

**Application of Pennsylvania-American Water Company for the Acquisition of
the Wastewater Treatment Plant and Collection System Owned and Operated by
Elizabeth Borough Municipal Authority (“EBMA”)**

Docket No. A-2023-3038717

66 Pa. C.S. § 1329

Application Filing Checklist – Water/Wastewater

1. Transmittal letter with caption and statement that the filing is pursuant to 66 Pa. C.S. § 1329.

RESPONSE: See enclosed transmittal letter from Teresa K. Harrold, Esquire, with caption and statement that the filing is pursuant to 66 Pa. C.S. § 1329.



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September 27, 2024

CONTAINS CONFIDENTIAL APPENDICES

FILED VIA COMMISSION'S SHAREPOINT SITE

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

In re: Application of Pennsylvania-American Water Company under Sections 1102(a) and 1329 of the Pennsylvania Public Utility Code, 66 Pa C.S. § § 1102(a) and 1329, for approval of (1) the transfer, by sale, to Pennsylvania-American Water Company, of substantially all of the assets, properties and rights related to the wastewater treatment plant and collection system owned and operated by the Elizabeth Borough Municipal Authority, (2) the rights of Pennsylvania-American Water Company to begin to offer or furnish wastewater service to the public in the Borough of Elizabeth, and portions of the Borough of Lincoln, and the Townships of Elizabeth and Forward, in Allegheny County, Pennsylvania

Docket No: A-2023-3038717

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission ("Commission") are the above-referenced application and related filings of Pennsylvania-American Water Company ("PAWC") for its acquisition of substantially all of the assets, properties and rights related to the wastewater treatment plant and collection system owned and operated by the Elizabeth Borough Municipal Authority ("EBMA"). This filing is made pursuant to Sections 507 (related to filing of contracts with municipal corporations), 1102 (related to certificates of public convenience), and 1329 (determination of fair market value for ratemaking purposes) of the Pennsylvania Public Utility Code ("Code"), 66 Pa. C.S. §§ 507, 1102, 1329.

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Copies of the Application have been served upon the statutory advocates in accordance with the attached Certificate of Service and in accordance with the Commission's *Final Supplemental Implementation Order* entered February 28, 2019 at Docket No. M-2016-2543193. The Public and **CONFIDENTIAL** filings will be uploaded to the Commission's SharePoint site and hard copies and CDs of the Public and **CONFIDENTIAL** versions will be delivered to the Commission on Monday, September 30, 2024.

Also enclosed on behalf of PAWC, as part of the Section 1329 filing requirements, are the Direct Testimony and accompanying exhibits of the following:

1. Direct Testimony of Marcus Kohl, Director of Business Development, Pennsylvania-American Water Company (**PAWC Statement No. 1**)
2. Direct Testimony of Daniel J. Hufton, PE, Engineering Manager, Pennsylvania-American Water Company (**PAWC Statement No. 2**)
3. Direct Testimony of Stacey D. Gress, Director of Rates and Regulatory, Pennsylvania-American Water Company (**PAWC Statement No. 3**)
4. Direct Testimony of Jerome C. Weinert, Principal and Director, Weinert Appraisal and Depreciation Services LLC (also known as WADS Consultants), Pennsylvania-American Water Company Utility Valuation Expert (**PAWC Statement No. 4**)

In addition, as directed by the *Final Supplemental Implementation Order*, PAWC is submitting the following direct testimony and accompanying exhibits on behalf of EBMA. PAWC's submission of this testimony should not be considered support for or sponsoring of such testimony. PAWC anticipates that EBMA will intervene in this matter and will sponsor its direct testimony and exhibits.

1. Direct Testimony of Timothy Guffey, Chairman for the EBMA and President of Council for Elizabeth Borough (**EBMA Statement No. 1**)
2. Direct Testimony of Harold Walker, III, Manager of Financial Studies of Gannett Fleming Valuation and Rate Consultants, LLC (**EBMA Statement No. 2**)

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Copies of this prepared direct testimony and accompanying exhibits can be found at **Appendix A-13-a and A-13-b (EBMA)** and **Appendix A-14-a and A-14-b (PAWC)** of the Application.

In compliance with Code Section 507, 66 Pa. C.S. § 507, PAWC has also included a copy of the Asset Purchase Agreement (“APA”) for this transaction. This agreement can be found at **Appendix A-24-a** of the Application.

Additionally, the following Appendices have been labeled as **CONFIDENTIAL**:

- Appendix A-4.2 – WADS Consultants Work Papers
- Appendix A-4.3 – Gannett Fleming Work Papers
- Appendix A-4.5 – PAWC Response to Request for Proposal
- Appendix A-16-f – Map of Service Area Depict Location of Facilities

Finally, PAWC has deliberately and thoughtfully chosen today’s filing date, in anticipation of a final Commission order at the Public Meeting scheduled for July 10, 2025. PAWC’s proposed timeline assumes the following approximate dates:

- | | |
|----------|---|
| 9/27/24 | PAWC Files Application |
| 11/19/24 | TUS Conditionally Accepts PAWC Application for Filing via Secretarial Letter (Conditioned on Completion of Notice Requirements) |
| 12/31/24 | PAWC Provides Verification of Notice Completion to PUC Secretary/TUS |
| 1/7/25 | PAWC Application Officially Accepted for Filing via PUC Secretarial Letter/PUC Submits Notice to PA Bulletin for Publication |
| 1/14/25 | PA Bulletin Notice of PAWC Application |
| 2/18/25 | End of PAWC Application Protest / Intervention Period |
| 7/10/25 | PUC Final Action at Public Meeting |

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Thank you for your attention to this matter. Please do not hesitate to
contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Teresa K. Harrold". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Teresa K. Harrold

cc: Certificate of Service
Joseph R. Dalfonso, Esq. (VIA *electronic mail – OneDrive Link*)
Sean Donnelly (VIA *electronic mail – OneDrive Link*)