

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

Public Meeting held October 23, 2025

Commissioners Present:

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

SCH USA, LLC

C-2022-3036893

C-2022-3037118

v.

Aqua Pennsylvania Wastewater, Inc.

OPINION AND ORDER

BY THE COMMISSION:

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition is the Petition for Reconsideration (Petition) filed by SCH USA, LLC (SCH USA) on July 25, 2025, seeking reconsideration of the Commission's Opinion and Order entered on July 10, 2025 (*July 2025 Order*), relative to the above-captioned proceeding, which adopted the Initial Decision (I.D.) of Administrative Law Judge (ALJ) John M. Coogan, issued on April 24, 2025. On August 4, 2025, Aqua Pennsylvania Wastewater, Inc. (Aqua or Company) filed an Answer to the Petition. For the reasons stated below, we shall deny the Petition.

I. Background and Procedural History

By way of background, SCH USA is a commercial wastewater customer of Aqua that owns and operates a large commercial resort property known as the Split Rock Resort (the Resort),¹ which is located in Lake Harmony, Kidder Township, Carbon County, Pennsylvania. SCH USA St. 1 at 2. Aqua provides wastewater collection and treatment services to SCH USA, which owns and operates its own sewer collection system on its property that discharges to the Company's wastewater system. Water for the Resort is provided by private wells which SCH USA acquired when it purchased the Resort in October 2020. SCH USA M.B. at 1-2.

As a result of recent and prior acquisitions of wastewater systems, Aqua's wastewater rates are comprised of several varying rate structures, including fixed customer or Equivalent Dwelling Unit (EDU) charges, plus usage charges, unmetered flat rates, and structures with minimum usage allowances.

Aqua became the wastewater service provider for the Resort as a result of Aqua's Commission-approved acquisition of Kidder Township's wastewater assets

¹ The Resort consists of the following buildings and amenities: (1) Willowbrook, a resort hotel with 256 guest rooms; (2) the Galleria, a resort hotel with 77 guest rooms and 8 VIP rooms, as well as other features including a food court, shops, restaurants, movie theater, racquetball court, waterpark, indoor pool, lobby, bar, and large meeting space; (3) the Lodge, a luxury resort hotel with 50 hotel rooms, a restaurant and a meeting room; and (4) a laundry that serves the Resort properties. *See* SCH USA St. 1 at 2.

in 2012.² Aqua M.B. at 8 (citing Aqua Exh. CM-1). SCH USA is located in Rate Zone 4 of the Company’s current wastewater tariff, and since SCH USA does not currently have metered water service, it is billed a monthly flat rate for unmetered wastewater service based on predetermined EDUs, totaling 330 EDUs, as follows:³

Willowbrook at Lake Harmony	128 EDUs
Galleria and the Water Park	145 EDUs
The Lodge	53 EDUs
Laundry (serves the above premises)	<u>4 EDUs</u>
Total EDUs Charged to SCH USA	330 EDUs

See Aqua St. 1 at 3-5. Aqua currently charges SCH USA \$144.17 per EDU (excluding the Distribution System Improvement Charge (DSIC)), which recently increased from \$131.00 per EDU, as approved by the Commission in Aqua’s most recent base rate proceeding, at Docket Nos. R-2024-3047822 and R-2024-3047824. See *Pa. PUC, et al. v. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.*, Docket Nos. R-2024-3047822 and R-2024-3047824, *et al.* (Opinion and Order entered

² See *Application of Little Washington Wastewater Co. for approval of the acquisition by Little Washington of the wastewater system assets of the Twp. of Kidder situated in a portion of Kidder Twp., Carbon Cnty., PA and the Right of Little Washington to supply wastewater service to the public in an additional portion of Kidder Township, Carbon Cnty., PA*, Docket No. A-2012-2298067 (Order entered July 19, 2012) (*Kidder Township Order*). Little Washington Wastewater Company (LWWC) is a subsidiary of Aqua. Pursuant to a Notice of Name Change filed on November 26, 2013, the Company changed the name of LWWC to Aqua Pennsylvania Wastewater, Inc., *i.e.*, Aqua Wastewater. See Docket No. R-2013-2395509.

³ The EDUs assigned to SCH USA were determined during litigation initiated in 2007 between a prior owner of the Resort and the Township of Kidder. During the course of that proceeding, the litigants reached a settlement agreement (Kidder Settlement) on several issues, including the number of EDUs that would be used in calculating the Resort’s wastewater charges. See SCH USA Exh. FL-1, Release and Settlement Agreement, *Vacation Charters LTD., Split Rock Country Club, Inc., Summit Management & Utilities, Inc. v. Kidder Township*, In the Court of Common Pleas of Carbon County, Pennsylvania, Docket No. CV-07-4079.

February 7, 2025) (*Aqua 2024 Rate Case*) and the Order on Reconsideration of the Commission Order in the *Aqua 2024 Rate Case* (Opinion and Order entered April 10, 2025) (*Aqua 2024 Reconsideration Order*).⁴ See also Tariff Sewer – PA P.U.C. No. 4 (Tariff Sewer No. 4) at Original Page 26, effective February 22, 2025.

On November 21, 2022, SCH USA filed a Formal Complaint against Aqua at Docket No. C-2022-3036893 (First Complaint), concerning unmetered wastewater service to three separate accounts at three separate service locations. On November 29, 2022, SCH USA filed a separate Formal Complaint against Aqua at Docket No. C-2022-3037118 (Second Complaint),⁵ concerning unmetered wastewater service to one account at one service location.⁶ In both Complaints, SCH USA: (1) alleged that Aqua was threatening to, or had already, shut off its service; (2) alleged that Aqua was incorrectly charging for unmetered wastewater service;⁷ (3) alleged that Aqua has been unapproachable and has not responded directly to its request to be charged on a metered basis; and (4) requested a payment agreement. Complaints at ¶ 4. For the requested relief, SCH USA set forth the following, *inter alia*: (1) that it would like to be

⁴ SCH USA filed a Petition for Reconsideration on February 24, 2025, seeking reconsideration of the Commission Order in the *Aqua 2024 Rate Case* (SCH USA Petition), specifically requesting that the Commission reconsider permitting Aqua to maintain its current practice of billing SCH USA using a flat rate for unmetered wastewater service based on EDUs. In our *Aqua 2024 Reconsideration Order*, we declined to exercise our discretion to reconsider our Order in the *Aqua 2024 Rate Case*, finding that the SCH USA Petition did not raise any new or novel arguments, or considerations that were not addressed by the Commission Order in the *Aqua 2024 Rate Case*. *Aqua 2024 Reconsideration Order* at 52-58.

⁵ On December 7, 2022, the Second Complaint was served on Aqua for an answer due within twenty (20) days.

⁶ SCH USA noted that the bills for the Laundry are no longer in dispute. SCH USA St. 1 at 6.

⁷ SCH USA claimed it was being incorrectly charged because it was being charged pursuant to a settlement agreement that neither of the Parties have agreed to and contended that its actual wastewater usage is far less than the volume reflected in the unmetered rate. Complaints at ¶ 5.

charged on a metered basis going forward; and (2) that it be issued a payment arrangement.⁸ *Id.* at ¶ 5.

On December 12, 2022 and December 27, 2022, in response to the First Complaint and Second Complaint, respectively, Aqua filed Answers and New Matters, both properly endorsed with a Notice to Plead. In both Answers, Aqua averred that SCH USA is billed under Rate Zone 4, pursuant to the Company's Commission-approved tariff, and denied there were any incorrect charges on the accounts. Aqua also denied that the Commission can direct a payment arrangement for SCH USA because it is not a residential customer. Answers at ¶ 4. In both New Matters, Aqua averred that the Complainant did not allege that the Company has violated the Public Utility Code (Code), a Commission Regulation or Order, or Aqua's Commission-approved tariff. *Id.* at ¶ 11.

On December 29, 2022, the Complainant filed a reply to both of Aqua's New Matters. Therein, SCH USA alleged that it was being incorrectly charged based on the number of EDUs included in a settlement agreement, rather than the Company applying the definition of EDU contained in Aqua's tariff. Reply to Answers at ¶ 11.

On January 4, 2023, the Commission issued an Initial Telephonic Hearing Notice scheduling this matter for an evidentiary hearing on March 17, 2023, and assigning ALJ Coogan as the Presiding Officer. On January 6, 2023, a Prehearing and Consolidation Order was issued setting forth the procedural rules that would govern the hearing and consolidating the two Complaints for litigation purposes.

⁸ During the Telephonic Prehearing Conference, SCH USA agreed to withdraw its request for a Commission-issued payment arrangement.

On March 10, 2023, the Commission issued a Hearing Type Change Notice, converting the March 17, 2023, evidentiary hearing to a Telephonic Prehearing Conference.

On March 17, 2023, the Telephonic Prehearing Conference was held as scheduled, at which the Parties discussed settlement, witnesses, presently identified issues, and a litigation schedule. On March 17, 2023, the Commission issued a Scheduling Order, setting April 17, 2023 as the date by which Aqua should file a motion regarding issues it wished to resolve prior to scheduling an evidentiary hearing.

On April 17, 2023, Aqua filed a Motion for Judgment on the Pleadings. On May 8, 2023, SCH USA filed an Answer to the Motion for Judgment on the Pleadings. By Order dated May 22, 2023, Aqua's Motion for Judgment on the Pleadings was denied.

By Order dated May 31, 2023, ALJ Coogan stayed this proceeding and directed each Party to provide a status report by June 30, 2023. Subsequent to the May 31, 2023 Order, the Parties continued to engage in settlement discussions and provided several status reports by e-mail indicating that settlement discussions were ongoing. By Order dated January 11, 2024, the litigation schedule agreed to by the Parties was memorialized and provided further instructions regarding this proceeding.

By Order dated June 5, 2024, ALJ Coogan adopted a new litigation schedule, as agreed to by the Parties.

On July 11, 2024, Aqua filed a Motion to Consolidate SCH USA's First and Second Complaints with the *Aqua 2024 Rate Case*. Also on July 11, 2024, Aqua filed a Motion to Stay the Procedural Schedule in the Formal Complaint proceedings (Motion to Stay) because of its pending Motion to Consolidate.

On July 31, 2024, SCH USA filed Answers to both Aqua's Motion to Consolidate and Motion to Stay. On August 12, 2024, the Commission issued an Order denying Aqua's Motion to Consolidate and Motion to Stay.

An evidentiary hearing was held on September 24, 2024. During the hearing, the Parties' pre-served testimony and exhibits were admitted into the record.

On January 9, 2025, SCH USA and Aqua filed Main Briefs. On January 29, 2025, SCH USA and Aqua filed Reply Briefs.

On January 31, 2025, SCH USA filed a Motion to Strike portions of Aqua's Reply Brief. On February 20, 2025, Aqua filed an Answer to the Motion to Strike.

Also, on February 20, 2025, Aqua filed a Motion for Notice of the *Aqua 2024 Rate Case*. On March 12, 2025, SCH USA filed an Answer to the Motion for Notice.

On April 23, 2025, the Commission issued an Order granting SCH USA's Motion to Strike and denying Aqua's Motion for Notice.

On April 24, 2025, the Commission issued the Initial Decision of ALJ Coogan, wherein he dismissed both Complaints for failure of the Complainant to carry its burden of proof. *See* I.D. at 1, 15-18, 20.

As noted, *supra*, the Complainant filed Exceptions on May 14, 2025. Aqua filed Replies to Exceptions on May 27, 2025.

On July 10, 2025, the Commission entered its *July 2025 Order*, denying SCH USA's Exceptions, dismissing SCH USA's Formal Complaints, and adopting the ALJ's Initial Decision.

As previously noted, SCH USA filed its Petition on July 25, 2025, seeking reconsideration of the *July 2025 Order*. The Company filed an Answer to the Petition on August 4, 2025.

By Opinion and Order entered July 28, 2025, we granted reconsideration of the *July 2025 Order* pending further review of, and consideration on, the merits, pursuant to Pa. R.A.P. 1701(b)(3).

II. Discussion

A. Legal Standards

With respect to petitions for rehearing, reconsideration, rescission, and amendment of Commission orders, the Code establishes a party's right to seek relief within fifteen days following the service of a Commission order pursuant to Subsection 703(f). 66 Pa.C.S. § 703(f) (relating to rehearing).⁹ Upon the filing of a petition for relief pursuant to Section 703(f), the Commission may affirm, rescind, or modify its original order. 66 Pa.C.S. § 703(f). The Code further provides that the Commission may, at any time, after notice and opportunity to be heard by all affected parties, rescind or amend any order made by the Commission, pursuant to Section 703(g). 66 Pa.C.S. § 703(g) (relating to rescission and amendment of orders). A request for relief

⁹ Petitions under this section which do not allege new evidence are typically treated as petitions for reconsideration. Petitions for rehearing pursuant to Section 703(f) of the Code typically include an allegation of new evidence. 66 Pa.C.S. § 703(f); see *West Penn Power Co. v. Pa. PUC*, 659 A. 2d 1055 (Pa. Cmwlth. 1995).

pursuant to § 703(f) or § 703(g) must be brought as a petition for relief consistent with Section 5.572 of Commission Regulations. 52 Pa. Code § 5.572 (relating to petitions for relief).

Petitions for relief predicated upon Sections 703(f) and 703(g) of the Code, whether brought under Section 5.572(c) of Commission Regulations as a petition for reconsideration, rehearing, reargument, clarification, supersedeas, or others within fifteen days of the service of a Commission order, or under Section 5.572(d) as a petition for rescission or amendment filed at any time following service of a Commission order, are reviewed by the Commission as matters seeking relief falling within the agency's discretion.

The Commission's application of the standard for granting a petition for amendment, reconsideration, or rescission is set forth in *Philip Duick, et al. v. Pennsylvania Gas and Water Company*, 56 Pa. P.U.C. 553 (1982) (*Duick*) as follows:

A petition for reconsideration, under the provisions of 66 Pa.C.S. § 703(g), may properly raise any matters designed to convince the Commission that it should exercise its discretion under this code section to rescind or amend a prior order in whole or in part on the grounds that the decision or ruling of the Commission on a matter or issue was either unwise or in error.

In this regard we agree with the Court in the *Pennsylvania Railroad Company* case, wherein the Court said,

[b]ut the grounds for reconsideration should be restricted to the new matters and new or changed conditions set up in the joint petition, which had arisen since and were not presented in the several petitions of these appellants ... and dismissed by the Commission ... and not appealed from. Parties, ..., cannot be permitted, by a second motion to review and reconsider, to

raise the same questions which were specifically considered and decided against them and not appealed from. ...

Pennsylvania Railroad Co. v. Public Service Commission, [179 A. 850, 854 (Pa. Super. 1935)].

What we expect to see raised in such petitions are new and novel arguments, not previously heard, or considerations which appear to have been overlooked or not addressed by the Commission. Absent such matters being presented, we consider it unlikely that a party will succeed in persuading us that our initial decision on a matter or issue was either unwise or in error.

Duick at 559; see also, *AT&T v. Pa. PUC*, 568 A.2d 1362 (Pa. Cmwlth. 1990).

The Commission utilizes a two-step analysis in determining whether to exercise its discretion to grant relief under *Duick*. See, e.g., *SBG Management Services, Inc./Colonial Garden Realty Co., L.P. v. Philadelphia Gas Works*, Docket Nos. C-2012-2304183 and C-2012-2304324 (Opinion and Order entered May 9, 2019)¹⁰ at 4-5 (discussing *Application of La Mexicana Express Service, LLC, to transport persons in paratransit service, between points within Berks County*, Docket No. A-2012-2329717; A-6415209 (Opinion and Order entered September 11, 2014)). The first step is to determine whether a party has offered any basis to persuade the Commission to exercise its discretion, including but not limited to, new and novel arguments or identified considerations that appear to have been overlooked or not addressed by the Commission in its previous order. This initial step examines whether a party raises the same questions which were specifically considered and decided against them by a prior Order of the Commission. If so, it is unlikely that the Commission will be persuaded to exercise its discretion to grant relief. *Duick* at 559 (citing *Pennsylvania Railroad Co. v.*

¹⁰ *Affirmed, Phila. Gas Works v. Pa. PUC*, 249 A.3d 963 (Pa. 2021), remand granted, in part, 256 A.3d 1092 (Pa. 2021) (Table).

Public Service Commission, 179 A. 850 (Pa. Super. 1935)). The second step of the *Duick* analysis is to evaluate any matter the Commission has deemed worthy of consideration, to determine whether to grant any relief.

Finally, we note that any argument not specifically delineated shall be deemed to have been duly considered and denied without further discussion. The Commission is not required to consider expressly or at length each contention or argument raised by the parties. *Consolidated Rail Corp. v. Pa. PUC*, 625 A.2d 741 (Pa. Cmwlth. 1993); *see also, generally, University of Pennsylvania v. Pa. PUC*, 485 A.2d 1217 (Pa. Cmwlth. 1984).

B. *July 2025 Order*

In the *July 2025 Order*, after full consideration of the arguments SCH USA had raised before the ALJ and on Exceptions, we denied SCH USA's Exceptions, adopted ALJ Coogan's Initial Decision, and dismissed the Complaints. *July 2025 Order* at 23-24. Additionally, noting that the ALJ had made sixteen Findings of Fact and reached eleven Conclusions of Law, those Findings of Fact and Conclusions of Law were incorporated by reference into the *July 2025 Order*. We noted that such Findings of Fact and Conclusions of Law were adopted without comment unless they were expressly or by necessary implication overruled or modified therein. *Id.* at 11-12.

We recognized that the ALJ had ruled in the Initial Decision to dismiss the Complaints, given his finding that SCH USA failed to carry its burden of proof that the rates it has been and is being charged violated 66 Pa.C.S. § 1301. We noted our concurrence with the following findings of the ALJ:

- Many arguments raised in this proceeding were similarly rejected by the Commission in the *Aqua 2024 Rate Case*.

- The number of EDUs were reviewed and authorized in *Pa. PUC, et al. v. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.*, Docket Nos. R-2018-3003558 and R-2018-3003561, *et al.* (Order entered May 9, 2019) (*Aqua 2018 Rate Case*), *Pa. PUC, et al. v. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.*, Docket Nos. R-2021-3027385 and R-2021-3027386, *et al.* (Order entered May 16, 2022) (*Aqua 2021 Rate Case*).
- Aqua’s wastewater treatment plant is designed to treat 100% of every customer’s flow and cannot adjust its wastewater treatment capacity to match variations in the resort occupancy. Therefore, it is reasonable to bill them assuming 100% occupancy of the Resort.
- While the Commission has expressed its preference for volumetric billing, as opposed to flat-rate billing, it has acknowledged the standard industry practice of flat-rate billing where metered water information is unavailable.
- Metered billing is not possible where neither SCH USA’s water or wastewater usage is currently metered and the Commission has not authorized metering wastewater service.
- SCH USA did not carry the high burden of proving that circumstances have changed so drastically that the complained of tariff provisions approved in the *Aqua 2018 Rate Case* and the *Aqua 2021 Rate Case* are unreasonable.

July 2025 Order at 14-15, 17-23 (citing I.D. at 15-18). We further noted that in the *Aqua 2024 Reconsideration Order*, we declined to exercise our discretion to reconsider our Order in the *Aqua 2024 Rate Case*, finding no new or novel arguments or any considerations overlooked by the Commission. *July 2025 Order* at 23 (citing *Aqua 2024 Reconsideration Order* at 58).

Accordingly, we denied SCH USA’s Exceptions, affirmed ALJ Coogan’s Initial Decision, and dismissed the Complaints. *July 2025 Order* at 23-24.

C. Petition and Answer

In its Petition, SCH USA raises three arguments regarding its request for reconsideration of the Commission's *July 2025 Order*. First, SCH USA argues that the Commission overlooked that SCH USA's EDUs are not calculated consistent with 25 Pa. Code § 73.17, in violation of Aqua's tariff. Petition at 3. SCH USA contends that Aqua's tariff requires that EDUs be determined based upon the estimated average of daily wastewater flow for the type of business which is calculated by the Pennsylvania Department of Environmental Protection (PA DEP) regulation at 25 Pa. Code § 73.17 and divided by the typical estimated average daily wastewater flow from a current single-family unit. *Id.* at 3-4. SCH USA argues that the EDU definition in Aqua's tariff and the calculation procedure for EDUs established in Aqua's tariff and 25 Pa. Code § 73.17 were not applied or evaluated by the Commission and that the omission of such discussion or misapplication warrants reconsideration. *Id.*

SCH USA claims the difference between what would be charged to SCH USA if the Company's tariff provision was applied as written is significantly lower than the calculation of 330 EDUs SCH USA as assigned under the Kidder Settlement. Petition at 4-5. SCH USA points out that there is more than one potential outcome when calculating the EDUs, as described in 25 Pa. Code § 73.17, depending on how broadly or narrowly "hotel" is defined; however, using the broadest and narrowest definition, the EDU calculations both result in lower EDUs than what SCH USA is currently charged. *Id.* at 5. SCH USA states that Aqua neither disputed the analysis of the proper EDU calculation under Section 73.17, nor did it provide any calculation providing a basis for the current EDUs. SCH USA contends that Aqua and the Commission's *July 2025 Order* rely on the Kidder Settlement as the basis for the current EDUs charged to SCH USA. *Id.*

Second, SCH USA argues that Aqua did not assume SCH USA's EDUs from the Kidder Settlement. According to SCH USA, the EDUs assigned to SCH USA were determined through litigation initiated in 2007 between a prior owner of Split Rock Resort and Kidder Township that resulted in the Kidder Settlement in 2010. Petition at 6. In 2012, SCH USA explains, LWWC purchased the Kidder Township wastewater system, and in the asset purchase agreement (APA), only two paragraphs from the Kidder Settlement transferred to LWWC and neither paragraph included the EDUs for the Split Rock Resort. *Id.* at 6-7. It is SCH USA's position that if LWWC did not assume the portions of the Kidder Settlement relating to the Resort's EDU calculations, then Aqua also did not assume those EDU provisions when it acquired LWWC. *Id.* at 7. SCH USA contends that the Kidder Settlement should have no bearing on the calculations of EDUs for the Resort today and by continuing to rely on this calculation, Aqua is imposing improper charges on SCH USA that are unjust and unreasonable. *Id.* at 8.

Lastly, SCH USA avers that Aqua's prior rate cases did not specifically address SCH USA's EDUs. Petition at 8. SCH USA argues that the Commission did not expressly approve an allocation of costs or EDUs specific to SCH USA in either the *Aqua 2018 Rate Case* or the *Aqua 2021 Rate Case*. Further, SCH USA states that Aqua's current tariff does not include any mention of EDUs specific to SCH USA. *Id.*

As relief, SCH USA asks the Commission to grant its Petition and either direct Aqua to bill SCH USA for 120 EDUs or 206.2 EDUs, as calculated under 25 Pa. Code § 73.17, and adjust SCH USA's bills back to October 29, 2020 or remand this matter for further proceedings to determine the proper number of EDUs, as calculated consistent with Aqua's tariff and Section 73.17. Petition at 9.

In response to SCH USA's Petition, Aqua contends that SCH USA did not meet the legal standard for reconsideration of a Commission's final Order. Answer at 5.

Aqua argues that the reasons for the requested reconsideration were already addressed and dismissed in the *July 2025 Order*, as well as rejected in the *Aqua 2024 Rate Case*. *Id.*

D. Disposition

As stated above, Petitions for Reconsideration are governed by *Duick*, which essentially requires a two-step analysis. First, we determine whether a party has offered new and novel arguments, or identified considerations that appear to have been overlooked or not addressed by the Commission in its previous order. We will not reconsider our previous decision based on arguments that have already been considered. However, we will not necessarily modify our prior decision just because a party offers a new and novel argument or identifies a consideration that was overlooked or not addressed by the Commission in its previous order. The second step of the *Duick* analysis, therefore, is to evaluate the new or novel argument, or overlooked consideration, in order to determine whether to modify our previous decision.

Upon consideration of the Petition and Answer, and the record evidence in this proceeding, we will deny the Petition on the grounds that it fails to persuade us to exercise our discretion to reconsider the *July 2025 Order*. *Duick*. The Petition fails to establish a basis for reconsideration, as SCH USA fails to raise new or novel arguments, not previously heard, or considerations which appear to have been overlooked or not addressed, so as to meet the criteria outlined in *Duick*, for the grant of reconsideration.

In its Petition, SCH USA requests the Commission to reconsider its *July 2025 Order* and find that SCH USA is not being charged for an accurate and reasonable number of EDUs based on the following three reasons. First, SCH USA contends that the Commission overlooked that Aqua's current billing practice as applied to SCH USA violates Aqua's tariff by failing to calculate the EDUs consistent with its

tariff and 25 Pa. Code § 73.17. Petition at 3. Second, SCH USA argues that Aqua did not assume SCH USA's EDUs from the Kidder Settlement. *Id.* at 6. Lastly, according to SCH USA, the Commission did not specifically address SCH USA's EDUs in Aqua's prior rate cases and therefore, SCH USA avers, the Commission did not expressly approve an allocation of costs or EDUs to SCH USA. *Id.* at 8.

Regarding its first argument, that the Commission overlooked that Aqua's current billing practice as applied to SCH USA violates Aqua's tariff, we disagree. In our *July 2025 Order*, we specifically stated that SCH USA is billed under Rate Zone 4 pursuant to the Company's Commission-approved tariff. *July 2025 Order* at 22. Additionally, SCH USA's argument overlooks Aqua's tariff, in which EDU is defined, as follows:

Equivalent Dwelling Unit or "EDU": Except for existing Customers acquired by the Company through a purchase or acquisition and for billing purposes only, the EDU is a measure assigned by the Company based upon the estimated average daily wastewater flow for the type of business, as calculated by the PaDEP regulation at 25 Pa. Code § 73.17(b) divided by the Company's typical estimated average daily wastewater flow from a current single-family unit. Residential Customers are designated as one (1) EDU; however, in the Company's sole discretion, the Company may assign more than one (1) EDU for a residential Property.

For existing customers without a predetermined EDU allocation, the EDU is a measure based upon the estimated average daily wastewater flow for the type of business based on water usage, divided by the typical estimated average daily wastewater flow from a current single-family unit. For other existing customers acquired by the Company through a purchase or acquisition, the number of equivalent dwelling units is available at <https://www.aquawater.com/about/states-we-serve/pennsylvania/index.php>.

Any Customer who modifies their properties in a manner that impacts the EDU calculation, including in areas previously

acquired by the Company, will be subject to the EDU definition described above. The Company will consider a Customer's request for a change in the number of assigned EDU's upon presentation of substantial evidence, satisfactory to the Company in its sole discretion. The Customer shall bear the burden of proof for all such requests.

See Tariff Sewer No. 4 at Original Page 26, effective February 22, 2025 (emphasis added). Aqua's tariff carves out an exception for those existing customers acquired by the Company, such as SCH USA. This means Section 73.13 did not have to be considered for SCH USA's EDU calculation.

Furthermore, after Aqua's acquisition of the system, the Commission approved SCH USA's billing determinants through the Compliance Tariffs filed in the *Aqua 2018 Rate Case*, the *Aqua 2021 Rate Case*, and the *Aqua 2024 Rate Case*, and those rates were determined by the Commission to be just and reasonable. Accordingly, we disagree with the contention of SCH USA that Aqua is not billing SCH USA in accordance with Aqua's tariff and find that the first argument of SCH USA fails to assert any new or novel arguments or considerations which we overlooked and, thus, does not satisfy the *Duick* standard for reconsideration.

Regarding SCH USA's claims that Aqua did not assume SCH USA's EDUs from the Kidder Settlement, we direct SCH USA to our *July 2025 Order* where we addressed a similar argument made by SCH USA. There we explained that it is commonplace with any acquisition for the number of EDUs, or billing determinants, associated with a customer to remain consistent with what the system's previous owner had been charging. *July 2025 Order* at 19. We reasoned that the Commission approved Aqua's acquisition of the Kidder Township wastewater system and found that the Compliance Tariff for the Kidder Township acquisition explicitly listed the number of EDUs associated with the Resort. *Id.* at 20 (citing *Aqua 2024 Rate Case* at 160). The Commission approved SCH USA's EDUs in the *Kidder Township Order*, the

Kidder Township Order – Compliance Tariff, the *Aqua 2018 Rate Case*, the *Aqua 2021 Rate Case*, and the *Aqua 2024 Rate Case*. *July 2025 Order* at 20. SCH USA’s argument fails to acknowledge that the rate applicable to SCH USA has long been established and approved by the Commission. SCH USA’s contention that Aqua bills SCH USA based upon the Kidder Settlement has no merit and has been rejected by the Commission in the *Aqua 2024 Rate Case* and *Aqua 2024 Reconsideration Order*. Accordingly, we decline to exercise our discretion to reconsider this argument again.

Lastly, SCH USA asserts that the Commission did not specifically address SCH USA’s EDUs in Aqua’s prior rate cases and therefore, the Commission did not expressly approve an allocation of costs or EDUs to SCH USA. Again, this argument has been addressed by the Commission in the *Aqua 2024 Rate Case* and the *Aqua 2024 Reconsideration Order*. Specifically, in the *Aqua 2024 Reconsideration Order*, we stated:

We disagree with the contention of SCH USA that the Commission, in the *February 2025 Order*, overlooked the fact that neither the *Aqua 2018 Rate Case* nor the *Aqua 2021 Rate Case* specifically approved an allocation of costs or number of EDUs applicable to SCH USA. Rather, we explained that the EDUs applicable to SCH USA were approved as part of the *Kidder Township Order* proceeding. Additionally, we clarified that it is commonplace with any acquisition for the number of EDUs, or billing determinants, associated with a customer to remain consistent with what the system’s previous owner had been charging. We reasoned that the Commission approved Aqua’s acquisition of the Kidder Township wastewater system and found that the *Kidder Township Order – Compliance Tariff* explicitly listed the number of EDUs associated with the Resort.

Moreover, we determined that in Aqua’s prior two base rate proceedings the EDUs billed to SCH USA’s accounts were included in the revenue requirements set forth in the respective Orders in both the *Aqua 2018 Rate Case* and the *Aqua 2021 Rate Case*. As discussed above, we found those

rates to be just and reasonable and approved them pursuant to the Compliance Tariffs filed in those respective dockets.

Furthermore, we specifically noted that the approval of the billing determinants in the prior rate cases were based upon the EDUs applicable to SCH USA. In particular, we emphasized that the quantity of EDUs established for the Resort were presumptively reasonable as they were reviewed and approved, along with other billing determinants included in the revenue requirement, which the Commission found to be just and reasonable, most recently in the *Aqua 2021 Rate Case*.

Aqua 2024 Reconsideration Order at 55-56 (citing *Aqua 2024 Rate Case* at 160-63). As we have already addressed and resolved the same argument SCH USA raises in the instant matter, we decline to grant reconsideration.

Accordingly, we find that the arguments raised by SCH USA fail to assert any new or novel arguments or considerations which we overlooked and, thus, does not satisfy the *Duick* standard for reconsideration.

III. Conclusion

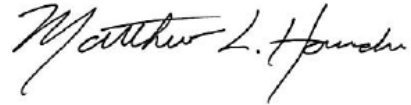
Upon review, we shall deny the instant Petition, consistent with this Opinion and Order; **THEREFORE,**

IT IS ORDERED:

1. That the Petition for Reconsideration of the Opinion and Order, entered on July 10, 2025, at Docket Nos. C-2022-3036893 and C-2022-3037118, filed by SCH USA, LLC, on July 25, 2025, is denied, consistent with this Opinion and Order.

2. That this proceeding at Docket Nos. C-2022-3036893 and C-2022-3037118 be marked closed.

BY THE COMMISSION

A handwritten signature in black ink, reading "Matthew L. Homsher". The signature is written in a cursive style with a large initial "M".

Matthew L. Homsher
Secretary

(SEAL)

ORDER ADOPTED: October 23, 2025

ORDER ENTERED: October 23, 2025