



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
400 NORTH STREET, HARRISBURG, PA 17120

May 14, 2025

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. A-2025-3054123
Utility Code 230240

ALEXANDER R STAHL ESQUIRE
AQUA PENNSYLVANIA WASTEWATER INC
762 WEST LANCASTER AVE
BRYN MAWR PA 19010
ASTAHL@AQUAAMERICA.COM

RE: Application of Aqua Pennsylvania Wastewater, Inc. for approval of: (1) Aqua Pennsylvania Wastewater, Inc.'s acquisition of the wastewater system assets of Breyer Master Association, Breyer Court Condominium Association, Breyer Woods Condominium Association, One Breyer Estates Condominium Association and Salus University; and (2) the right, *nunc pro tunc*, to begin to offer, render, furnish or supply wastewater service to the public in a portion of Cheltenham Township, Montgomery County, Pennsylvania at Docket No. A-2025-3054123

Dear Attorney Stahl:

On March 21, 2025, Aqua Pennsylvania Wastewater, Inc. (APW) filed the above-captioned document (Application) with the Pennsylvania Public Utility Commission (Commission). For the Commission to complete its analysis of the filing, please respond with the information requested in the attached document.

Please forward the information to the Secretary of the Commission at the address listed below **within ten (10) business days** from the date of this letter. All documents requiring notary stamps must have original signatures. The Commission strongly encourages submission through efilings with the Secretary of the Commission by opening an efilings account through the Commission website and accepting eservice at <https://efiling.puc.pa.gov>. The Commission is accepting all public documents through our efilings system at this time.

If your filing contains confidential material, you are required to either file by overnight delivery or submit to the Secretary's Share Point File system to ensure the timely filing of your submission. Filers should contact the Secretary's Bureau in advance to gain access to the Share Point File system. Make sure to reference the Docket Number listed above when filing your response. The overnight address for hard-copy or confidential responses is:

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120

Please note your answers must be verified per 52 Pa. Code § 1.36. Accordingly, you must provide the following statement with your responses:

I, [print name of appropriate company representative], hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Signature _____
Title _____
Date _____

Please contact the below staff person if any problems should arise that prevent a full response within ten business days or if any clarification of these data requests is needed. Please mark the materials “CONFIDENTIAL” in bold or highlighted manner if any of the requested information is deemed to be of a confidential nature.

In addition, to expedite completion of the review, please send a copy of the response to Susan Johnson, in the Water/Wastewater Section of the Bureau of Technical Utility Services via e-mail at suejohnso@pa.gov. Please also direct any questions to Susan Johnson at telephone number (717) 783-5946. Thank you in advance for your cooperation.

Sincerely,



Matthew L. Homsher
Secretary

Enclosure: TUS Data Request Set 1

cc: Darryl Lawrence, Office of Consumer Advocate (w/enclosure), ra-oca@paoca.org
Melanie El Atieh, Office of Consumer Advocate (w/enclosure), melatieh@paoca.org
NazAarah Sabree, Office of Small Business Advocate (w/enclosure), ra-sba@pa.gov
Rebecca Lyttle, Office of Small Business Advocate (w/enclosure), relyttle@pa.gov
Allison Kaster, Bureau of Investigation & Enforcement (w/enclosure), akaster@pa.gov

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Note: Please restate the data request prior to providing a response. In addition, provide the name and title of the person(s) providing the response and/or information for each data request.

- A-1. Exhibit BB of the Application at Docket No. A-2019-3008491 consisted of a connection management plan for Cheltenham Township that identified in Page 3 the existence of a surge protection tank system that was apparently owned by the Breyer Townhomes Management Association. Additionally, the water quality management (WQM) permits provided as Exhibit H of this Application identified two-inch diameter and four-inch diameter force mains. However, this Application's Section III, Paragraph 12 only appears to identify larger diameter mains, manholes, and two pump stations, and does not appear to identify any wastewater service laterals or surge protection tank system as acquired assets. Please provide a detailed breakdown, by major plant category, of the used and useful plant in service to be acquired. The breakdown should fully describe each asset and identify asset sizes, material types, unit quantities, and years of installation.
- A-2. The Application's Exhibit B included a copy of the Asset Purchase Agreement (APA), dated May 29, 2024, by and between Breyer Master Association, Breyer Court Condominium Association, Breyer Woods Condominium Association, One Breyer Estates Condominium Association and Salus University (collectively, Sellers) and APW. Section 1.6(iii) of the APA indicated that APW shall not assume and shall not be liable for any obligations or liabilities imposed on the Sellers under any Corrective Action Plan (CAP) ordered by the Pennsylvania Department of Environmental Protection (DEP), including any CAP or Consent Order and Agreement (COA), by and between the Sellers and DEP. Please provide responses to the following:
- a. Clarify whether any of the Sellers are under a CAP and/or a COA with DEP and provide copies of these documents; and
 - b. If any of the Sellers are under a CAP and/or a COA with DEP, explain how APW intends to address unresolved obligations and liabilities that any of the Sellers have with DEP (e.g., require Sellers to resolve obligations and liabilities before transaction closing, negotiate a new CAP/COA between APW and DEP, etc.).
- A-3. Schedule 6.2 of the APA indicated that the Meetinghouse Pump Station is not working. Please provide responses to the following:
- a. Describe the repairs required to restore the Meetinghouse Pump Station to operation;

TUS Data Request Set 1

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- b. Provide a detailed cost estimate, by major plant account, of the repairs required to restore operation of the Meetinghouse Pump Station, including a description of asset sizes, material types, and unit quantities;
 - c. Specify the anticipated sources of funds for financing Meetinghouse Pump Station improvements (e.g., short-term debt, equity, etc.).
 - d. Provide an estimated timeline for APW to complete any required repairs to the Meetinghouse Pump Station following the close of this transaction; and
 - e. If APW does not intend to restore the Meetinghouse Pump Station to operation, please describe any DEP permit modifications or amendments required for this change.
- A-4. In the Application's Section IX, Paragraph 34(a), APW asserted its fitness to "make improvements to meet continuing and future customer needs." Please quantify APW's projected capital improvement expenses for the first five years of its ownership of the Sellers' wastewater system assets (Sellers' System), listed by major plant accounts and by year.
- A-5. The Application's Section 14 indicated that the Sellers' System provides wastewater service to 223 customers, including 219 residential and four commercial customers. Please provide a breakdown of the projected number of customers, by customer class, by year, for the next five years.
- A-6. In the Application's Section V, Paragraph 25, APW indicated annual revenue from the customers served by the Sellers' System in 2024 was \$248,768. However, APW did not provide the estimated annual expenses for the customers served by the Sellers' System in 2024. Please provide the following:
- a. An itemized breakdown of the estimated annual revenue that explains the basis of the 2024 amount identified, by customer class; and
 - b. An estimate of the annual expenses APW will incur to provide wastewater service to customers served by the Sellers' System, including an itemized breakdown of the estimated annual expenses that explains the basis of the estimated amounts.
- A-7. In the Application's Section VII, Paragraph 29, APW provided links to Cheltenham Township's and Montgomery County's Comprehensive Plan Land Use Maps. Also, the Application included Exhibit G-1, Cheltenham Township Comprehensive Plan Map, and Exhibit G-2, Montgomery County Comprehensive Plan Map. Please provide a company

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verified statement confirming that the Application does or does not meet all the applicable requirements or mandates of the following:

- a. Cheltenham Township's officially adopted comprehensive plan and applicable zoning designations, including any necessary amendments; and
 - b. Montgomery County's officially adopted comprehensive plan, including any necessary amendments.
- A-8. In the Application's Section VII, Paragraph 30, APW indicated that the Cheltenham system is under a Corrective Action Plan (CAP). However, the CAP was not included in the Application. Also, the Application's Exhibit I, Aqua 2024 Chapter 94 Report – Cheltenham Township included an Appendix C: Corrective Action Plan Update (2024 CAP Update). However, the 2024 CAP Update stated, "Correction Action Plan Update to be provided later." Please provide copies of the referenced CAP and the 2024 CAP Update.
- A-9. The Application's Exhibit A included a map of APW's Requested Territory. Please quantify the area of the Requested Territory, in acres of land.
- A-10. The requested territory depicted in the Application's Exhibit A appears to already be within APW's certificated service territory as granted in the Commission's Order at Docket No. A-2019-3008491 (Cheltenham Section 1329 Application). Also, the Cheltenham Section 1329 Application's Confidential Exhibit Cheltenham Calendar YE 2018 Customers and Consumption by Class 20190125 included the customers in the Requested Territory. Please clarify whether APW already has been granted the requested territory depicted in the Application's Exhibit A.
- A-11. Please provide evidence or an averment from APW that the Application is consistent with Cheltenham Township's DEP-approved Act 537 Official Sewage Facilities Plan (Act 537 Plan).
- A-12. Please provide an estimate of the closing costs for the transaction and identify the sources of funds that will be used to pay for those costs.
- A-13. Please provide APW's tentative journal entries, by major plant account, for booking the purchase of the Sellers' System assets in accordance with the National Association of Regulatory Utility Commissioners Uniform System of Accounts applicable to APW.
- A-14. Please identify the anticipated closing time frame for the proposed transaction after Commission approval of the Application.

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- A-15. Please explain how Application approval would benefit APW's customers that are not served by the Sellers' System.
- A-16. Please explain how Application approval would benefit APW's customers that are served by the Sellers' System.