

**PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA 17120**

Public Meeting held September 11, 2025

Commissioners Present:

Stephen M. DeFrank, Chairman  
Kimberly Barrow, Vice Chair  
Kathryn L. Zerfuss  
John F. Coleman, Jr.  
Ralph V. Yanora

Application of Appalachian Utilities, Inc. for a Certificate of Public Convenience Evidencing the Pennsylvania Public Utility Commission's Approval of the Transfer of 40% of Outstanding and Issued Stock in Appalachian Utilities, Inc.

A-2024-3046068

Joint Application of Pennsylvania-American Water Company and Appalachian Utilities, Inc., Pursuant to Section 1102 of the Public Utility Code, for approval of (1) the transfer to American Water Works Company, Inc., by merger, of all property of Appalachian Utilities, Inc. used and useful in the public service; (2) the transfer to Pennsylvania-American Water Company, by merger, of all property of Appalachian Utilities, Inc. used or useful in the public service; (3) the right of Pennsylvania-American Water Company to begin to offer, render, furnish and supply water service to the public in the Borough of Avis and Townships of Pine Creek and Dunnstable, Clinton County, Pennsylvania; and (4) the abandonment by Appalachian Utilities, Inc. of all water service

A-2024-3046084

A-2024-3046092

## ERRATA NOTICE

This is to advise all parties of record that the Opinion and Order entered on September 23, 2025 (*September 2025 Order*), in the above-captioned proceeding, contains an error on Page 37 of our *September 2025 Order*. Specifically Footnote 20 on Page 37 reads, as follows:

As discussed, *infra*, ALJ Johnson began by addressing Appalachian's Stock Sale Application, which he denied. According to the ALJ, this conclusion collapsed the Joint Application, and the Joint Application became moot because there was no evidence that Appalachian would proceed with the Joint Application if the Stock Sale Application was denied. *See* I.D. at 19. As discussed in more detail, *infra*, we find that the proposed stock transfer described in the Stock Sale Application is not subject to the Commission's jurisdiction, as such transfer will not result in a change of *de facto* control of Appalachian under 52 Pa. Code § 69.901(b)(1). Therefore, we will begin by focusing on whether the Joint Application should be approved, and on other related issues. As such, the Joint Applicants' Exceptions to the Initial Decision regarding the Stock Sale Application will be addressed last.

We note that this footnote should be corrected as follows:

As discussed, *infra*, ALJ Johnson began by addressing Appalachian's Stock Sale Application, which he denied. According to the ALJ, this conclusion collapsed the Joint Application, and the Joint Application became moot because there was no evidence that Appalachian would proceed with the Joint Application if the Stock Sale Application was denied. *See* I.D. at 19. As discussed in more detail, *infra*, we find that the proposed stock transfer described in the Stock Sale Application is subject to the Commission's jurisdiction. Therefore, we will begin by focusing on whether the Joint Application should be approved, and on other related issues. As such, the Joint Applicants' Exceptions to the Initial Decision regarding the Stock Sale Application will be addressed last.

The corrected Page 37 of the *September 2025* Order is attached to this notice. Please replace the incorrect page in your copy of the Opinion and Order with the corrected page.

The Opinion and Order on the PA PUC website will be corrected to remove the inclusion of the above footnote. Please accept our apologies for any inconvenience this may have caused you.

Thank you.

**b. Initial Decision**<sup>20</sup>

The ALJ denied the Joint Application, reasoning that the Joint Applicants did not meet their burden of proving that the transaction will affirmatively promote the service, accommodation, convenience, or safety of the public in some substantial way. I.D. at 2, 31-32 (citing *City of York*).

In his evaluation, the ALJ recognized that “it is clear from the testimony of Joint Applicant AUI’s president that the driving force behind the Joint Application is that its president and sole stockholder wishes to retire.” The ALJ reasoned that, although the Commission is not unsympathetic to the owner’s desire to retire, this is not grounds to warrant approval of the Joint Application. I.D. at 31-32.

Further, ALJ Johnson found persuasive the OCA’s argument that the record evidence lacks proof of substantial affirmative benefits to the public, given the Joint Applicants’ failure to explain how the purchase price benefits the public. The ALJ agreed with the OCA that current PAWC and Appalachian ratepayers will be harmed by the proposed transaction, since customers will likely have to pay for the acquisition premium above depreciated original cost and the additional revenue deficiency that the transaction would produce. I.D. at 32.

---

<sup>20</sup> As discussed, *infra*, ALJ Johnson began by addressing Appalachian’s Stock Sale Application, which he denied. According to the ALJ, this conclusion collapsed the Joint Application, and the Joint Application became moot because there was no evidence that Appalachian would proceed with the Joint Application if the Stock Sale Application was denied. *See* I.D. at 19. As discussed in more detail, *infra*, we find that the proposed stock transfer described in the Stock Sale Application is subject to the Commission’s jurisdiction. Therefore, we will begin by focusing on whether the Joint Application should be approved, and on other related issues. As such, the Joint Applicants’ Exceptions to the Initial Decision regarding the Stock Sale Application will be addressed last.