</i>
	:	
Aqua Pennsylvania Wastewater, Inc.	:	

**ANSWER OF AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA
WASTEWATER, INC. TO THE PETITION TO INTERVENE OF
NEW WILMINGTON MUNICIPAL AUTHORITY**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively, “Aqua PA,” “AP” or the “Company”), pursuant to 52 Pa. Code §§ 5.61 and 5.66, hereby respectfully submit this Answer to the Petition to Intervene filed by New Wilmington Municipal Authority (“NWMA”) on August 9, 2022. In its Petition to Intervene, NWMA seeks intervention in the above-captioned base rate proceeding after the Pennsylvania Public Utility Commission (“Commission”) entered an Opinion and Order on May 16, 2022, at these dockets (the “*Aqua 2021 Rate Case Order*”).¹

¹ NWMA further states that “Simultaneously, NWMA is filing a Petition for Modification of the Commission’s Order entered on May 16, 2022 Order (“*May 2022 Order*”), which moved NWMA from negotiated rates under Rider DRS – Demand Based Resale Service (“Rider DRS”) to full tariff rates.” NWMA Petition to Intervene, at p. 1. Aqua PA has separately filed an answer to the referenced Petitioned for Modification.

As explained herein, NWMA’s request to intervene in these proceedings should be denied. NWMA is not a statutory advocate, NWMA filed its Petition to Intervene over 230 days after the December 20, 2021 evidentiary hearing held in this proceeding was concluded. Section 5.74(c) of the Commission’s regulations explicitly states “[e]xcept with regard to statutory advocates under subsection (b)(4), intervention will not be permitted once an evidentiary hearing has concluded absent extraordinary circumstances.” 52 Pa. Code § 5.74(c) (emphasis added). NWMA has failed to demonstrate extraordinary circumstances for its intervention approximately 230 days after the conclusion of hearings in this matter exist and, therefore, its Petition to Intervene should be denied.

I. **BACKGROUND**

1. This proceeding was initiated on August 20, 2021, when Aqua PA filed Tariff Water – Pa. P.U.C. No. 3 (“Tariff Water No. 3”) and Tariff Sewer – Pa. P.U.C. No. 3 (“Tariff Sewer No. 3”) to become effective for service rendered on or after October 19, 2021. Therein, the Company proposed changes to Aqua PA’s base water rates designed to produce an increase in water revenues of approximately \$86.118 million and changes to Aqua PA’s base wastewater rates designed to produce an increase in wastewater revenues of approximately \$11.566 million, both based upon data for a Fully Projected Future Test Year (“FPFTY”) ending March 31, 2023 (“2021 Base Rate Case”). The filing was made in compliance with the Commission’s regulations and contained all supporting data and testimony required to be submitted in conjunction with a tariff change seeking a general rate increase.

2. On October 7, 2021, the Commission issued an Order suspending Tariff Water No. 3 and Tariff Sewer No. 3 until May 19, 2022, unless permitted by Commission Order to become effective at an earlier date.

3. An initial Prehearing Conference was scheduled and held on October 15, 2021 before Administrative Law Judge Mary D. Long (the “ALJ”). Parties participating in the

Prehearing Conference filed Prehearing Memoranda identifying potential issues and their expected witnesses. At the Prehearing Conference, the ALJ established a procedural schedule that was agreed upon and proposed by the parties

4. On November 10, 2021, parties other than Aqua PA served their Direct Testimony and associated exhibits, other than some testimony relating to accounting, regulatory policy, rate base, revenues, expenses, and taxes. On November 12, 2021, some parties other than Aqua PA, served their Direct Testimony on the subjects of accounting and regulatory policy, rate base, revenues, expenses, and taxes. On November 19, 2021, Supplemental Direct Testimony addressing public input hearing testimony was served.

5. On December 2, 2021, Aqua PA, and certain other parties filed Rebuttal Testimony and associated Exhibits. Surrebuttal Testimony and exhibits were served on December 14, 2021.

6. On December 17, 2021, Aqua PA served Rejoinder Testimony.

7. Evidentiary hearings were held before the ALJ on December 20, 2021. All parties mutually agreed to waive all cross-examination of witnesses. Additionally, the parties' respective testimony and exhibits were admitted into the evidentiary record.

8. On February 18, 2022, Administrative Law Judge Mary D. Long (the "ALJ") issued a Recommended Decision (the "RD") in this proceeding.

9. Exceptions to the RD were filed on February 28, 2022.

10. Replies to Exceptions were filed on March 7, 2022.

11. The Commission entered the *Aqua 2021 Rate Case Order* on May 16, 2022.

12. On June 8, 2022, the Commission entered an Order granting the Petitions for Reconsideration and Clarification of the *Aqua 2021 Rate Case Order*, that were filed by Aqua, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania, and the Office

of Small Business Advocate, pending further review of, and consideration on, the merits of those petitions.

13. On August 9, 2022, NWMA simultaneously filed a Petition to Intervene in the above-captioned proceeding and a Petition to Modify the *Aqua 2021 Rate Case Order*.

II. STANDARD FOR INTERVENTION

14. A petition to intervene must set out clearly and concisely: (1) the facts from which the alleged intervention right or interest can be determined, (2) the grounds of the proposed intervention, and (3) the petitioner's position on the issues raised in the proceeding. *See* 52 Pa. Code § 5.73(a).

15. Pursuant to the Commission's regulations, a petition to intervene may be filed by a person claiming, *inter alia*, an interest that may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding. *See* 52 Pa. Code § 5.72(a). Thus, the Commission's regulations require an intervenor to establish that it has standing to participate in the proceeding.

16. The purpose of the requirement of standing is to protect against improper parties. To meet that requirement, a party must allege and prove an interest in the outcome of the action that surpasses the common interest of all citizens in procuring obedience to the law. To surpass the common interest, the interest is required to be, at least, substantial, direct, and immediate. *Application of Biester*, 487 Pa. 438, 442-443, 409 A.2d 848, 851 (1979) (citing *William Penn Parking Garage v. City of Pittsburgh*, 464 Pa. 168, 192, 346 A.2d 269, 281 (1975)).

17. Intervention is a matter of discretion for the Commission. *See City of Pittsburgh v. Pa. PUC*, 33 A.2d 641 (Pa. Super 1943); *N.A.A.C.P., Inc. v. Pa. PUC*, 290 A.2d 704 (Pa. Cmwlth. 1972); *PPL Electric Utilities Corporation Universal Service and Energy Conservation Plan for*

2011 through 2013, Docket No. M-2010-2179796, 2011 Pa. PUC LEXIS 1997, at *20 (May 5, 2011).

18. However, late intervention requests “may be denied for that reason alone.” *Re Pa. Gas and Water Co.*, Docket No. A-00101378, 1980 Pa. PUC LEXIS 54, at *4 (Order entered May 29, 1980).

19. Moreover, Section 5.74(c) of the Commission’s regulations explicitly states “[e]xcept with regard to statutory advocates under subsection (b)(4), intervention will not be permitted once an evidentiary hearing has concluded absent extraordinary circumstances.” 52 Pa. Code § 5.74(c) (emphasis added).

20. The Commission has previously explained that a general assertion that a party was not provided formal notice of an agreement being at issue during a base rate proceeding does not satisfy Section 5.74(c). *Implementation of Chapter 32 of the Public Utility Code Regarding Pittsburgh Water and Sewer Authority -- Stage 1; Petition of Pittsburgh Water and Sewer Authority for Approval of Its Long-Term Infrastructure Improvement Plan*, Docket Nos. M-2018-2640802; M-2018-2640803; P-2018-3005037; P-2018-3005039, 2020 Pa. PUC LEXIS 270 (Opinion and Order entered June 18, 2020) (“PWSA 2020 Order”). Specifically, the Commission rejected the untimely intervention by an entity that was provided with several forms of formal notice, as well as formal notification that a specific issue would be addressed in the subject proceeding pursuant to the settlement of a prior base rate case. *Id.*, at *63-68.

III. ANSWER TO NWMA’S UNTIMELY PETITION TO INTERVENE

21. NWMA’s Petition to Intervene should be denied as untimely. The Commission has the discretion to deny this late intervention request “for that reason alone.” *Re Pa. Gas and Water Co.*, Docket No. A-00101378, 1980 Pa. PUC LEXIS 54, at *4 (Order entered May 29, 1980).

22. In addition, Section 5.74(c) of the Commission’s regulations explicitly states “[e]xcept with regard to statutory advocates under subsection (b)(4), intervention will not be permitted once an evidentiary hearing has concluded absent extraordinary circumstances.” 52 Pa. Code § 5.74(c) (emphasis added).

23. Importantly, NWMA concedes that its Petition to Intervene has been submitted well after the conclusion of the evidentiary hearings in the 2021 Base Rate Case. In fact, its intervention was filed over 230 days after the conclusion of hearings, over 175 days after the ALJ issued the Recommended Decision in this matter, and over 90 days after the entry of the *Aqua 2021 Rate Case Order*.

24. NWMA’s Petition to Intervene does not demonstrate extraordinary circumstances for its untimely intervention exist.

25. As an initial matter, NWMA’s asserts that it “did not receive any notice of [the 2021 Base Rate Case], which is understandable since Aqua did not propose any changes to the DRS Rider of NWMA’s negotiated rates.” NWMA Petition to Intervene ¶ 12. This assertion is incorrect.

26. The Commission’s regulations set forth the notice procedures required for general rate increases filed pursuant to 66 Pa.C.S. § 1308(d). 52 Pa. Code § 53.45(a)-(b). Specifically, Section 53.45(b) requires a public utility to provide notice to the public by: posting a notice of proposed rate changes in each company office where payments are accepted (*see id.* § 53.45(b)(1)); mailing a written or printed notice to its customers (*see id.* § 53.45(b)(2)); and distributing news releasing containing a description of the proposed rate changes to major newspapers, radio and television stations serving the utility’s service area (*see id.* § 53.45(b)(3)).

27. The public utility may, in lieu of mailing a written or printed notice to its customers pursuant to Section 53.45(b)(2), notify its customers by means of a bill insert. *See id.* § 53.45(b)(4).

28. The posting of a notice at a public utility's offices, and the mailed written/printed notice or bill insert notice, are all required to contain the notice language set forth in Section 53.45(b)(1)(i). *See id.* § 53.45(b)(1)(i) (requiring that the posting in the public utility's offices "shall read as follows..."), (b)(2) (requiring that "[t]he text of the written or printed notice shall be the same as the notice language specified in paragraph (1)."), and (b)(4)(i) (requiring that "[t]he text of the bill insert shall be printed on distinctive color paper and shall contain the exact notice language specified in paragraph (1)."). In addition, the notice language set forth in Section 53.45(b)(1)(i) specifically states that:

The state agency which approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates.

The PUC may change the amount of the rate increase or decrease requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the company and shown above.

Id. § 53.45(b)(1)(i) (emphasis added).

29. The 2021 Base Rate Case includes a stated verification by Erin M. Feeney, Manager of Rates for Aqua PA, which stated "that a Notice of Proposed Rate Changes was mailed on or before August 20, 2021 to all customers of the Company affected" by the 2021 Base Rate Case. *See* Aqua PA, Volume 1, Transmittal Letter page 4.

30. Also attached to this Answer as “Attachment 1” is a true and correct copy of a verified Affidavit from Erin M. Feeney. As explained in Attachment 1, Aqua PA provided notice of the 2021 Base Rate Case in full compliance with 52 Pa. Code § 53.45(b).

31. Starting on August 20, 2021, Aqua PA posted notices of the proposed rate increase at each of its offices where payments are accepted for at least 60 days before the rates proposed in the 2021 Base Rate Case became effective, in compliance with 52 Pa. Code § 53.45(b)(1). Attachment 1 ¶ 6.

32. Aqua PA also mailed its customers a printed Notice of Proposed Rate Changes on or before August 20, 2021. Attachment 1 ¶ 7.

33. Ms. Feeney describes the process by which Aqua PA gathers customer information, performs database queries on it to ensure that all customers are mailed the correct form of the printed notice, and transmits this information to a third-party vendor that prints and mails all customer notices. Attachment 1 ¶¶ 9-16.

34. Pursuant to this process, NWMA would have received notice of the 2021 Base Rate Case consistent with Notice of Proposed Rate Changes applicable to Aqua PA’s Main Division. Attachment 1 ¶ 16. A true and correct copy of this form of notice is attached hereto as “Attachment 2.” Aqua PA further notes that a copy of the printed Notice of Proposed Rate Changes was included in its initial filing for the 2021 Base Rate Case. *See* Aqua PA, Volume 1, at pp. 14-15 (Notice of Proposed Water Rate Changes (Main Division)).

35. Furthermore, on August 20, 2021, Aqua PA distributed news releases that contained a description of the proposed rate changes to the major newspapers, radio and television stations serving its territories, in compliance with 52 Pa. Code § 53.54(b)(3). Attachment 1 ¶ 19.

Aqua PA further notes that a copy of this press release was included in its initial filing. *See* Aqua PA, Volume 1, at pp. 11-13.

36. Therefore, NWMA, as a customer of Aqua PA, was provided all methods of formal notice of the 2021 Base Rate Case that are required under 52 Pa. Code § 53.45(a)-(b).

37. Furthermore, NWMA was notified in advance of the 2021 Base Rate Case that (1) Aqua PA was required to include specific documentation showing the existence of a viable competitive alternative to water service from Aqua PA from each Rider DRS customer in its next base rate case, and (2) failure by a Rider DRS customer to provide this documentation would likely result in the customer being required to pay the full tariff rate for its service area rate zone in Aqua PA's next base rate case.

38. Attached hereto as "Attachment 3" is a true and correct copy of a letter sent by Aqua PA to NWMA on January 4, 2021.² Therein, Aqua PA explained to NWMA:

following the Company's last base rate case Docket No. R-2018-3003558, the PA Public Utility Commission required the Company to "include in its next Pennsylvania water base rate filing documentation of the existence of a viable competitive alternative to water service provided by the Company" for Rider DRS customers as identified by the PUC's Bureau of Investigation & Enforcement ("I&E").

Having been identified as described above, Aqua must have documentation from you that demonstrates a viable competitive alternative to service you currently receive from the Company, which you would select if you had to pay the Company's full water tariff rate (water tariff rate). The documentation must provide dates for when the competitive alternative analysis was last considered, if applicable. Without this documentation, the Pennsylvania Public Utility Commission will likely implement the full tariff rate for your service area Rate Zone in Aqua's next base rate proceeding.

² A copy of this letter was also included as a part of HIGHLY CONFIDENTIAL Aqua PA Exhibit EFM-1-R, which included HIGHLY CONFIDENTIAL competitive alternative analyses for a number of customers. This letter standing alone, however, does not contain competitive sensitive information and, therefore, is not being designated as HIGHLY CONFIDENTIAL in this Answer.

Attachment 3, at p. 2 (emphasis added). Aqua PA further requested that NWMA submit this documentation to Aqua PA by no later than February 17, 2021, and to notify the Company if more time was needed. NWMA did not submit documentation in response to this request.

39. NWMA was notified multiple times, including through the receipt of formal notices of the 2021 Base Rate Case provided in compliance with 52 Pa. Code § 53.45(b), and therefore was on notice that the Commission could “implement the full tariff rate for your service area Rate Zone” in the 2021 Base Rate Case.

40. Moreover, the Commission has previously rejected an entity’s untimely petition to intervene in a proceeding where it was provided similar forms of notice, but refrained from participating until after a final determination in the proceeding was issued. In the *PWSA 2020 Order*, the City of Pittsburgh filed a petition to intervene after the issuance of an order that addressed a “Cooperation Agreement” between the City of Pittsburgh and Pittsburgh Water and Sewer Authority. *PWSA 2020 Order*, at *53. The Commission “decline[d] to exercise our discretion to allow the City to intervene at this late stage of the proceeding” because “the City has failed to establish that there are any extraordinary circumstances requiring its intervention over eight months after the close of the evidentiary record.” *Id.*, at *63-64.

41. The Commission furthered explained that the City of Pittsburgh did not “directly address the extraordinary circumstances exception to late intervention.” *Id.*, at *64. Rather, the City of Pittsburgh generally claimed “that it was not provided formal notice of the Cooperation Agreement being considered in this proceeding.” *Id.* The Commission, relying upon the forms of notice highlighted by I&E and OSBA, concluded “[t]here is no support for this contention in the record.” *Id.* Moreover, the Commission specifically noted that, pursuant to the settlement of its prior base rate case, Pittsburgh Water and Sewer Authority provided letters to the City of

Pittsburgh indicating the Cooperation Agreement would be reviewed in the subject case. *Id.*, at *65.

42. As in the *PWSA 2020 Order*, Aqua PA provided NWMA with notice regarding the potential that it could be required to pay full tariff rates during Aqua PA's next base rate case proceeding, absent the provision of specific documentation, by mailing it a letter on January 4, 2021. *See Attachment 3.* After this letter was mailed, NWMA was provided the required notice of the 2021 Base Rate Case, which included the docket information for this case and details on how it could participate. *See Attachments 1 and 2.* Despite having received this information, NWMA did not elect to participate in this proceeding until after a final order has been issued.

43. For these reasons, NWMA has failed to demonstrate extraordinary circumstances exist to support its untimely petition to intervene. Therefore, Aqua PA submits that NWMA should not be permitted to intervene at this late stage in the proceeding, and its Petition to Intervene should be denied.

IV. CONCLUSION

WHEREFORE, for all the foregoing reasons, Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. respectfully request that the Pennsylvania Public Utility Commission deny the untimely Petition to Intervene of New Wilmington Municipal Authority.

Respectfully submitted,

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Dated: August 19, 2022

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Garrett P. Lent, Esq. (ID # 321566)
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Counsel for Aqua Pennsylvania, Inc., and Aqua Pennsylvania Wastewater, Inc.

Attachment 1

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, *et al.* :
v. : Docket Nos. R-2021-3027385, *et al.*
Aqua Pennsylvania, Inc. :

Pennsylvania Public Utility Commission, *et al.* :
v. : Docket Nos. R-2021-3027386, *et al.*
Aqua Pennsylvania Wastewater, Inc. :

AFFIDAVIT

I, Erin M. Feeney, being duly sworn according to law, depose and say that I am authorized to make this affidavit on behalf of Aqua Pennsylvania, Inc. (“Aqua PA,” “AP,” or the “Company”), being the Manager of Rates for AP, and that I am an employee or agent of AP and have been authorized to make this affidavit on its behalf, and that the facts set forth in this Affidavit and the foregoing Answer are true and correct to the best of my knowledge, information and belief, and that AP expects to be able to prove the same at any hearing hereof.

1. On August 20, 2021, Aqua PA filed Tariff Water – Pa. P.U.C. No. 3 (“Tariff Water No. 3”) and Tariff Sewer – Pa. P.U.C. No. 3 (“Tariff Sewer No. 3”) to become effective for service rendered on or after October 19, 2021.
2. Therein, the Company proposed changes to Aqua PA’s base water rates designed to produce an increase in water revenues of approximately \$86.118 million and changes to Aqua PA’s base wastewater rates designed to produce an increase in wastewater revenues of approximately \$11.566 million, both based upon data for a Fully Projected Future Test Year (“FPFTY”) ending March 31, 2023 (“2021 Base Rate Case”).
3. The filing was made in compliance with the Commission’s regulations and contained all supporting data and testimony required to be submitted in conjunction with a tariff change seeking a general rate increase.

4. I have also reviewed the Petition to Intervene and Petition to Modify filed by New Wilmington Municipal Authority (“NWMA”) in the above-captioned dockets on August 9, 2021.
5. Aqua PA provided multiple forms of notice for the 2021 Base Rate Case, pursuant to 52 Pa. Code § 53.45(b).
6. Starting on August 20, 2021, Aqua PA posted notices of the proposed rate increase at each of its offices where payments are accepted for at least 60 days before the rates proposed in the 2021 Base Rate Case became effective, in compliance with 52 Pa. Code § 53.45(b)(1).
7. On or before August 20, 2021, Aqua PA mailed its customers a printed Notice of Proposed Rate Changes.
8. The transmittal letter accompanying the 2021 Base Rate Case also contained my certification “that a Notice of Proposed Rate Changes was mailed on or before August 20, 2021 to all customers of the Company affected” by the 2021 Base Rate Case.
9. In order to ensure all customers are provided with a printed Notice of Proposed Rate Changes, the Manager of Applications Support for Aqua PA runs a database query based on several parameters (e.g., company code, rate, district), to establish the notice that will be mailed to a customer.
10. The output of this database query is then exported to a Microsoft Excel file, which is then securely transmitted to the vendor retained to create the notices, MPS Graphics, to download and create the notices.
11. MPS Graphics sends an email to Aqua PA that contains a report with the quantity of rate case notices that matches the transmitted data file.
12. Aqua PA verified that the count is correct, and MPS Graphics appends a 2D barcode to the data file for quality assurance purposes.
13. MPS Graphics then prints the addresses and 2D barcodes on the corresponding rate case notice. The 2D barcode contains a unique identifier for each mail piece that is scanned by MPS Graphics after it has been printed to verify that each address was printed on the rate case notice.
14. After MPS Graphics completes a verification process to confirm that all of the rate case notices are ready to mail, Aqua PA then creates a United States Postal Service (“USPS”) 3600 form for delivery of the notices to the USPS.
15. The USPS 3600 form has the weight cost, number of domestic pieces and date of acceptance on the form, which matches the data file numbers provided by Aqua PA to MPS Graphics.

16. Pursuant to this process, NWMA received notice of the 2021 Base Rate Case consistent with the printed notices mailed to other customers in Aqua PA's Main Division.
17. A true and correct copy of this notice is also attached to the foregoing Answer as "Attachment 2."
18. A copy of the printed Notice of Proposed Rate Changes attached to the foregoing Answer as "Attachment 2" was also included in Aqua PA's initial filing. See Aqua PA, Volume 1, at pp. 14-15 (Notice of Proposed Water Rate Changes (Main Division)).
19. On August 20, 2021, Aqua PA also distributed news releases that contained a description of the proposed rate changes to the major newspapers, radio and television stations serving its territories, in compliance with 52 Pa. Code § 53.54(b)(3).
20. A copy of this press release was included in Aqua PA's initial filing for the 2021 Base Rate Case. See Aqua PA, Volume 1, at pp. 11-13.
21. Aqua PA provided all forms of notice of the 2021 Base Rate Case to its customers, including NWMA, that are required under 52 Pa. Code § 53.45(b).
22. In addition, on January 4, 2021, Aqua PA set NWMA a letter regarding its negotiated Rider DRS – Demand Based Resale ("Rider DRS") contract.
23. A true and correct copy of the letter sent by Aqua PA to NWMA on January 4, 2021, is attached to the foregoing Answer as "Attachment 3."
24. Affiant further sayeth not.

Erin Feeney

Erin M. Feeney

Signed and sworn to before me on

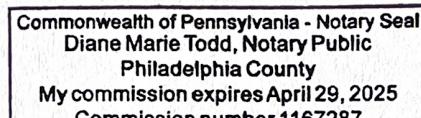
August 19, 2022 by

Erin M. Feeney making statement.

Diane Marie Todd
Notary Public

My commission expires April 29, 2025.

(SEAL)



Member, Pennsylvania Association of Notaries

Attachment 2

NOTICE OF PROPOSED WATER RATE CHANGES

Dear Customer:

Aqua Pennsylvania, Inc. ("Aqua" or "Company") filed a request with the Pennsylvania Public Utility Commission ("PUC") on Aug. 20, 2021 to increase your water rates as of Oct. 19, 2021. A full investigation of this request by the PUC could delay the change until May 2022. This notice describes our request, the PUC's role, and what actions you can take.

AQUA'S RATE REQUEST

Aqua is requesting a total overall rate increase of \$97.7 million per year for all of our water and wastewater operations. This covers investments in system repairs and improvements that Aqua has already made since April 2020 and projected through March 2023. It also covers the cost of operation and maintenance essential to providing reliable utility service. Since the last rate case, Aqua has invested approximately \$1.1 billion in infrastructure and other service improvements.

THE RATES YOU PAY DIRECTLY BENEFIT YOUR COMMUNITY

The investments Aqua has made in our water and wastewater systems have increased reliability and capacity and helped prevent service interruptions. The rates you pay have gone toward repairs and improvements including, but not limited to, the following:

- Replacement and rehabilitation of more than 300 miles of aging water mains
- Replacement and repair of valves, fire hydrants, service lines and other parts of our approximately 5,800-mile distribution system
- Upgrades and rehabilitation of treatment plants and wells including the installation of equipment to further ensure compliance with all water quality regulations governing disinfection, corrosion control, taste and odor
- Upgrades to pumping stations, treatment plants, and water storage tanks to ensure the continued ability to meet system demands and all regulatory requirements

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8-inch meter using 4,000 gallons a month would increase from \$67.49 to \$81.32 per month.
- Commercial customers with a 5/8-inch meter using 33,900 gallons a month would increase from \$403.59 to \$480.73 per month.
- Industrial customers with a 5/8-inch meter using 201,400 gallons a month would increase from \$1,923.29 to \$2,288.93 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To find out how the request may change your water bill, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 3 and Original Tariff Sewer – PA P.U.C. No. 3, filed with the PUC or on our website at AquaAmerica.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

PUC ROLE

The state agency that approves rates for public utilities is the PUC. The PUC will review and investigate the requested rate increase. Aqua must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some or none of the request or may reduce existing rates. As a result, the final effect on your bill may be different than Aqua's request.

ACTIONS YOU CAN TAKE

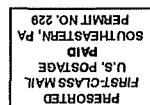
You may challenge the Company's request by:

1. Sending a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter. You can also tell the PUC about any other concerns you have about the Company. This information can be helpful when the PUC investigates the rate request. Send your letter to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.

2. Attending or presenting testimony at PUC public input hearings. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of the Company's rate increase request and if there is enough interest in the case. At these hearings you may present your views in person to the PUC judge and to Company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the Company. For more information, call the PUC at 800.692.7380.
3. Becoming a party by filing a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before Oct. 19, 2021. If no one files a formal complaint, the PUC may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its website: www.puc.pa.gov.

MAIN DIVISION

Return Service Requested



AQUA

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

An Essential Business Company

Attachment 3



January 4, 2021

Brad Latimer
The New Wilmington Municipal Authority
134 High Street
New Wilmington, Pennsylvania 16142

Re: Aqua Pennsylvania, Inc. Rider Demand Based Resale Service

Dear Mr. Latimer,

Thank you for being a customer of Aqua Pennsylvania, Inc. (“Aqua” or the “Company”). While we look forward to continuing to serve your community, we are required to gather information from you regarding utility service alternatives that you may have. Aqua’s tariff includes a provision for Rider Demand Based Resale Service (“Rider DRS”), which allows Aqua to provide water service to you at a reduced rate. Pursuant to language contained within Rider DRS, this rider is available to a customer or prospective customer that:

1. purchases or intends to purchase water from the Company for resale purposes;
2. enters into a Service Agreement for a term of not less than 10 years;
3. during the original and any renewal terms of the Service Agreement, agrees to maintain a daily load factor of not less than 0.60; and
4. has a viable competitive alternative to service from the Company and intends to select that alternative to the detriment of the Company and its other customers.

A copy of Rider DRS from the Company’s Tariff is enclosed for your reference.

Following the Company’s last base rate case Docket No. R-2018-3003558, the PA Public Utility Commission required the Company to “include in its next Pennsylvania water base rate filing documentation of the existence of a viable competitive alternative to water service provided by the Company” for Rider DRS customers as identified by the PUC’s Bureau of Investigation & Enforcement (“I&E”).

Aqua Pennsylvania Inc. Rider Demand Based Resale Service
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Having been identified as described above, Aqua must have documentation from you that demonstrates a viable competitive alternative to service you currently receive from the Company, which you would select if you had to pay the Company's full water tariff rate (water tariff rate). The documentation must provide dates for when the competitive alternative analysis was last considered, if applicable. Without this documentation, the Pennsylvania Public Utility Commission will likely implement the full tariff rate for your service area Rate Zone in Aqua's next base rate proceeding. Please submit this documentation to:

Erin M. Feeney
Aqua Pennsylvania, Inc.
762 W. Lancaster Avenue
Bryn Mawr, PA 19010

You may also email your documentation to EFDomzalski@aquaamerica.com. This documentation must be received by the Company by February 17, 2021. If additional time is needed, please contact Erin Feeney.

Aqua sincerely appreciates your understanding and cooperation in this matter. If you have any questions, please do not hesitate to contact Jim Willard or Erin Feeney at Aqua.

Sincerely,

Erin M. Feeney
Manager of Rates and Planning
Aqua Pennsylvania, Inc.