



COMMONWEALTH OF PENNSYLVANIA

October 15, 2025

E-FILED

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

Re: Application of Aqua Pennsylvania, Inc. (hereinafter referred to as “Aqua”, “Company” or “Applicant”) pursuant to Sections 1102 and 1329 of the Public Utility Code for: (1) approval of the acquisition by Aqua of the water system assets of the Municipal Authority of the Borough of Greenville (“GWA”) situated within the Borough of Greenville, Hempfield Township, Sugar Grove a Township, and West Salem Township, Mercer County, Pennsylvania; (2) approval of the right of Aqua to begin to offer, render, furnish and supply water service to the public in the Borough of Greenville, Hempfield Township, Sugar Grove Township, and West Salem Township, Mercer County, Pennsylvania; and (3) an order approving the acquisition that includes the ratemaking rate base of the GWA water system assets pursuant to Section 1329(c)(2) of the Public Utility Code & Request for Approval of Contracts, including Assignments of Contracts, between Aqua and the GWA Pursuant to Section 507 of the Public Utility Code / Docket No. A-2024-3049015

Dear Secretary Homsher:

Enclosed please find the Admitted PreServed Testimony, Exhibits, and Verifications, on behalf of the Office of Small Business Advocate (“OSBA”), pursuant to the Third Interim Order, that was issued on October 10, 2025, enclosed as Appendix A, in the above-referenced proceeding:

- Direct Testimony and Exhibit of Jason Hails, labelled OSBA Statement No. 1, with associated Exhibit JH-1, with signed Verification of Jason Hails.
- Surrebuttal Testimony of Jason Hails, labelled OSBA Statement No. 1-SR, with signed Verification of Jason Hails.

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service. If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Rebecca Lyttle

Rebecca Lyttle
Assistant Small Business Advocate
Attorney ID No. 201399

Enclosures

cc: Mark D. Ewen
Parties of Record



COMMONWEALTH OF PENNSYLVANIA

September 19, 2025

The Honorable Katrina L. Dunderdale
Administrative Law Judge
Pennsylvania Public Utility Commission
Piatt Place
301 Fifth Avenue, Suite 220
Pittsburgh, PA 15222

Re: Application of Aqua Pennsylvania, Inc. (hereinafter referred to as “Aqua”, “Company” or “Applicant”) pursuant to Sections 1102 and 1329 of the Public Utility Code for: (1) approval of the acquisition by Aqua of the water system assets of the Municipal Authority of the Borough of Greenville (“GWA”) situated within the Borough of Greenville, Hempfield Township, Sugar Grove a Township, and West Salem Township, Mercer County, Pennsylvania; (2) approval of the right of Aqua to begin to offer, render, furnish and supply water service to the public in the Borough of Greenville, Hempfield Township, Sugar Grove Township, and West Salem Township, Mercer County, Pennsylvania; and (3) an order approving the acquisition that includes the ratemaking rate base of the GWA water system assets pursuant to Section 1329(c)(2) of the Public Utility Code & Request for Approval of Contracts, including Assignments of Contracts, between Aqua and the GWA Pursuant to Section 507 of the Public Utility Code / Docket No. A-2024-3049015

Dear Judge Dunderdale:

Enclosed please find the Direct Testimony and Exhibit of Jason Hails, labelled OSBA Statement No. 1, with associated Exhibit JH-1, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-referenced proceeding.

As evidenced by the enclosed Certificate of Service, all known parties will be served, as indicated.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Rebecca Lyttle

Rebecca Lyttle
Assistant Small Business Advocate
Attorney ID No. 201399

Enclosures

cc: PA PUC Secretary Matthew L. Homsher (Cover Letter & Certificate of Service only)
Jason Hails
Roger Cathcart
Parties of Record

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Aqua Pennsylvania, Inc.	:	
(hereinafter referred to as “Aqua”,	:	Docket No. A-2024-3049015
“Company” or “Applicant”) pursuant to	:	
Sections 1102 and 1329 of the Public	:	
Utility Code for: (1) approval of the	:	
acquisition by Aqua of the water system	:	
assets of the Municipal Authority of the	:	
Borough of Greenville (“GWA”) situated	:	
within the Borough of Greenville,	:	
Hempfield Township, Sugar Grove	:	
Township, and West Salem Township,	:	
Mercer County, Pennsylvania; (2)	:	
approval of the right of Aqua to begin	:	
to offer, render, furnish and supply water	:	
service to the public in the Borough of	:	
Greenville, Hempfield Township, Sugar	:	
Grove Township, and West Salem	:	
Township, Mercer County,	:	
Pennsylvania; and (3) an order approving	:	
the acquisition that includes the	:	
ratemaking rate base of the GWA water	:	
system assets pursuant to Section	:	
1329(c)(2) of the Public Utility Code &	:	
Request for Approval of Contracts,	:	
including Assignments of Contracts,	:	
between Aqua and the GWA,	:	
Pursuant to Section 507 of the	:	
Public Utility Code	:	

DIRECT TESTIMONY & EXHIBIT

of

JASON HAILS

on behalf of

Pennsylvania Office of Small Business Advocate

TOPICS:

Net Public Benefit

Date Served: September 19, 2025

Date Submitted for the Record: _____

1 **DIRECT TESTIMONY OF JASON HAILS**

2 **Q. Please state your name and business address.**

3 A. My name is Jason Hails, and my business address is 925 Wappoo Rd., Suite A,
4 Charleston, South Carolina 29407.

5

6 **Q. By whom are you employed and in what capacity?**

7 A. I am the Co-Founder and a Member of Quantiv Advisory, LLC. Quantiv is a private
8 consulting firm specializing in the provision of financial and operational analysis and
9 regulatory expertise in the Energy and Utility sector.

10

11 **Q. On whose behalf are you testifying in this hearing?**

12 A. My testimony is sponsored by the Pennsylvania Office of Small Business Advocate
13 (“OSBA”).

14

15 **Q. Please describe your professional experience and qualifications.**

16 A. My education and employment background is attached as Exhibit JH-1.

17

18 **Q. Have you previously testified before this Commission?**

19 A. I have testified recently before the Commission in:

20 • Docket No. A-2023-3041695, the proposed Acquisition by Aqua of the wastewater
21 system Assets of the Greenville Sanitary Authority.

22 • Dockets R-2024-3047822 and R-2024-3047824, Aqua’s Base Rate Case

23 Application for the fully projected future Test Year ending December 31, 2025.

- 24 • Docket R-2025-3053112, Philadelphia Gas Works’ 2025 Base Rate Case
25 Application.

26

27 **Q. What is the Company’s request in this proceeding?**

28 A. Aqua is requesting:

- 29 1. Approval of the acquisition by Aqua of the water system assets of the Municipal
30 Authority of the Borough of Greenville (“GWA”) situated within the Borough of
31 Greenville, Hempfield Township, Sugar Grove Township, and West Salem
32 Township Mercer County, Pennsylvania;
- 33 2. Approval of the right of Aqua to begin to offer, render, furnish and supply water
34 service to the public in the Borough of Greenville, Hempfield Township, Sugar
35 Grove Township, and West Salem Township, Mercer County, Pennsylvania; and
- 36 3. An order approving the acquisition that includes the ratemaking rate base of the
37 GWA water system assets pursuant to Section 1329(c)(2) of the Public Utility
38 Code.
- 39 4. Request for Approval of Contracts, including Assignments of Contracts, between
40 Aqua and the GWA, Pursuant to Section 507 of the Public Utility Code.

41

42 **Q. What is the subject of your testimony?**

43 A. Section 1329 (66 Pa.C.S. § 1329) of the Pennsylvania Public Utility Code governs the
44 valuation and approval process for the acquisition of certain water or wastewater
45 systems by public utilities or entities in Pennsylvania. A key component of this section
46 is the requirement that the acquisition must result in a net public benefit to justify

47 approval by the Pennsylvania Public Utility Commission (PUC). While not explicitly
48 defined in the statute, net public benefit considers attributes of an acquisition such as
49 service quality and reliability, financial stability, and ratepayer protection.

50

51 My testimony focuses on the financial considerations of net public benefit for
52 ratepayers calculated for this acquisition.

53

54 **Q. What was your testimony on this matter with Aqua’s PUC request for approval of**
55 **Aqua’s acquisition of the wastewater system assets of the Greenville Sanitary**
56 **Authority (“GSA”) last year (Docket A-2023-3041695)?**

57 A. It was the OSBA’s contention that the terms of the proposed Application was not in the
58 public interest, as the transaction would lead to unfair and unreasonable rate increases
59 for Greenville Wastewater customers. The public benefit analysis that Aqua used
60 included unsubstantiated assumptions in its calculations, and even with these
61 calculations, shown in Figure 1 below¹, the hypothetical public benefit would be
62 considered very small. Alternative and more realistic assumptions would have reduced
63 this calculated benefit resulting in a negative public impact. When corrected to
64 moderate questionable purported benefits, I calculated a Net Public *Impact* (not benefit)
65 of \$1.2 million.² The public benefit included in Aqua’s analysis included an increased
66 revenue requirement of \$2.2 million or 181% of present revenue at the time³. Based on
67 the rate impact implied from this revenue requirement increase, the Administrative Law

¹ Docket A-2023-3041695, Aqua Supplemental Response to OCA-I-14.

² Docket A-2023-3041695, OSBA Main Brief, Pages 6 and 7.

³ Docket A-2023-3041695, Aqua Supplemental Response to OCA-I-14, Rate Impact Section.

68 Judges issued a Recommended Decision that “The record supports that the proposed
 69 acquisition will significantly negatively impact existing customers while not providing
 70 substantial affirmative benefits. The evidence presented by Aqua did not establish that
 71 any benefit realized from the transaction would outweigh the harms to customers.”⁴

72

73 **Figure 1**

74

**Greenville Sanitary Sewer
 Public Benefits Analysis - Acquired Customers**

	<u>Amount</u>	<u>Source:</u>
GV Public Benefits Calc	Gross Proceeds	\$18,000,000 - Appendix A
	Debt Repayment	(2,943,160) - F/S 2023
	Cash on hand Available for use @ Closing	1,118,104 - F/S 2023
	Net Proceeds - for Deposit (Public) =====>	\$16,174,944 - 5.25% Interest bearing account
	Interest Income	\$849,185 - Annual @ 5% PLIGA
	Interest Savings (General Fund)	315,239 - F/S 2023
	O&M Expense Savings (Muni-Post Sale)	60,112 - Pension, Healthcare, W/C Insurance, Legal, Engineering 10% of administration (Gen. Gov)
	Property Tax - Received from Aqua	10,940 - Appendix A - TOTI Tab
	Avoided Rate Increases: (NPV 10 yr)	1,155,655 - NPV Increase per year for 10 years assumed
	A.) Income/Cost Reductions for Public Benefit =>	\$2,391,130
Rate Impact	Present Revenue	\$1,229,219 - Appendix A
	Revenue Requirement	3,452,219 - Appendix A
	B.) Revenue Deficiency \$ =====>	\$2,223,000 - Appendix A - 100% Cost of Service
Revenue Deficiency %	180.85%	
C.) Net Public Benefit / (Impact) =====>	\$168,131	- A.) minus B.) = C.)

75

76

77 **Q. What is your assessment of financial considerations of net public benefit**
 78 **calculated for this acquisition?**

79 A. Figure 2 below outlines Aqua’s public benefits analysis⁵. While the net public benefit
 80 is calculated at negative \$188, 041, I believe the analysis overstates the public benefit

⁴ Docket A-2023-3041695, Recommended Decision Non-Proprietary Version, October 3, 2025, Page 111.

⁵ Exhibit Y, Direct Testimony of William C. Packer, Page 16.

81 inputs and understates the rate impact calculations, and in doing so understates the
 82 negative financial impact to ratepayers.

83

84 **Figure 2**

Greenville Water Authority Public Benefits Analysis - Acquired Customers			
		<u>Amount</u>	<u>Source:</u>
GV Public Benefits Calc	Gross Proceeds	\$18,000,000	- Appendix A - Purchase Price
	Debt Repayment (net of current portion)	(6,106,928)	- GWA F/S 2023
	Cash on hand Available for use @ Closing	972,188	- GWA F/S 2023
	Net Proceeds - for Deposit (Public) =====>	\$12,865,260	
	Interest Income	\$540,341	- Annual @ 4.42% PLGIT Prime Rate
Interest Savings	68,790	- GWA F/S 2023	
O&M Expense Savings Muni-Post Sale	-	- Not yet determined	
Property Tax - Received from Aqua Post Sale	19,381	- Appendix A - TOTI Tab	
Avoided Rate Increases (NPV 10 yr) - If kept GWA	591,447	- NPV Increase per year for 10 years assumed	
A.) Income/Cost Reductions for Public Benefit =>	\$1,219,959		
Rate Impact	Present Revenue	\$2,177,623	- Appendix A
	Revenue Requirement	3,585,623	- Appendix A
	B.) Revenue Deficiency \$ =====>	\$1,408,000	- Appendix A - 100% Cost of Service
	Revenue Deficiency %	64.66%	
C.) Net Public Benefit / (Impact) =====>	-\$188,041	- A.) minus B.)	
D.) Portion (%) of Revenue Deficiency offset ==>	86.64%	- A.) divided by B.)	

85

86 My comments on individual line items are as follows:

87

88 Interest Income

89

90 Interest income is speculative, and implies that the Borough of Greenville will invest
 91 and earn interest income on the whole of the net proceeds from the transaction. There
 92 are no assurances that the Borough will invest these funds, and the funds may be used
 93 for other municipal purposes that do not yield a direct financial benefit for tax paying
 94 residents of the Borough of Greenville. In addition, the taxpayers in the Borough are a

95 different constituent group than Aqua ratepayers. Even if there were financial benefits
96 of interest income incurred by taxpayers, the financial benefit would not be
97 appropriately allocated among ratepayers as taxpayers are not a factor in the cost of
98 service, resulting in arbitrary and indiscriminate allocation of benefits and therefore
99 inequity among ratepayers and ratepayer groups.

100

101 My suggestion is that interest income is be removed from the analysis. If factored into
102 the benefit analysis, it should be adjusted dramatically down to account for the
103 likelihood of alternative municipal use of the funds for non-quantifiable benefit, and
104 further adjusted down to account for the fact that ratepayers would not experience the
105 financial benefit in a coherent fashion pursuant to regulatory principles and Bonbright
106 attributes of a sound rate structure⁶, particularly the practical attributes, interpretability,
107 and fair apportionment of cost and avoidance of undue discrimination.

108

109 Property Tax

110

111 Property tax received from Aqua post-sale, while reasonable and likely tangible, again

⁶ Bonbright, James C, Principles of Public Utility Rates, Columbia University Press, New York NY, 1961, p. 291.
Attributes as follows:

1. Rates should have the following practical attributes: simplicity, understandability, public acceptability, and feasibility of application.
2. Rates should be free from controversies as to proper interpretation.
3. Rates should effectively yield total revenue requirements under the fair return standard.
4. Rates should provide revenue stability from year to year.
5. Rates themselves should be stable, i.e. rates should experience minimal unexpected changes that are seriously adverse to existing customers.
6. Rates should apportion the total cost of service fairly among different consumers.
7. Rate relationships should avoid "undue discrimination."
8. Rates should promote efficiency, discouraging wasteful use of energy while promoting all justified types and amounts of use.

112 is attributable to taxpayers and not ratepayers, and should not be attributed as a benefit
113 to ratepayers due to arbitrary and indiscriminate allocation of this new municipal
114 revenue.

115

116 Avoided Increases

117

118 Avoided increases are also speculative and noted as ‘assumed’ by Aqua in Figure 2.
119 Prospective increases are dependent on a multitude of inputs, assumptions, and
120 estimates, and bear no relation to present revenue differential between Figure 2 and
121 Figure 1, whereby the present revenue of \$2,177,623 noted in the Figure 2 impact
122 section is \$948,404 higher than the present revenue of \$1,229,219 noted in Figure 1.

123

124 Present Revenue

125

126 As noted above, present revenue used for Figure 2 analysis is significantly higher than
127 that used for Figure 1 analysis last year. The \$2.2 million in Figure 2 shown as present
128 revenue is not present revenue but forecast revenue for 2026 (per Exhibit Y Appendix
129 A) based again on speculative inputs. Aqua has escalated present revenue by 77%
130 from the 2024 Figure 1 analysis, which artificially inflates present revenue in Figure 2,
131 corresponding with a much smaller revenue deficiency for net public benefit
132 calculations.

133

134 Present revenue already assumes a large rate increase, and even if speculative cannot be

135 combined with avoided rate increases discussed above. For calculation purposes, the
136 revenue deficiency should be calculated from current Greenville revenues, as shown in
137 Figure 1. Doing so would permit consideration for avoided rate increase noted in
138 Aqua's public benefit section.

139

140 **Q. What are the results of your net public benefit analysis based on the assessments**
141 **of benefit and rate impact line items noted above?**

142 A. Based on my assessment, the public benefit calculation for Greenville ratepayers
143 should exclude interest income and property tax, at the same time for calculation
144 purposes maintain Aqua's assumed avoided rate increases provided that the present
145 revenue is reverted back to 2024 Figure 1 present revenue.

146

147 The calculated results of these changes are that the benefits calculation is reduced by
148 \$540,341 for interest income and \$19,381 for property tax revenue, with a revised
149 benefit calculation of \$660,237.

150

151 Reverting back to the Figure 1 present revenue of \$1,229,219 results in a revenue
152 deficiency or rate impact of \$2,356,404.

153

154 Combining the calculated public benefit to ratepayers of \$660,237 and the revenue
155 deficiency of \$2,356,404 results in a revised net public impact (not benefit) of negative
156 \$1,696,167 using Aqua's public benefits analysis methodology.

157

158 It is also noteworthy that the negative rate impact is public impact for ratepayers of
 159 \$2,356,404 is an annual impact, while the public benefit of avoided rate increase of
 160 \$591,447 is calculated as a one-time 10-year net present value (NPV). Applying a
 161 similar 10-year NPV calculation to the negative rate impact (with an 8% representative
 162 discount rate) results in an NPV of negative \$15,819,995.

163
 164 Applying an NPV calculation to all factors in my proposed approach (as outlined in
 165 Figure 3 below), including Aqua’s calculated interest savings, the NPV of avoided rate
 166 increases, and the NPV of the revenue deficiency results in a negative ratepayer impact
 167 of \$13,713,527.

168
 169 **Figure 3**

Quantiv Revised Benefits Analysis		Annual	10-year NPV	Representative Discount Rate
Ratepayers Benefits	Interest Savings	\$68,790	\$461,787	8%
	Avoided Rate Increases	N/A	\$591,447	Aqua Rate
			\$1,053,234	
Rate Impact	Revenue Deficiency	(\$2,356,404)	(\$15,819,995)	8%
Total Net Rate Impact			(\$13,713,527)	

170
 171

172 **Q. What is your conclusion with your assessment of public benefit?**

173 A. My conclusion is that purported public benefits are highly speculative and may not pass
 174 on to ratepayers, and that the NPV rate impact of the transaction for rate payers
 175 demonstrates a large negative public impact (not benefit).

177 Q. Does this conclude your direct testimony?

178 A. Yes

EXHIBIT JH-1

**RÉSUMÉ AND EXPERT TESTIMONY LIST
FOR
JASON HAILS**

EXHIBIT JH-1

Jason Hails – CV

Jason Hails, MBA

Co-Founder and Director, Quantiv Advisory, LLC

Profile

Quantiv Advisory, LLC

- Jason is a Co-Founder and Director of Quantiv Advisory, LLC, a boutique Consulting firm, established in 2021, providing professional services to support our clients' growth, efficiency and compliance mandates.
- Quantiv is focused primarily on strategy, financial and operational advisory services and business quantification to small, medium and large enterprise and energy/utility companies and market participants.
- With offices in Charleston, SC, Nashville, TN, and the Toronto region, Quantiv serves clients across North America.

Executive Profile

- Prior to the establishment of Quantiv, Jason retired as a 13-year Partner with MNP LLP, located first in Calgary, AB and then for 10 years in the Greater Toronto Area. Led MNP's national Energy & Utilities practice for the duration of his tenure with the firm.
- Industry executive with 30+ years of progressively responsible experience and 26 years in the Energy, Utilities and Natural Resource sectors.
- For the last 23 years with professional service firms, led the development and execution of business unit and practice strategy; business development and sales; and led client engagements primarily in Consulting, Enterprise Risk and Transaction Services.
- In addition to Energy & Utility clients, worked extensively within other sectors, including all levels of Government, Mining, Oil & Gas, Pipelines, Software, Manufacturing, Transportation, Retail, Software/Digital and Not-for-Profit.
- Prior to MNP, worked in a Big-4 environment for 5 years, and previously with several Energy companies, including ENMAX Corporation (Alberta-based integrated utility) and Superior Propane.
- Government clients have included numerous Departments and Agencies at the Federal, Provincial/State and Municipal levels, over 40 Energy/Resource/Utility companies in Canada and the US and several dozen companies outside the Energy sector; all ranging in size from small Clean Technology startups to resource companies with \$80 billion in Assets.
- In the Energy Sector, worked with electric/gas utilities and oil & gas companies, independent power producers, electricity system operators, intervenors and energy regulators, providing analysis and advice to leverage growth opportunities, mitigate risk, and improve efficiency and effectiveness and enhance compliance.
 - Larger Energy and Utility sector clients have included Duke Energy, PG&E, Kinder Morgan, Enbridge Inc., Enbridge Gas, BC Hydro, Hydro One, Hydro Ottawa, ENMAX, EPCOR,

Manitoba Hydro, Fortis, SaskPower, Boralex, SNC-Lavalin T&D, Water Security Agency of Saskatchewan, City of Markham Water Department.

Employment History

**Quantiv Advisory, LLC – Co-Founder and Director - 2021 to current
Nashville, TN and Charleston, SC**

- Within a boutique Advisory firm environment with a small team, delivering internal audit, consulting and financial analysis to support our clients' growth, efficiency and compliance mandates.
- Applying specialty expertise in the Energy & Utilities sector with Expert Witness and Testimony services.

**MNP LLP – Partner – 2008 to 2021
(Calgary, Alberta to 2011 and Toronto, Ontario from 2011 to 2021)**

Leadership of MNP's Energy & Utilities niche in a cross-service line role, sourcing and delivering leveraged engagements across all lines of MNP business. Over the past 12+ years with MNP, Jason's work has been primarily comprised of:

- Consulting – Financial Advisory, Regulatory, Governance Technology Services, Capital Projects, Procurement and Operations Strategy.
- Enterprise Risk Services (ERS) – Enterprise Risk Management, Internal Audit, Internal Controls.
- Transaction Services – Financial and Commercial Due Diligence, Business Development, Valuations.

Jason led or assumed an otherwise significant role in over 300 engagements with MNP. Roles within these engagements included Business Development Lead, Engagement Partner, Quality Assurance Partner or Subject Matter Expert.

KPMG – Senior Manager, Advisory Services – 2007 to 2008 – Calgary, Alberta

- Senior Manager primarily within Enterprise Risk group, focused in the Energy sector and specifically Energy & Resources sectors in Western Canada.

PwC – Director, Advisory Services – 2005 to 2007 – Calgary, Alberta

- Worked within PwC's Advisory group in Consulting and Deals, inclusive of Risk, Consulting and Corporate Finance.

Regulatory Experience

Regulatory Support

- Centra Gas Manitoba 2025/26 General Rate Application, Regulatory Advisor for the MPUB (in Process).
- Manitoba Hydro 2025/26, 2026/27 and 2027/28 General Rate Application, Regulatory Advisor for the MPUB (in Process).
- Manitoba Public Insurance, 2024/25 and 2025/26 General Rate Application, Regulatory Advisor for the MPUB (in Process).
- Engaged as a Board Financial Expert in the review of New Brunswick Power's 2025 and 2026 General Rate Application.
- Conducted numerous reviews and filed evidence for various cost of service and regulatory asset matters for ENMAX, EPCOR, Enbridge Gas, Gazifere and recently Liberty Gas New Brunswick (2023) as an Acknowledged Expert (detailed assessment of Inter-affiliate costs).
- Quality Review Partner for MNP's Macro Environmental Expert Report on behalf of the Manitoba Public Utility Board for the NFAT hearing in 2014 (Keeyask and Conawapa).

Testimony

- Pennsylvania Public Utility Commission, PGW 2025 Base Rate Case – R-2025-3053112, Expert Witness for the OSBA, 2024/25.
- Pennsylvania Public Utility Commission, Aqua Base Rate Case – R-2024-3047822, Expert Witness for the OSBA, 2024/25.
- Pennsylvania Public Utility Commission, Aqua Greenville – A-2023-3041695, Expert Witness for the OSBA, 2024.
- Nova Scotia Utility and Review Board, 2023 Eastward Energy General Rate Application, Financial Expert for the Board, 2023.
- Nova Scotia Utility and Review Board, Halifax-Dartmouth Bridge Commission Rate Hearing, Financial Expert for the Board, 2021.
- Régie de l'énergie (Quebec Energy Board), Cost Allocation, Expert Witness on behalf of Gazifere (Enbridge Inc.), 2016.
- Alberta Utilities Commission, Expert Witness on behalf of ENMAX Power, Affiliate Transactions, Cost Allocation and Inter-affiliate costs, 2014.
- British Columbia Utilities Commission, Expert Witness on behalf of the Commission:
 - Establishment of a regulatory deferral account to account for hedging long-term debt, 2016.
 - Exemptive Relief for FortisBC with information management requirements, 2015.
- Alberta Utilities Commission, Heartland Transmission Project (Joint project between EPCOR and AltaLink), Financial Expert Witness on behalf of Responsible Transmission for Albertans (an Intervenor), 2011.

Education and Certification

- B.A. (Hons.) – Economics and Political Science – York University (Toronto) – 1991.
- M.B.A. – University of British Columbia – Sauder School of Business (Vancouver) – 1993.
- Course - Electric System Operation for the Non-Engineer – Northwest Public Power Association – 2003.

**BEFORE THE
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system assets pursuant to Section :
1329(c)(2) of the Public Utility Code & :
Request for Approval of Contracts, :
including Assignments of Contracts, :
between Aqua and the GWA, :
Pursuant to Section 507 of the :
Public Utility Code :

VERIFICATION

I, Jason Hails, hereby state that the facts set forth in my Direct Testimony and Exhibit, labelled OSBA Statement No. 1, with associated Exhibit JH-1, 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).

Date: September 15, 2025



Jason Hails

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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Request for Approval of Contracts, :
including Assignments of Contracts, :
between Aqua and the GWA, :
Pursuant to Section 507 of the :
Public Utility Code :

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

The Honorable Katrina L. Dunderdale
Administrative Law Judge
Pennsylvania Public Utility Commission
Piatt Place
301 Fifth Avenue, Suite 220
Pittsburgh, PA 15222
kdunderdal@pa.gov

Legal Assistant, Kayla Loukas
kloukas@pa.gov

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Douglas, Joseph, & Olson
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Date: September 19, 2025

/s/ Rebecca Lyttle _____
Rebecca Lyttle
Assistant Small Business Advocate
Attorney ID No. 201399



COMMONWEALTH OF PENNSYLVANIA

October 3, 2025

The Honorable Katrina L. Dunderdale
Administrative Law Judge
Pennsylvania Public Utility Commission
Piatt Place
301 Fifth Avenue, Suite 220
Pittsburgh, PA 15222

Re: Application of Aqua Pennsylvania, Inc. (hereinafter referred to as “Aqua”, “Company” or “Applicant”) pursuant to Sections 1102 and 1329 of the Public Utility Code for: (1) approval of the acquisition by Aqua of the water system assets of the Municipal Authority of the Borough of Greenville (“GWA”) situated within the Borough of Greenville, Hempfield Township, Sugar Grove a Township, and West Salem Township, Mercer County, Pennsylvania; (2) approval of the right of Aqua to begin to offer, render, furnish and supply water service to the public in the Borough of Greenville, Hempfield Township, Sugar Grove Township, and West Salem Township, Mercer County, Pennsylvania; and (3) an order approving the acquisition that includes the ratemaking rate base of the GWA water system assets pursuant to Section 1329(c)(2) of the Public Utility Code & Request for Approval of Contracts, including Assignments of Contracts, between Aqua and the GWA Pursuant to Section 507 of the Public Utility Code / Docket No. A-2024-3049015

Dear Judge Dunderdale:

Enclosed please find the Surrebuttal Testimony of Jason Hails, labelled OSBA Statement No. 1-SR, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-referenced proceeding.

As evidenced by the enclosed Certificate of Service, all known parties will be served, as indicated.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Rebecca Lyttle

Rebecca Lyttle
Assistant Small Business Advocate
Attorney ID No. 201399

Enclosures

cc: PA PUC Secretary Matthew L. Homsher (Cover Letter & Certificate of Service only)
Jason Hails
Roger Cathcart
Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Aqua Pennsylvania, Inc.	:	
(hereinafter referred to as “Aqua”,	:	Docket No. A-2024-3049015
“Company” or “Applicant”) pursuant to	:	
Sections 1102 and 1329 of the Public	:	
Utility Code for: (1) approval of the	:	
acquisition by Aqua of the water system	:	
assets of the Municipal Authority of the	:	
Borough of Greenville (“GWA”) situated	:	
within the Borough of Greenville,	:	
Hempfield Township, Sugar Grove	:	
Township, and West Salem Township,	:	
Mercer County, Pennsylvania; (2)	:	
approval of the right of Aqua to begin	:	
to offer, render, furnish and supply water	:	
service to the public in the Borough of	:	
Greenville, Hempfield Township, Sugar	:	
Grove Township, and West Salem	:	
Township, Mercer County,	:	
Pennsylvania; and (3) an order approving	:	
the acquisition that includes the	:	
ratemaking rate base of the GWA water	:	
system assets pursuant to Section	:	
1329(c)(2) of the Public Utility Code &	:	
Request for Approval of Contracts,	:	
including Assignments of Contracts,	:	
between Aqua and the GWA,	:	
Pursuant to Section 507 of the	:	
Public Utility Code	:	

SURREBUTTAL TESTIMONY

of

JASON HAILS

on behalf of

Pennsylvania Office of Small Business Advocate

TOPICS:

Net Public Benefit

Date Served: October 3, 2025

Date Submitted for the Record: _____

1 **SURREBUTTAL TESTIMONY OF JASON HAILS**

2 **Q. Please state your name and business address.**

3 A. My name is Jason Hails, and my business address is 925 Wappoo Rd., Suite A,
4 Charleston, South Carolina 29407.

5
6 **Q. By whom are you employed and in what capacity?**

7 A. I am the Co-Founder and a Member of Quantiv Advisory, LLC. Quantiv is a private
8 consulting firm specializing in the provision of financial and operational analysis and
9 regulatory expertise in the Energy and Utility sector.

10
11 **Q. On whose behalf are you testifying in this hearing?**

12 A. My testimony is sponsored by the Pennsylvania Office of Small Business Advocate
13 (“OSBA”).

14
15 **Q. Are you the same Jason Hails who pre-filed testimony in this proceeding on behalf
16 of the Pennsylvania Office of Small Business Advocate (OSBA)?**

17 A. Yes.

18
19 **Q. What is the purpose of your surrebuttal testimony?**

20 A. I am responding to Mr. Packer’s rebuttal testimony, labelled Statement No. 1-R.

21

22 **Q. What are your comments concerning Mr. Packer’s rebuttal testimony about the**
 23 **Municipal use of proceeds of the sale and the inclusion of interest income in the**
 24 **Public Benefits Analysis?**

25 A. In reference to Aqua’s Public Benefits Analysis schedule (Figure 2 below¹) and my
 26 analysis thereof, Mr. Packer claims that my assertion that the benefits related to interest
 27 income and that the tax paying residents are a different constituency as the utility
 28 paying customers is incorrect.²

30 **Figure 2**

Greenville Water Authority			
Public Benefits Analysis - Acquired Customers			
	<u>Amount</u>	<u>Source:</u>	
GV Public Benefits Calc	Gross Proceeds	\$18,000,000	- Appendix A - Purchase Price
	Debt Repayment (net of current portion)	(6,106,928)	- GWA F/S 2023
	Cash on hand Available for use @ Closing	972,188	- GWA F/S 2023
	Net Proceeds - for Deposit (Public) =====>	\$12,865,260	
	Interest Income	\$540,341	- Annual @ 4.42% PLGIT Prime Rate
Interest Savings	68,790	- GWA F/S 2023	
O&M Expense Savings Muni-Post Sale	-	- Not yet determined	
Property Tax - Received from Aqua Post Sale	19,381	- Appendix A - TOTI Tab	
Avoided Rate Increases (NPV 10 yr) - If kept GWA	591,447	- NPV Increase per year for 10 years assumed	
A.) Income/Cost Reductions for Public Benefit =>	\$1,219,959		
Rate Impact	Present Revenue	\$2,177,623	- Appendix A
	Revenue Requirement	3,585,623	- Appendix A
	B.) Revenue Deficiency \$ =====>	\$1,408,000	- Appendix A - 100% Cost of Service
	Revenue Deficiency %	64.66%	
C.) Net Public Benefit / (Impact) =====>	-\$188,041	- A.) minus B.)	
D.) Portion (%) of Revenue Deficiency offset ==>	86.64%	- A.) divided by B.)	

31

32

¹ Exhibit Y, Direct Testimony of William C. Packer, Page 16.

² Rebuttal Testimony of Mr. Packer, Statement No. 1-R, Page 11, Lines 9-11.

33 Mr. Packer makes reference to Mr. Urey’s testimony³. The interest income is indeed
34 speculative based on statements of Mr. Urey in his direct testimony. Mr. Urey notes in
35 his direct testimony that “With the anticipated sale proceeds, the Borough is planning
36 to invest in the redevelopment efforts of the Borough to bolster its tax base. The
37 Borough recently created a Redevelopment Authority to coordinate its redevelopment
38 efforts. Some of these funds will be used to fund the Redevelopment Authority and its
39 redevelopment planning efforts”⁴. Mr. Urey goes on say that “The Borough will also
40 be able to invest the funds to generate interest income to be used toward capital
41 projects”⁵.

42
43 Mr. Urey’s statements imply that there will be multiples uses of the proceeds of the
44 sale, including investments in redevelopment efforts, and separately, investments to
45 earn interest income. While redevelopment efforts in the community may provide
46 benefit for taxpayers or residents in the community, there is no way to quantify this
47 benefit, other than to say definitively that the financial benefit of the sale will not in
48 any way be directly or indirectly transferred to ratepaying customers of the GWA.
49 Taxpayers, not ratepayers, may or may not experience a downstream community
50 benefit, and while redevelopment efforts may yield some induced financial benefit
51 downstream of implementation, this remote benefit most certainly cannot be included
52 in the calculation of net public benefit for ratepayers.

53

³ Rebuttal Testimony of Mr. Packer, Statement No. 1-R, Page 11, Lines 13-14.

⁴ Direct Testimony of Mr. Urey, Statement No. 2, Pages 2-3, Lines 22-2.

⁵ Direct Testimony of Mr. Urey, Statement No. 2, Pages 3, Lines 8-9.

54 Mr. Packer also contends in his rebuttal testimony as that my argument that taxpayers
55 of the Borough are a different group from Aqua Ratepayers is “entirely baseless”⁶.

56 This contention is absurd. It is factually correct that Borough taxpayers are a different
57 constituent group than GWA ratepayers. Mr. Packer proves this point in referencing
58 that 80% of the customers of GWA are residents of the Borough. While there is of
59 course overlap between these constituent groups, Mr. Packer’s reference correctly
60 identifies that 20% of GWA customers will not enjoy any claimed community benefit.
61 While taxpayers of the Borough may experience a benefit, there is no direct or indirect
62 financial benefit that transfers to ratepayers of GWA. Ratepayers will simply
63 experience increased rates from the transaction upon filing of Aqua’s next base rate
64 case.

65
66 In terms of potential interest income for the Borough that may result from this
67 transaction, while part of the proceeds may be invested in an interest-bearing
68 investment, all or part of that investment may be transferred to other Municipal uses,
69 including the redevelopment plan noted by Mr. Urey or other Municipal projects. It
70 would be natural, almost expected, for the Borough to transfer and apply the magnitude
71 of proceeds for specific operational or capital uses versus maintenance of a financial
72 investment that earns a comparably tiny gain of 4% – 5% interest.

73
74 Based on these comments, I maintain that the interest income should be excluded from
75 the public benefits analysis.

⁶ Rebuttal Testimony of Mr. Packer, Statement No. 1-R, Page 11, Line 16.

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Q. Do you have any comments concerning Mr. Packer’s rebuttal testimony concerning the other Public Benefits listed in Figure 1?

A. Yes. I included interest savings in my direct testimony calculation of net public benefit for ratepayers, and the avoided rate increases as assumed by Aqua. Property tax, while anticipated to be collected from the Borough, again does not confer as a financial benefit to ratepayers of GWA. Any revenue will go into a general revenue fund and will be used for Municipal purposes that, like interest income, will not be directly or indirectly transferred to ratepayers.

Q. Do you have any adjustments to your calculation within the Benefits Analysis (Figure 3)⁷ from your direct testimony

A. Yes, I do. In consideration of Mr. Packer’s rebuttal comments concerning the Revenue Deficiency from Figure 2, I have revised my analysis to include the Revenue Deficiency of \$1,408,000 as posted by Aqua.

In Figure 3 below, using the same 10-year NPV approach used by Aqua for avoided rate increases, I calculated the NPV of the Revenue Deficiency, discounted at 8%, to be negative \$9,447,795. This contrasts to the Ratepayer Benefits NPV of \$1,053,234, resulting in a negative financial impact to ratepayers of negative \$8,394,561.

⁷ Direct Testimony of Jason Hails, OSBA Statement No. 1, Page 10.

98 **Figure 3**

Quantiv Revised Benefits Analysis (Surrebuttal)		Annual	10-year NPV	Representative Discount Rate
Ratepayers Benefits	Interest Savings	\$68,790	\$461,787	8%
	Avoided Rate Increases	N/A	<u>\$591,447</u>	Aqua Rate
	Total Benefits		\$1,053,234	
Rate Impact	Revenue Deficiency	(\$1,408,000)	<u>(\$9,447,795)</u>	8%
Total Net Rate Impact			(\$8,394,561)	

99

100

101 Based on the Total Net Rate Impact in Figure 3, the transaction demonstrates a large
102 negative financial public impact.

103

104 For comparison purposes, as shown in Figure 4 below, I also re-calculated the NPV
105 using all of the Public Benefits incorporated by Aqua, including Interest Income,
106 Interest Savings, Property Tax Received and Avoided Rate Increases.

107

108 **Figure 4**

Quantiv Revised Benefits Analysis (Surrebuttal)		Annual	10-year NPV	Representative Discount Rate
For comparison purposes only				
Ratepayers Benefits	Interest Income	\$540,341	\$3,625,732	8%
	Interest Savings	\$68,790	\$461,787	8%
	Property Tax	\$19,381	\$130,048	8%
	Avoided Rate Increases	N/A	<u>\$591,447</u>	Aqua Rate
	Total Benefits		\$4,809,014	
Rate Impact	Revenue Deficiency	(\$1,408,000)	<u>(\$9,447,795)</u>	8%
Total Net Rate Impact			(\$4,638,780)	

109

110

111 Figure 4 analysis demonstrates that even if we include all Aqua-claimed financial benefits

112 of the transaction, there is still a large negative financial public impact of \$4,638,780.

113

114 **Q. What is are your conclusions and recommendations related to the revised Public**
115 **Benefit Analysis?**

116 A. My conclusion is that the transaction does not demonstrate a financial net benefit to
117 ratepayers, and in fact confers a large negative financial impact.

118

119 Should the transaction be approved in spite of the large negative financial impact, my
120 recommendation is that the purchase price be reduced by the amount of negative
121 financial impact NPV deemed reasonably calculated by the Commission, between \$4.6
122 million and \$8.4 million based on calculations in Figures 3 and 4.

123

124 **Q. Does this conclude your surrebuttal testimony?**

125 A. Yes.

OSBA WORKPAPERS

For

OSBA Statement No. 1-SR

SURREBUTTAL TESTIMONY OF JASON HAILS***

- Aqua A-2024-3049015 - OSBA St. No. 1-SR Worksheet - October 1 2025 100325

***** OSBA Workpapers are in excel format ONLY; therefore, will be served via electronic means ONLY, and will be served simultaneous to service of OSBA Statement No. 1-SR, Surrebuttal Testimony of Jason Hails ONLY*****

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Aqua Pennsylvania, Inc.	:	Docket No. A-2024-3049015
(hereinafter referred to as “Aqua”,	:	
“Company” or “Applicant”) pursuant to	:	
Sections 1102 and 1329 of the Public	:	
Utility Code for: (1) approval of the	:	
acquisition by Aqua of the water system	:	
assets of the Municipal Authority of the	:	
Borough of Greenville (“GWA”) situated	:	
within the Borough of Greenville,	:	
Hempfield Township, Sugar Grove	:	
Township, and West Salem Township,	:	
Mercer County, Pennsylvania; (2)	:	
approval of the right of Aqua to begin	:	
to offer, render, furnish and supply water	:	
service to the public in the Borough of	:	
Greenville, Hempfield Township, Sugar	:	
Grove Township, and West Salem	:	
Township, Mercer County,	:	
Pennsylvania; and (3) an order approving	:	
the acquisition that includes the	:	
ratemaking rate base of the GWA water	:	
system assets pursuant to Section	:	
1329(c)(2) of the Public Utility Code &	:	
Request for Approval of Contracts,	:	
including Assignments of Contracts,	:	
between Aqua and the GWA,	:	
Pursuant to Section 507 of the	:	
Public Utility Code	:	

VERIFICATION

I, Jason Hails, hereby state that the facts set forth in my Surrebuttal Testimony, labelled OSBA Statement No. 1-SR, 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).

Date: October 1, 2025



Jason Hails

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Aqua Pennsylvania, Inc. : Docket No. A-2024-3049015
(hereinafter referred to as “Aqua”, :
“Company” or “Applicant”) pursuant to :
Sections 1102 and 1329 of the Public :
Utility Code for: (1) approval of the :
acquisition by Aqua of the water system :
assets of the Municipal Authority of the :
Borough of Greenville (“GWA”) situated :
within the Borough of Greenville, :
Hempfield Township, Sugar Grove :
Township, and West Salem Township, :
Mercer County, Pennsylvania; (2) :
approval of the right of Aqua to begin :
to offer, render, furnish and supply water :
service to the public in the Borough of :
Greenville, Hempfield Township, Sugar :
Grove Township, and West Salem :
Township, Mercer County, :
Pennsylvania; and (3) an order approving :
the acquisition that includes the :
ratemaking rate base of the GWA water :
system assets pursuant to Section :
1329(c)(2) of the Public Utility Code & :
Request for Approval of Contracts, :
including Assignments of Contracts, :
between Aqua and the GWA, :
Pursuant to Section 507 of the :
Public Utility Code :

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

The Honorable Katrina L. Dunderdale
Administrative Law Judge
Pennsylvania Public Utility Commission
Piatt Place
301 Fifth Avenue, Suite 220
Pittsburgh, PA 15222
kdunderdal@pa.gov

Legal Assistant, Kayla Loukas
kloukas@pa.gov

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Courtney.schultz@saul.com

Alexander R. Stahl, Esquire
Aqua Pennsylvania Wastewater, Inc.
762 West Lancaster Avenue
Bryn Mawr, PA 19010
astahl@aquaamerica.com

Date: October 3, 2025

/s/ Rebecca Lyttle

Rebecca Lyttle
Assistant Small Business Advocate
Attorney ID No. 201399

APPENDIX A

Third Interim Order (dated October 10, 2025)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Aqua Pennsylvania, Inc.,	:	
pursuant to Sections 1102 and 1329 of the	:	
Public Utility Code for: (1) Approval of its	:	A-2024-3049015
Acquisition of the Water System Assets of the	:	
Greenville Municipal Water Authority	:	
Situated within the Borough of Greenville,	:	
Hempfield Township, and West Salem Township,	:	
Mercer County, Pennsylvania; (2) Approval of the	:	
Right to Begin to Offer, Render, Furnish and	:	
Supply Water Service to the Public in the Borough	:	
Of Greenville, Hempfield Township, and West	:	
Salem Township, Mercer County, Pennsylvania;	:	
And (3) an Order Approving the Acquisition that	:	
Includes the Ratemaking Rate Base of the Water	:	
System Assets pursuant to Section 1329(c)(2) of the	:	
Public Utility Code.	:	
Request for Approval of Contracts, including	:	
Assignments of Contracts, between Aqua	:	
Pennsylvania, Inc., and the Municipal Authority of	:	
The Borough of Greenville, pursuant to Section 507	:	
Of the Public Utility Code.	:	

THIRD INTERIM ORDER
Granting Joint Stipulation
for Admission of Evidence

On May 14, 2024, Aqua Pennsylvania, Inc. (Aqua PA) filed with the Pennsylvania Public Utility Commission (the Commission) its Notice of Licensed Engineer and Utility Valuation Expert Engagement Concerning Acquisition of the Greenville Water Authority, Water Treatment and Distribution System.

On April 25, 2025, Aqua Pennsylvania, Inc. (Aqua PA) filed with the Commission an Application requesting approval of its acquisition of the water system assets of the Municipal Authority of the Borough of Greenville (GWA) pursuant to Sections 1102 and

1329 of the Public Utility Code (the Code). The Application included a request the Commission approve certain municipal contracts, between Aqua PA and GWA, pursuant to Section 507 of the Code.

On June 30, 2025, the Commission issued a Secretarial Letter which, *inter alia*, conditionally accepted the Application for filing. On August 11, 2025, the Commission issued a Secretarial Letter by which the Commission informed Aqua PA that the Commission had accepted the Application for filing.

On September 10, 2025, the presiding officer conducted the prehearing conference at which the following parties participated: Aqua PA, the Borough of Greenville, GWA, BIE, OCA, and OSBA.

On September 22, 2025, the Prehearing Order was issued in the above cited case, which commemorated discussions between the parties and the presiding officer at the Prehearing Conference. A litigation schedule was established, and evidentiary hearings were scheduled to be held on October 9, 2025, and October 10, 2025, in Harrisburg, Pennsylvania.

On October 7, 2025, the parties filed a Joint Motion for Cancellation of Evidentiary Hearings (Cancellation Motion) and, additionally, joined in the Joint Stipulation for the Admission of Evidence (Joint Stipulation). The parties to the Cancellation Motion and the Joint Stipulation were Aqua Pennsylvania, Inc., the Office of Consumer Advocate, the Office of Small Business Advocate, the Bureau of Investigation and Enforcement, the Borough of Greenville and the Municipal Authority of the Borough of Greenville.

On October 7, 2025, the presiding officer issued the Second Interim Order which cancelled the evidentiary hearings because: (1) the parties agreed to waive cross-examination questions of all witnesses who filed testimony; (2) the parties stipulated to the admission of the written statements and exhibits served during this proceeding; and (3) the request was unanimous.

The parties appended the Joint Stipulation to the Joint Motion, marked as Appendix A. In Appendix A, the parties specified the documentation to be admitted into the hearing record in this proceeding, pursuant to the parties' agreement in the Joint Stipulation.

THEREFORE,

IT IS ORDERED:

1. That the documentation submitted by the parties is marked as listed in Appendix A, attached hereto, and is hereby admitted into evidence, pursuant to 52 Pa.Code § 5.403(a)(1) and § 5.404;

2. That the Joint Stipulation for Admission of Evidence, filed on October 7, 2025, and the filings, statements, and exhibits listed therein are admitted into the record of this proceeding on the terms and conditions set forth in the Joint Stipulation for Admission of Evidence; and

3. That each party with a filing, statement and/or exhibit, listed in Appendix A of the Joint Stipulation and attached hereto as Appendix A, shall cause to be filed the party's filing, statement and/or exhibit with the Secretary's Bureau of the Commission, with this Interim Order attached.

4. That each party is separately responsible to ensure each filing, statement and exhibit is properly labeled, pursuant to the Protective Order issued on September 23, 2025, and filed appropriately with the Secretary's Bureau.

Date: October 10, 2025

_____/s/
Katrina L. Dunderdale
Administrative Law Judge

Appendix A

Exhibit No.	Party	Exhibit Description
1.	Aqua	Application with Exhibits A – II filed on April 25, 2025 ¹
2.	Aqua	Letter to Sec. Homsher encl. Aqua’s Responses, Supplemental Information, and Updates to Application Exhibits to TUS Information Request Nos. 1-10, filed on June 13, 2025 ²
3.	Aqua	Letter to Sec. Chiavetta encl. Aqua’s Responses, Supplemental Information, and Updates to Application Exhibits to TUS Information Request No. 3 filed on June 23, 2025
4.	Aqua	Letter to Sec. Chiavetta encl. Aqua’s Responses, Supplemental Information, and Updates to Application Exhibits to TUS Information Request No. 9 filed on June 25, 2025
5.	Aqua	Application Ex. Y – Verified Updated Direct Testimony of William C. Packer, including Appendices A and B (Aqua Statement No. 1) ³
6.	Aqua	Application Ex. Z – Verified Updated Direct Testimony of Zach Martin (Aqua Statement No. 2) (adopted by Todd M. Duerr) (Public) ⁴
7.	Aqua	Application Ex. Z – Verified Updated Direct Testimony of Zach Martin (Aqua Statement No. 2) (adopted by Todd M. Duerr) (Highly Confidential) ⁵
8.	Aqua	Application Ex. AA – Verified Direct Testimony of Scott Steffy, including Appendix A (Aqua Statement No. 3)
9.	Aqua	Application Ex. BB – Verified Direct Testimony of Sumit Nair (Aqua Statement No. 4) (Public)
10.	Aqua	Application Ex. BB – Verified Direct Testimony of Sumit Nair (Aqua Statement No. 4) (Highly Confidential)
11.	Aqua	Application Ex. CC – Verified Direct Testimony of Rita Black (Aqua Statement No. 5)
12.	Aqua	Application Ex. DD – Verified Updated Direct Testimony of Harold Walker, III, including Appendix HW-1 (Aqua Statement No. 6) ⁶
13.	Aqua	Verified Rebuttal Testimony of William C. Packer, including WCP-1-R (Aqua Statement No. 1-R)
14.	Aqua	Verified Rebuttal Testimony of Todd Duerr (Aqua Statement No. 2-R)
15.	Aqua	Verified Rebuttal Testimony of Rita Black (Aqua Statement No. 5-R)

¹ Includes public and confidential versions of Exhibits and Supporting Workpapers filed confidentially with the Commission on April 25, 2025.

² Includes public and confidential versions of information filed confidentially with the Commission on June 13, 2025.

³ Exhibit Y is the version as updated on June 13, 2025.

⁴ Exhibit Z is the version as updated on June 13, 2025.

⁵ Exhibit Z is the version as updated on June 13, 2025.

⁶ Exhibit DD is the version as updated on June 13, 2025.

Exhibit No.	Party	Exhibit Description
16.	Aqua	Verified Rebuttal Testimony of Harold Walker, III (Aqua Statement No. 6-R)
17.	Aqua	Verified Rejoinder Testimony of William C. Packer (Aqua Statement No. 1-RJ)
18.	GWA	Application Ex. V – Verified Direct Testimony of Thomas Strahler, (Greenville Statement No. 1)
19.	GWA	Application Ex. W – Verified Direct Testimony of Jasson W. Urey, including Appendix A (Greenville Statement No. 2)
20.	GWA	Application Ex. X – Verified Updated Direct Testimony of Dylan D’Ascendis, including Attachment A (Greenville Statement No. 3) ⁷
21.	GWA	Verified Rebuttal Testimony of Thomas Strahler (Greenville Statement No. 1-R)
22.	GWA	Verified Rebuttal Testimony of Jasson Urey (Greenville Statement No. 2-R)
23.	GWA	Verified Rebuttal Testimony of Dylan D’Ascendis (Greenville Statement No. 3-R)
24.	OCA	Verified Direct Testimony of David J. Garrett (OCA Statement No. 1) with Exhibits DJG-1 through DJG-14.
25.	OCA	Verified Surrebuttal Testimony of David J. Garrett (OCA Statement No. 1-SR)
26.	I&E	Verified Direct Testimony of Esyan A. Sakaya including Appendix A (I&E Statement No. 1)
27.	I&E	Verified Direct Testimony of Vanessa Okum including Appendix A (I&E Statement No. 2)
28.	I&E	Verified Surrebuttal Testimony of Esyan A. Sakaya (I&E Statement No. 1-SR)
29.	I&E	Verified Surrebuttal Testimony of Vanessa Okum (I&E Statement No. 2-SR)
30.	OSBA	Verified Direct Testimony of Jason Hails with associated Exhibit JH-1 (OSBA Statement No. 1)
31.	OSBA	Verified Surrebuttal Testimony of Jason Hails (OSBA Statement No. 1-SR)

⁷

Exhibit X is the version as updated on June 13, 2025.

A-2024-3049015 - APPLICATION OF AQUA PENNSYLVANIA, INC., PURSUANT TO SECTIONS 1102 AND 1329 OF THE PUBLIC UTILITY CODE FOR: (1) APPROVAL OF ITS ACQUISITION OF THE WATER SYSTEM ASSETS OF THE GREENVILLE MUNICIPAL WATER AUTHORITY SITUATED WITHIN THE BOROUGH OF GREENVILLE, HEMPFIELD TOWNSHIP, AND WEST SALEM TOWNSHIP, MERCER COUNTY, PENNSYLVANIA; (2) APPROVAL OF THE RIGHT TO BEGIN TO OFFER, RENDER, FURNISH AND SUPPLY WATER SERVICE TO THE PUBLIC IN THE BOROUGH OF GREENVILLE, HEMPFIELD TOWNSHIP, AND WEST SALEM TOWNSHIP, MERCER COUNTY, PENNSYLVANIA; AND (3) AN ORDER APPROVING THE ACQUISITION THAT INCLUDES THE RATEMAKING RATE BASE OF THE WATER SYSTEM ASSETS PURSUANT TO SECTION 1329(C)(2) OF THE PUBLIC UTILITY CODE.
REQUEST FOR APPROVAL OF CONTRACTS, INCLUDING ASSIGNMENTS OF CONTRACTS, BETWEEN AQUA PENNSYLVANIA, INC., AND THE MUNICIPAL AUTHORITY OF THE BOROUGH OF GREENVILLE, PURSUANT TO SECTION 507 OF THE PUBLIC UTILITY CODE.

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Aqua Pennsylvania, Inc. : Docket No. A-2024-3049015
(hereinafter referred to as “Aqua”, :
“Company” or “Applicant”) pursuant to :
Sections 1102 and 1329 of the Public :
Utility Code for: (1) approval of the :
acquisition by Aqua of the water system :
assets of the Municipal Authority of the :
Borough of Greenville (“GWA”) situated :
within the Borough of Greenville, :
Hempfield Township, Sugar Grove :
Township, and West Salem Township, :
Mercer County, Pennsylvania; (2) :
approval of the right of Aqua to begin :
to offer, render, furnish and supply water :
service to the public in the Borough of :
Greenville, Hempfield Township, Sugar :
Grove Township, and West Salem :
Township, Mercer County, :
Pennsylvania; and (3) an order approving :
the acquisition that includes the :
ratemaking rate base of the GWA water :
system assets pursuant to Section :
1329(c)(2) of the Public Utility Code & :
Request for Approval of Contracts, :
including Assignments of Contracts, :
between Aqua and the GWA, :
Pursuant to Section 507 of the :
Public Utility Code :

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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Date: October 15, 2025

/s/ Rebecca Lyttle

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