

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of Aqua Pennsylvania, Inc	:	
and its subsidiary, Honesdale Consolidated	:	
Water Company, for the approval of: (1) the	:	
transfer to Aqua, through merger, of all property	:	A-2024-3049920
of Honesdale used or useful in the public service	:	A-2024-3049921
(2) the right of Aqua to begin to offer, render	:	
furnish, and supply water service in portions of the	:	G-2024-3049962
Borough of Honesdale Townships of Texas and	:	G-2024-3049963
Dyberry, Wayne County Pennsylvania nunc	:	
pro tunc and (3) the abandonment by Honesdale:	:	
of public utility service in portions of the Borough	:	
Honesdale, Townships of Texas and Dyberry,	:	
Wayne County Pennsylvania, and Request for	:	
Approval of Merger Between Affiliates	:	

**ORDER TRANSFERRING PROCEEDINGS TO
THE BUREAU OF TECHNICAL UTILITY SERVICES**

On July 3, 2024, Honesdale Consolidated Water Company (Honesdale) and Aqua Pennsylvania, Inc. (Aqua or Company) (Honesdale and Aqua together, Joint Applicants) filed a Joint Application (Application) requesting approval by the Pennsylvania Public Utility Commission (Commission), of the merger of Honesdale, a wholly-owned subsidiary of Aqua¹ into Aqua, the issuance of certificates of public convenience pursuant to Section 1102(a)(3) of the Public Utility Code, 66 Pa. C.S. § 1102(a)(3) and any other approvals necessary to consummate the merger. The Joint Applicants indicated that upon completion of the merger transaction, Honesdale would be merged into Aqua, with Aqua as the surviving entity and

¹ Aqua acquired Honesdale via a stock merger approved by Commission Order entered August 8, 2008 in Docket Nos. A-2008- 2046001 and A-2008-2046002. In the Application, the Joint Applicants indicated that: (a) Honesdale has existed as a separate subsidiary of Aqua since it was acquired by Aqua on October 1, 2008; and (b) Aqua owns 100% of the shares of common stock of Honesdale. Application ¶¶ 5-7.

cessation of Honesdale's existence as a separate entity.² The Application was docketed at Docket Nos. A-2024-3049920 and A-2024-3049921.³

By Secretarial Letter dated July 5, 2024, Joint Applicants were directed to serve copies of the Application upon the certain parties,⁴ and to file proof of such service with this Commission, pursuant to 52 Pa. Code, §1.57 and §1.58.

The Secretarial Letter advised the Joint Applicants that the Commission would publish notice of the filing of the Application in the Saturday, July 20, 2024 issue of the *Pennsylvania Bulletin* and directed the Joint Applicants to publish the same notice once a week for two consecutive weeks in a newspaper having a general circulation in the area involved and file proof of publication with the Commission on or before Monday, August 5, 2024

On July 15, 2024, a Notice of Appearance of Rebecca Lyttle was filed on behalf of the Office of Small Business Advocate (OSBA). A week later on July 22, 2024, a Notice of Intervention, Public Statement and Verification, were filed on behalf of OSBA.

On July 22, 2024, the proceeding was transferred to ALJ and I was assigned to preside over the Joint Application proceedings in this matter. By Telephonic Prehearing Conference Notice dated July 25, 2024, a Prehearing Conference was scheduled for August 9,

² The merger transaction described in the Application involved (1) the transfer to Aqua of all Honesdale property used or useful in the public service; (2) the right of Aqua to begin to offer, render, furnish, and supply water service in portions of the Borough of Honesdale Townships of Texas and Dyberry, Wayne County Pennsylvania and (3) the abandonment by Honesdale of public utility service in portions of the Borough Honesdale, Townships of Texas and Dyberry Wayne County Pennsylvania.

³ The merger transaction described in the Application also involved requests for issuance of certificates of public convenience necessary to implement the merger transaction described in the Application. These requests were docketed at G-2024-3049962 and G-2024-3049963.

⁴ Each city, borough, town, township, county and related planning office which is included, in whole or in part, in the proposed service area; A water or wastewater utility, municipal corporation or authority which provides water or wastewater collection, treatment and disposal service to the public and whose service area abuts the service area proposed in the application; The Department of Environmental Protection's appropriate regional office.

2024 at 9:00 a.m. A Prehearing Conference Order was also issued on July 25, 2024 setting forth the rules and expectations for the conference.

On August 2, 2024, Aqua filed an Affidavit of Publication evidencing publication of Notice of the Application in the *Philadelphia Inquirer* on July 15, 2024 and July 22, 2024 and the *Tri-County Independent* on July 13, 2024 and July 20, 2024.

On August 6, 2024, the Joint Applicants and OSBA each filed a Prehearing Memorandum. No other statutory advocate, entity or individual filed a Prehearing Memorandum.

The Prehearing Conference was held as scheduled on August 9, 2024. On August 9, 2024, a Prehearing Order was issued memorializing the matters decided and agreed upon by the parties at the prehearing conference, including a litigation schedule.

On September 12, 2024, John F. Povilaitis, Esquire and Alan M. Seltzer, Esquire, entered their appearance in this matter on behalf of Joint Applicants.

By e-mail dated September 12, 2024, counsel to Joint Applicants informed me that Joint Applicants and OSBA were engaged in settlement discussions and had made significant progress toward a full settlement. The parties requested that the litigation schedule established in the Prehearing Order issued August 9, 2024 be modified to facilitate the conduct of their settlement efforts. The parties' request was granted by Order dated August 13, 2024.

Subsequently, by e-mail dated September 24, 2024, counsel to Joint Applicants informed me that Joint Applicants and OSBA had reached a full settlement in principle and requested that the litigation schedule established for this proceeding be suspended.

On October 4, 2024, Joint Applicants and OSBA filed a Joint Stipulation requesting that the Joint Stipulation be accepted into the evidentiary record of this proceeding, and that it be accepted as OSBA's withdrawal of its request for evidentiary hearings in

connection with the Application. Additionally, in the Joint Stipulation, Aqua expressly agreed that in a six-month period following the Commission's issuance of a final and unappealable Order approving the Joint Application, it will include three bill notices in the former Honesdale commercial customers' monthly bills informing the former Honesdale commercial customers that: (i) the OSBA is an independent state agency that represents the interests of small business consumers in regulated utility matters before the Commission, (ii) the OSBA works directly with small businesses to assist with any questions or concerns they may be experiencing with their utility services, and (iii) the OSBA may be contacted by viewing the website at www.osba.pa.gov. Further, the parties asked that the Application be reassigned to the Commission's Bureau of Technical Utility Services ("TUS") for review and disposition on the merits.

The Joint Stipulation is unopposed; therefore, I will therefore issue the following order reassigning these proceedings to the Commission's Bureau of Technical Utility Services for further action.

THEREFORE,

IT IS ORDERED:

1. That the Application of Joint Application of Aqua Pennsylvania, Inc. and its subsidiary, Honesdale Consolidated Water Company, for the approval of: (1) the transfer to Aqua, through merger, of all property of Honesdale used or useful in the public service (2) the right of Aqua to begin to offer, render furnish, and supply water service in portions of the Borough of Honesdale Townships of Texas and Dyberry, Wayne County Pennsylvania nunc pro tunc and (3) the abandonment by Honesdale of public utility service in portions of the Borough of Honesdale, Townships of Texas and Dyberry, Wayne County Pennsylvania, and Request for Approval of Merger Between Affiliates at Dockets A-2024-3049920 and A-2024-3049921, together with the related matters at Dockets G-2024-3049962 and G-2024-3049963 is reassigned from the Pennsylvania Public Utility Commission's Office of Administrative Law Judge to the

A-2024-3049920 - JOINT APPLICATION OF AQUA PENNSYLVANIA, INC., (“AQUA” OR THE “COMPANY”) AND ITS SUBSIDIARY, HONESDALE CONSOLIDATED WATER COMPANY, (“HONESDALE”), FOR THE APPROVAL OF: (1) THE TRANSFER TO AQUA, THROUGH MERGER, OF ALL PROPERTY OF HONESDALE USED OR USEFUL IN THE PUBLIC SERVICE; (2) THE RIGHT OF AQUA TO BEGIN TO OFFER, RENDER, FURNISH, AND SUPPLY WATER SERVICE IN PORTIONS OF THE BOROUGH OF HONESDALE, TOWNSHIPS OF TEXAS AND DYBERRY, WAYNE COUNTY PENNSYLVANIA NUNC PRO TUNC; AND (3) THE ABANDONMENT BY HONESDALE OF PUBLIC UTILITY SERVICE IN PORTIONS OF THE BOROUGH OF HONESDALE, TOWNSHIPS OF TEXAS AND DYBERRY, WAYNE COUNTY PENNSYLVANIA, AND REQUEST FOR APPROVAL OF MERGER BETWEEN AFFILIATES.

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(Counsel for Aqua Pennsylvania, Inc.)

Served on November 21, 2024

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