# Buchanan

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May 6, 2024

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

Re: Application of Aqua Pennsylvania Wastewater, Inc. pursuant to Sections

507, 1102 and 1329 of the Public Utility Code for Approval of its Acquisition of the Wastewater System Assets of the Delaware County Regional Water Quality

Control Authority,

Docket No. A-2019-3015173

#### Dear Secretary Chiavetta:

Aqua Pennsylvania Wastewater, Inc. ("Aqua") files and serves this Fifth Status Report in connection with the above-captioned proceeding, as directed by the Presiding Officer, Administrative Law Judge F. Joseph Brady, in his Interim Order Granting Joint Motion for Stay ("Order Granting Stay") dated February 6, 2023. The Order Granting Stay was based on the City of Chester's request in its bankruptcy proceeding at Case No. 22-13032 for a stay of Aqua's Application proceeding at Docket A-2019-3015173, and DELCORA's Complaint for Declaratory Judgment against Aqua and Delaware County before the Delaware Court of Common Pleas at Docket No. CV-2023-000494. Accordingly, Aqua reports on the status of these proceedings.

#### In re: City of Chester, Pennsylvania, Debtor, Case No. 22-13032

Consistent with Bankruptcy Judge Ashely M. Chan's Order of March 7, 2023, Aqua has participated in the sixty (60) day period of discussions on the City of Chester's claimed reversionary interests in the DELCORA wastewater system. Judge Chan conducted a hearing for May 15, 2023, at which time the City of Chester, Aqua and DELCORA reported to the Court on the status of the Parties' efforts toward identifying and reaching an agreement regarding identification of any assets subject to the claimed reversionary interest. At the hearing, Aqua identified assets it believed may be subject to the reversionary interest. Aqua also committed to recognize a Reversionary Interest with respect to any assets that are ultimately identified as subject to that interest. On May 23, 2023, the Bankruptcy Court issued an order staying Aqua's DELCORA application before the Pennsylvania Public Utility Commission ("PUC"). Aqua subsequently filed a Notice of Appeal on June 6, 2023 to the United States District Court for the

Eastern District of Pennsylvania. Aqua's brief in support of the appeal was filed on August 7, 2023. The City responded on September 6, 2023. Aqua filed is reply brief on September 20, 2023. The parties are waiting for the court to determine if oral argument will be scheduled, or if a decision will be rendered solely on briefing. Aqua filed a request to lift the Stay at Bankruptcy Court which was recently denied.

## DELCORA Complaint for Declaratory Judgment against Aqua and Delaware County before the Delaware Court of Common Pleas, Docket No. CV-2023-000494

In this proceeding, Aqua has filed Preliminary objections against DELCORA's Complaint, which are pending for decision. Delaware County has filed an Answer to DELCORA' Complaint. The court scheduled a hearing on Aqua's preliminary objections for October 12, 2023. However, prior to the scheduled hearing, the Delaware County Court notified the parties that the hearing was canceled and would be re-listed after the parties receive the benefit of a Commonwealth Court's decision on Delaware County's appeal of the Delaware County Court's September 8, 2022 Remand Order. This latter appeal is Delaware County's challenge of Judge Barry C. Dozor's Order on Remand, issued after the Commonwealth Court's Opinion finding that Delaware County may terminate DELCORA, however the obligations of its underlying transaction with Aqua would become the obligations of DELCORA's successor. Oral argument on the appeal to Commonwealth Court was initially tentatively scheduled for October 2023, and then was scheduled for April 2024. Oral argument was extended to May then canceled, and the Commonwealth Court will decide the matter on the previously submitted briefs.

Copies of this Status Report have been served on Parties to this proceeding, as indicated in the attached Certificate of Service.

Very truly yours,

John F. Povilaitis

JFP/ja

cc Honorable F. Joseph Brady Certificate of Service

## BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Aqua Pennsylvania Wastewater, :

Inc. pursuant to Sections 507, 1102 and 1329

of the Public Utility Code for Approval of its : Docket No: A-2019-3015173

Acquisition of the Wastewater System Assets of : The Delaware County Regional Water Quality :

Control Authority :

### **CERTIFICATE OF SERVICE**

I hereby certify that this day I served a copy of the foregoing document upon the persons

listed below in the manner indicated in accordance with the requirements of 52 Pa. Code § 1.54.

Honorable F. Joseph Brady Administrative Law Judge

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Date: May 6, 2024

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