

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

| | | |
|--|---|----------------|
| Joint Application of Pennsylvania-American | : | A-2025-3052745 |
| Water Company and Corner Water Supply and | : | A-2025-3052747 |
| Service Corporation for approval of: (1) the | : | |
| Transfer by sale of certain water service | : | |
| Facilities from Corner Water Supply and | : | |
| Service Corporation to Pennsylvania-American | : | |
| Water Company; (2) the abandonment by | : | |
| Corner Water Supply and Service Corporation | : | |
| Of water service to public in Elk and Paint | : | |
| Townships, Clarion County; and (3) | : | |
| Pennsylvania-American Water Company's right: | : | |
| To begin to offer, render, furnish or supply | : | |
| Water service to the public in additional | : | |
| Portions of Elk and Paint Townships, Clarion | : | |
| County, Pennsylvania | : | |

**INTERIM ORDER
ADOPTING AND APPROVING THE
AMENDED JOINT STIPULATION OF FACT**

On June 30, 2025, Pennsylvania-American Water Company, the Office of Consumer Advocate, the Office of Small Business Advocate, and Corner Water Supply and Service Corporation (collectively, the Stipulating Parties), filed an Amended Joint Stipulation of Fact (Amended Stipulation of Fact) in the above-captioned proceedings.

Each of the Stipulating Parties agreed to the veracity of the facts as listed in Appendix A of the Amended Stipulation of Fact in order to provide the Pennsylvania Public Utility Commission with the factual basis necessary for approving the Joint Petition for Approval of Unanimous Settlement of All Issues, filed on June 16, 2025. The Amended Stipulation of Fact is attached to this Order.

As this request is reasonable, it will be granted.

ORDER

THEREFORE,

IT IS ORDERED:

1. That the Amended Joint Stipulation of Fact filed by the parties on June 30, 2025, is adopted and approved.
2. That the facts listed therein are admitted into the record of these proceedings on the terms and conditions set forth in the Amended Joint Stipulation of Fact.

Date: July 9, 2025

/s/
Emily I. DeVoe
Administrative Law Judge



Erin K. Fure

Director, Corporate Counsel

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June 30, 2025

VIA ELECTRONIC FILING

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

In re: Joint Application of Pennsylvania-American Water Company and Corner Water Supply and Service Corporation Pursuant to Section 1102 of the Public Utility Code, for approval of (1) the transfer to Pennsylvania-American Water Company, by sale, of all property of Corner Water Supply and Service Corporation used and useful in the public service; (2) the right of Pennsylvania-American Water Company to begin to offer, render, furnish and supply water service to the public in portions of Elk and Paint Townships in Clarion County, Pennsylvania, and (3) the abandonment by Corner Water Supply and Service Corporation of all water service

Docket No. A-2025-3052745 & A-2025-3052747

Dear Secretary Homsher:

On behalf of Pennsylvania-American Water Company, I am filing the attached **Amended** Joint Stipulation of Fact (hereinafter "Amended Joint Stipulation") between Pennsylvania-American Water Company, Corner Water Supply and Service Corporation, Office of Small Business Advocate and the Office of Consumer Advocate. Please note that the **Amended** Joint Stipulation of Fact removes, by agreement of the parties, the confidential designation of the purchase price.

Should you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Erin K. Fure".

Erin K. Fure

cc: The Honorable Emily I. DeVoe (*via electronic mail*)
All Parties on the attached Certificate of Service (*via electronic mail*)

Respectfully Submitted,



Erin K. Fure, Esquire (PA ID #312245)
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***Attorney for Pennsylvania-American
Water Company***

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**HONORABLE ADMINISTRATIVE LAW JUDGE
EMILY I. DEVOE**

| | | |
|--|---|----------------------------|
| In re: Joint Application of Pennsylvania- | : | |
| American Water Company and Corner | : | |
| Water Supply and Service Corporation | : | |
| Pursuant to Section 1102 of the Public | : | |
| Utility Code, for approval of (1) the | : | Docket Nos. A-2025-3052745 |
| transfer to Pennsylvania-American Water | : | A-2025-3052747 |
| Company, by sale, of all property of | : | |
| Corner Water Supply and Service | : | |
| Corporation used and useful in the public | : | |
| service; (2) the right of Pennsylvania- | : | |
| American Water Company to begin to | : | |
| offer, render, furnish and supply water | : | |
| service to the public in portions of Elk and | : | |
| Paint Townships in Clarion County, | : | |
| Pennsylvania, and (3) the abandonment by | : | |
| Corner Water Supply and Service | : | |
| Corporation of all water service | : | |

AMENDED JOINT STIPULATION OF FACT

Pennsylvania-American Water Company (“PAWC”), Corner Water Supply and Service Corporation (“Corner Water”), the Office of Consumer Advocate (“OCA”), and the Office of Small Business Advocate (“OSBA”) (collectively, the “Stipulating Parties”), file this Amended Joint Stipulation of Fact (“Amended Stipulation”) in the above-captioned proceedings.¹ In support of the Amended Stipulation, the Stipulating Parties represent as follows:

¹ All Stipulating Parties are also Signatories to the “Joint Petition for Approval of Unanimous Settlement of All Issues” (“Settlement”), filed June 16, 2025.

I. PROCEDURAL HISTORY

1. The Stipulating Parties adopt the Procedural History as set forth in Paragraphs 1-22 of the Settlement.
2. On June 16, 2025, the Stipulating Parties filed a Joint Stipulation of Fact.
3. The Stipulating Parties subsequently agreed to file the Amended Stipulation for the purpose of removing the confidential designation of the purchase price.

II. STIPULATION

4. Considering that the Stipulating Parties have reached a Settlement prior to the admission of any testimony in the record of this matter,² and in view of the need for substantial evidence supporting the decision of the Administrative Law Judge and the Pennsylvania Public Utility Commission, the Stipulating Parties hereby jointly stipulate to the veracity of the facts set forth in **Appendix A**.

5. The Stipulating Parties waive cross-examination of witnesses.

6. This Amended Stipulation is presented by the Stipulating Parties in conjunction with the Settlement, which is intended to settle all issues in the above-captioned proceedings. If the Commission rejects or otherwise modifies the Settlement, the Stipulating Parties reserve their respective procedural rights to submit testimony and exhibits, and cross-examine witnesses at on-the-record evidentiary hearings.

7. This Amended Stipulation is being presented in conjunction with the Settlement only to resolve issues in the above-captioned proceedings. Regardless of whether this Amended

² All Stipulating Parties are also Signatories to the “Joint Stipulation for Admission of Evidence”, filed June 16, 2025. The Joint Stipulation for Admission of Evidence requests that the testimony that has been pre-served in the above-captioned proceeding be admitted into the record.

Stipulation is approved, no adverse inference shall be drawn, nor shall prejudice result to any Stipulating Party in this or any future proceeding as a consequence of this Amended Stipulation, or any of its terms or conditions.

8. Attached hereto as **Appendix B** is a proposed “Order Granting Amended Joint Stipulation of Fact” for consideration by the Honorable Administrative Law Judge Emily I. DeVoe.

WHEREFORE, the Stipulating Parties, by their respective counsel, respectfully request that the Honorable Administrative Law Judge Emily I. DeVoe approve this Amended Joint Stipulation of Fact.

Respectfully submitted,

/s/ Ryan Morden



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***On behalf of Pennsylvania-
American Water Company***



/s/ Rebecca Lyttle

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***On behalf of Corner Water Supply
and Service Corporation***

APPENDIX A STIPULATED FACTS

PARTIES

1. Pennsylvania-American Water Company (“PAWC”) is a subsidiary of American Water Works Company, Inc. (“American Water”). It is the largest regulated public utility corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, engaged in the business of collecting, treating, storing, supplying, distributing, and selling water to the public, and collecting, treating, transporting and disposing of wastewater for the public. PAWC St. No. 1, p.8.

2. Corner Water Supply and Service Corporation (“Corner Water”) is a regulated public utility corporation organized and existing under the laws of the Commonwealth of Pennsylvania engaged in treating, storing, supplying, distributing, and providing water service within portions of Elk and Paint Townships, Clarion County. Corner Water St. No. 1, p. 2.

3. The Office of Consumer Advocate (“OCA”) is a Commonwealth agency created by Act 161 of 1976 to represent the interests of consumers before the Pennsylvania Public Utility Commission (“Commission”). 71 P.S. § 309-2.

4. The Office of Small Business Advocate (“OSBA”) is a Commonwealth agency created by Act 181 of 1988 to represent the interests of small businesses before the Commission. 73 P.S. § 399.41.

THE CORNER WATER SYSTEM

5. Corner Water’s water distribution, production wells and treatment systems (the “System”) consists of two wells, a treatment plant, two finished water storage tanks and a distribution network. It is a ground water system utilizing two wells and all sources are classified as groundwater. PAWC St. No. 1, p. 10; PAWC St. No. 2, pp. 3-4.

6. The System uses a water softening technology for treatment, which is costly to operate due to the amount of salt required for regeneration of the resin. Corner Water St. No. 1, pp. 2-3.

7. The System has approximately 605 customers, of which 355 are residential, 83 are commercial, 5 are industrial, 2 are public fire service, and 160 are “other” (customers in two mobile home park communities). Corner Water St. No. 1, p. 2.

8. Corner Water’s current water rates include a monthly service charge based on meter size (\$16.88 for a 5/8-inch meter), which includes the first 1,000 gallons of usage. Consumption charges after the first 1,000 gallons include a usage charge of \$1.151 per 100 gallons for the next 9,000 gallons, a second block rate of \$0.987 per hundred gallons for usage over 10,000 gallons per month, and a third block rate of \$0.784 per hundred gallons for all usage over 120,000 gallons. PAWC St. No. 3, p. 7.

9. Corner Water has three (3) employees: their president who is sixty-five (65) years old, an office manager who is seventy (70) years old, and another employee who is sixty-four (64) years old. No associates have the desire to own Corner Water. Corner Water St. No. 1, p. 3.

PAWC’S SYSTEM

10. As of October 31, 2024, PAWC furnished water service to approximately 686,798 customers. Joint Application, ¶ 6.

11. As of October 31, 2024, PAWC furnished wastewater service to approximately 98,632 customers. Joint Application, ¶ 6.

THE TRANSACTION

12. Corner Water and PAWC are not affiliated entities. They engaged in arm's length negotiations to reach an agreement on an asset purchase agreement ("APA"). PAWC St. No. 1, p. 7.

13. On September 25, 2024, Corner Water and PAWC entered into the APA for the transfer of substantially all of the assets, properties and rights of the System to PAWC (the "Transaction"). PAWC St. No. 1, p. 6.

14. The total purchase price for the System is \$250,000. PAWC St. No. 1, pp. 25-26.

15. The price per customer for the System is \$413, which is approximately 90% less than the average price per customer for PAWC's Commission-approved Section 1102 Transactions since 2018. PAWC St. No. 1, p. 26.

16. Corner Water's current owners desire to exit the water industry in Pennsylvania. Corner Water St. No. 1, p. 3; PAWC St. No. 1, p. 6.

PAWC's FITNESS

17. No party has contested PAWC's fitness.

18. PAWC has a history of complying with the Pennsylvania Public Utility Code ("Code") and other applicable laws, including environmental laws. There are no pending legal proceedings that would suggest that PAWC is not legally fit to provide service to customers of the System. PAWC St. No. 1, pp. 11-12.

19. For 2024, PAWC had total assets of approximately \$7.3 billion, an operating income of approximately \$498 million and a net income of approximately \$314 million. PAWC has the fitness to acquire the System and operate it in the public interest. PAWC St. No. 3, p. 4.

20. PAWC does not anticipate that the acquisition of the System will have a negative impact on PAWC's cash flows, credit ratings or access to capital and, therefore, will not deteriorate in any manner PAWC's ability to continue to provide safe, adequate, and reasonable service to its existing customers at just and reasonable rates. PAWC St. No. 3, p. 6.

21. PAWC currently employs approximately 1,179 professionals with expertise in all areas of water and wastewater utility operations, including engineering, regulatory compliance, water and wastewater treatment plant operation and maintenance, distribution and collection system operation and maintenance, materials management, risk management, human resources, legal, accounting, and customer service. PAWC St. No. 1, p. 9.

POST-CLOSING OPERATION OF THE SYSTEM

22. The System will be physically integrated into PAWC's regional Clarion Water System and served by employees from that district. PAWC St. No. 2, pp. 5-6.

23. PAWC expects to invest \$4,292,323 in the System during the first five years of ownership. PAWC Exhibit JAF-3.

24. The System will have the support of PAWC's surrounding water operations as well as PAWC's operations throughout the Commonwealth and American Water's resources. PAWC St. No. 2, p. 6.

BENEFITS OF THE TRANSACTION

25. The Transaction will further the Commission’s goals of regionalization and consolidation because PAWC will operate the System with operational, management and functional support from PAWC’s Clarion District. The Transaction promotes consolidation by combining two public utilities’ systems into one—following the closing of the acquisition (“Closing”) PAWC will own and operate the System and Corner Water will cease to exist. A regionalized system provides for additional staffing and equipment generally, and in the event of emergencies such as a main break, will allow for faster resolution. PAWC St. No. 1, p. 17; PAWC St. No. 2, pp. 5-6.

26. The integration of the System with PAWC’s Clarion system creates opportunities for functional and operational consolidation and associated efficiencies and cost savings. Consolidating the System will reduce costs for equipment and materials and compliance monitoring. PAWC St. No. 1, pp. 17; 21-22.

27. As regulated public utilities, PAWC and Corner Water each must have tariffs, and each must file annual reports and other Commission-required filings on a regular basis. If the Transaction is approved, water service to customers of Corner Water would be provided under the rules and regulations of PAWC’s tariffs, and reporting requirements would be fulfilled by PAWC rather than separate reports being filed by PAWC and Corner Water. This will conserve resources of the Commission which will no longer need to review filings from two separate public utilities. PAWC St. No. 1, p. 18.

28. Corner Water received four violations from the Pennsylvania Department of Environmental Protection (“PADEP”) in the last five years. These include three monitoring and reporting violations that were resolved and closed out by PADEP. The fourth is an inspection

violation from July 10, 2024, concerning Corner Water's deficient wells, that is still outstanding. PAWC will promptly address these issues and bring the System into compliance with applicable environmental laws and regulations. Corner Water St. No. 1, p. 3; PAWC St. No. 2, pp. 8-11; 20.

29. Corner Water's source of supply is limited and their well production facilities have significant deficiencies that could easily compromise the safety and quality of drinking water provided to their customers. The Transaction will allow Corner Water to tie into PAWC's larger, more reliable system. PAWC St. No. 2, pp. 5, 9-10.

30. Integrating the System into PAWC's Clarion regional system will improve service reliability by replacing Corner Water's limited and poor-quality groundwater source, aging plant and single-point-of-failure high service pumping operation with the state-of-the-art surface water treatment plant, redundant pumping units and reliable floating storage of PAWC's nearby Clarion regional system. PAWC St. No. 1, pp. 14, 20, 22.

31. Corner Water's source water is supplied by two groundwater wells that are impacted by high levels of iron and manganese. These wells are prone to flooding during rain events and require new well heads and well pit covers to reduce the potential of source water contamination. Extensive work and capital investment by Corner Water is required to make the wells floodproof. By interconnecting with PAWC's Clarion regional system, these vulnerable well supplies can be eliminated and customers will no longer be at risk. PAWC St. No. 1, p. 23; PAWC St. No. 2, p. 4; Corner Water St. No. 1, p. 4.

32. PAWC has access to equity markets and a line of credit through American Water Capital Corp. that Corner Water does not have. PAWC St. No. 3, p. 5; Corner Water St. No. 1, pp. 3, 5.

33. PAWC will adopt Corner Water's existing tariff rates upon Closing. The rates will remain in effect until the Commission approves other rates for Corner Water's customers. PAWC St. No. 3, p. 7.

34. The System's customers will become customers of a large system and be able to share the costs of upgrading and operating the System with many other customers. PAWC St. No. 1, p. 20.

35. The Transaction will benefit Corner Water customers because low-income customers will become eligible for PAWC's low-income assistance programs. Corner Water does not have a low-income assistance program. PAWC St. No. 1, p. 21; PAWC St. No. 2, pp.18-19; PAWC St. No. 3, pp. 7-8.

36. The acquisition will have no impact on PAWC's existing customers until the first base rate case in which the System is included. PAWC St. No. 1, p. 27.

37. Because the Transaction will expand PAWC's customer base, PAWC's customers will be able to share the costs of upgrading and operating PAWC's system with a larger number of customers. PAWC St. No. 1, pp. 26-27.

38. The System's existing customers will be eligible for PAWC's customer assistance programs. Corner Water does not have a low-income assistance program. PAWC St. No. 1, p. 21; PAWC St. No. 2, pp.18-19; PAWC St. No. 3, pp. 7-8.

39. PAWC's distribution system improvement charge ("DSIC") will allow it to replace mains at a faster rate than Corner Water, which will help address the System's excessive non-revenue water rate (30%). PAWC St. No. 1, p. 23.

40. PAWC will ensure that uninterrupted power is available to critical infrastructure, which will improve the reliability of the System. PAWC St. No. 1, p. 23.

41. PAWC offers more payment options, longer hours for customer service, and greater cyber-security protection than Corner Water. PAWC St. No. 2, pp. 16-19.

42. The Transaction allows PAWC to acquire an additional system near its Clarion regional system at a very reasonable price per customer. PAWC St. No. 1, p. 25.

43. The Transaction would allow PAWC to gain approximately 605 additional water customers, most of which are current PAWC Paint-Elk sewer customers. PAWC St. No. 1, p. 25.

44. By adding more customers to the entire PAWC system, there are more customers to share future infrastructure investment costs. PAWC St. No. 1, p. 26.

**APPENDIX B FORM OF ORDER
APPROVING AMENDED JOINT STIPULATION OF FACT**

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**HONORABLE ADMINISTRATIVE LAW JUDGE
EMILY I. DEVOE**

| | | |
|--|---|----------------------------|
| In re: Joint Application of Pennsylvania- | : | |
| American Water Company and Corner | : | |
| Water Supply and Service Corporation | : | |
| Pursuant to Section 1102 of the Public | : | |
| Utility Code, for approval of (1) the | : | Docket Nos. A-2025-3052745 |
| transfer to Pennsylvania-American Water | : | A-2025-3052747 |
| Company, by sale, of all property of | : | |
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| Pennsylvania, and (3) the abandonment by | : | |
| Corner Water Supply and Service | : | |
| Corporation of all water service | : | |

ORDER APPROVING
AMENDED JOINT STIPULATION OF FACT

On June 30, 2025, Pennsylvania-American Water Company, the Office of Consumer Advocate, the Office of Small Business Advocate, and Corner Water Supply and Service Corporation (collectively, the “Stipulating Parties”), filed an “Amended Joint Stipulation of Fact” (“Amended Stipulation”) in the above-captioned proceedings. Each of the Stipulating Parties agreed to the veracity of the facts as listed in Appendix A of the Amended Stipulation in order to provide the Pennsylvania Public Utility Commission with the factual basis necessary for approving

the “Joint Petition for Approval of Unanimous Settlement of All Issues” (“Settlement”), filed on June 16, 2025. The Amended Stipulation is attached to this Order.

As this request is reasonable, it will be granted.

THEREFORE, IT IS ORDERED:

1. That the Amended Stipulation, filed on June 30, 2025, is **APPROVED**; and
2. The facts listed therein are admitted into the record of these proceedings on the terms and conditions set forth in the Amended Stipulation.

Date: _____

Emily I. DeVoe
Administrative Law Judge

A-2025-3052745, A-2025-3052747- JOINT APPLICATION OF PENNSYLVANIA AMERICAN WATER COMPANY AND CORNER WATER SUPPLY AND SERVICE CORPORATION PURSUANT TO SECTION 1102 OF THE PUBLIC UTILITY CODE, FOR APPROVAL OF (1) THE TRANSFER TO PENNSYLVANIA AMERICAN WATER COMPANY, BY SALE, OF ALL PROPERTY OF CORNER WATER SUPPLY AND SERVICE CORPORATION USED AND USEFUL IN THE PUBLIC SERVICE; (2) THE RIGHT OF PENNSYLVANIA AMERICAN WATER COMPANY TO BEGIN TO OFFER, RENDER, FURNISH AND SUPPLY WATER SERVICE TO THE PUBLIC IN PORTIONS OF ELK AND PAINT TOWNSHIPS IN CLARION COUNTY, PENNSYLVANIA, AND (3) THE ABANDONMENT BY CORNER WATER SUPPLY AND SERVICE CORPORATION OF ALL WATER SERVICE

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