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March 24, 2025

Via Electronic Filing

Rosemary Chiavetta, Secretary
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Petition of Twin Lakes Utilities, Inc. for a Commission Order Authorizing the Acquisition of Twin Lakes Utilities, Inc. by a Capable Public Utility Pursuant to 66 Pa.C.S. § 529, Docket No. P-2020-3020914

Dear Secretary Chiavetta:

Twin Lakes Utilities, Inc. (“Twin Lakes”) is strongly considering ending the litigation related to the Commission’s November 18, 2021 Opinion and Order (“Order”) in the above referenced proceeding and resuming negotiations regarding the sale price of the Twin Lakes system to Aqua Pennsylvania, Inc. (“Aqua”). As you know, the Order required that Middlesex Water Company “place[] in escrow \$1,675,000 to be used to offset the costs of replacing and remediating the existing infrastructure of the Twin Lakes system.” Ordering Para. 4. Twin Lakes is now seeking guidance on how the escrow amount is to be handled and whether the \$1,675,000 is still the appropriate amount to be placed in escrow.

Specifically, Twin Lakes seeks the Commission’s guidance on how it is to place the required amount in escrow. Is this amount to be submitted to the Commission directly, or placed in a separate account? If the latter, what documentation does the Commission require to confirm that this requirement has been completed?

Additionally, Twin Lakes wishes to confirm whether \$1,675,000 is still the appropriate amount to be placed in escrow. This amount was originally calculated based on \$304,573 in loans and an estimated \$1,358,000 in income tax liability related to Contributions in Aid of Construction (“CIAC”) under the Tax Cuts and Jobs Act of 2017. (See Aqua St. No. 2-R at 7-8). However, CIAC is no longer subject to this tax liability, and therefore \$1,675,000 may not be the correct to be placed in escrow under current circumstances.

Please advise, and do not hesitate to contact me with any questions or concerns.

Sincerely,

A handwritten signature in black ink that reads "Lauren M. Burge". The signature is written in a cursive style with a large initial 'L' and a long, sweeping underline.

Lauren M. Burge

Cc: Hon. Steven K. Haas (sthaas@pa.gov)
Dan Searfoorce – TUS (dsearfoorc@pa.gov)
Sean Donnelly – TUS (sdonnelly@pa.gov)
Sharon Webb – Law Bureau (swebb@pa.gov)
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of Twin Lakes Utilities, Inc.'s Letter upon the persons below in the manner indicated in accordance with requirements of 52 Pa. Code Section 1.54.

Via Email Only

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Dated: March 24, 2025

/s/ Lauren M. Burge
Lauren M. Burge, Esq.