PULP
PENNSYLVANIA
UTILITY LAW PROJECT

December 19, 2025

Via Electronic Filing
Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Joint Application of American Water Works Company, Inc., Essential Utilities, Inc., Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Company LLC and Peoples Gas Company LLC and Alpha Merger Sub, Inc. for a Certificate of Public Convenience under Sections 1102(a)(3) and 2210(c) of the Public Utility Code and All Other Necessary Approvals to Effect a Change of Control of Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., and Peoples Natural Gas Company LLC
Docket Nos. A-2025-3058927; A-2025-3058928; A-2025-3058929

CAUSE-PA Protest

Dear Secretary Homsher:

Please find the attached **Protest of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)** in the above noted proceeding.

As indicated on the attached Certificate of Service, service on the parties was accomplished by email only.

Respectfully Submitted,

Ria M. Pereira, Esquire
Counsel for CAUSE-PA

CC: Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILTY COMMISSION

Joint Application of American Water Works Company, Inc., Essential Utilities, Inc., Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Company LLC and Peoples Gas Company LLC and Alpha Merger Sub, Inc. for a Certificate of Public Convenience under Sections 1102(a)(3) and 2210(c) of the Public Utility Code and All Other Necessary Approvals to Effect a Change of Control of Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., and Peoples Natural Gas Company LLC	:	Docket Nos.	A-2025-3058927 A-2025-3058928 A-2025-3058929

PROTEST OF

THE COALITION FOR AFFORDABLE UTILITY SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA (*CAUSE-PA*)

I. INTRODUCTION

Pursuant to the provisions of the Rules of Practice and Procedure of the Pennsylvania Public Utility Commission (Commission), 52 Pa. Code §§ 5.51-5.53, and Chapters 11, 21, and 22 of the Public Utility Code, 66 Pa. C.S. §§ 1102, 1103; 2102; 2210, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), through its legal counsel at the Pennsylvania Utility Law Project (PULP), hereby files this Protest to the captioned proceeding. On November 26, 2025, American Water Works Company, Inc. ("American Water"), Essential Utilities, Inc. f/k/a Aqua America, Inc. ("Essential"), Aqua Pennsylvania, Inc. ("Aqua PA") and Aqua Pennsylvania Wastewater, Inc. ("Aqua PA Wastewater"), Peoples Natural Gas Company LLC ("Peoples"), and Alpha Merger Sub, Inc. ("Merger Sub") (collectively the "Joint Applicants")

filed a Joint Application seeking the Commission to allow a change of control of Aqua PA, Aqua PA Wastewater, and Peoples to be affected by the merger of Essential and Merger Sub, a wholly owned subsidiary of American Water. If the Joint Application is approved, Essential would continue as the surviving corporation as a wholly owned subsidiary of American Water, resulting in Aqua PA, Aqua PA Wastewater, and Peoples becoming indirect subsidiaries of American Water and part of the same family of companies as American Water's Pennsylvania water and wastewater company Pennsylvania American Water Company.

CAUSE-PA submits this Protest in order to ensure that the Application is approved only if it: 1) is found to be in the public interest; 2) provides substantial affirmative benefits to the public, which includes the ratepayers of American Water, Essential, Aqua PA, Aqua PA Wastewater, and Peoples as well as the public as a whole; 3) it does not have an anti-competitive or discriminatory impact; and 4) it is in accordance with applicable Pennsylvania law, including the Public Utility Code and Commission regulations as well as applicable court precedent.

II. PROTESTANT INFORMATION AND STANDING

1. The Protestant is the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA).
2. CAUSE-PA is an unincorporated association of low and moderate income individuals that advocates on behalf of its members to enable consumers of limited economic means to connect to and maintain affordable water, electric, heating, and telecommunication services.
3. CAUSE-PA membership is open to moderate and low income individuals residing in the Commonwealth of Pennsylvania who are committed to the goal of helping low income families maintain affordable access to utility services and achieve economic independence.

4. CAUSE-PA is located, c/o the Pennsylvania Legal Aid Network, at 118 Locust Street, Harrisburg, PA 17101.
5. CAUSE-PA has members in the Joint Applicants' service territories and has a significant interest in the impact that the Joint Application will have on moderate and low income residential customers. Specifically, the merger has the significant likelihood of affecting the terms, conditions, and quality of service, including a future impact on rates that will be charged to all customers but specifically low income customers. CAUSE-PA's members are also concerned about the impact that the merger will have on future acquisitions by the surviving company.
6. CAUSE-PA asserts that other participants in this proceeding do not adequately represent these interests.
7. The outcome of this proceeding will directly affect members of CAUSE-PA. CAUSE-PA is and has been an active party to Aqua, Peoples, and PAWC's prior rate proceedings, including at Docket Nos. R-2021-3027385, R-2021-3027386, R-2024-3047822, R-2024-3047824, R-2018-3006818, R-2022-303167, R-2023-30445492, R-2022-3031673, R-2023-3043189, R-2023-3043190, and current proceeding at Docket Nos. R-2025-3057983 and R-2025-3058051. In addition, CAUSE-PA was an active participant in the merger proceeding between Aqua and Peoples at Docket Nos. A-2018-3006061, A-2018-3006062, and A-2018-300606.
8. The outcome of this proceeding will impact settlements and orders from prior proceedings, and CAUSE-PA therefore has a significant interest in the impact of the Joint Applicants' proposals.
9. CAUSE-PA has standing to participate because its members have or will suffer a direct, immediate, and substantial injury to an interest because of this proceeding. *See* Energy Cons.

Council of Pa. v. Pa. PUC, 995 A.2d 465, 476 (Pa. Commw. 2010) (alteration in original) (citing Tripps Park v. Pa. PUC, 415 A.2d 967 (Pa. Commw. 1980) (finding that "an association may have standing as a representative of its members … as long as an organization has at least one member who has or will suffer a direct, immediate, and substantial injury to an interest as a result of the challenged action, [i.e., is aggrieved, the organization] has standing."); Parents United for Better Schools v. School District of Philadelphia, 646 A.2d 689 (Pa. Commw. 1994)).

III. PROTEST

1. The Joint Application must be examined pursuant to Chapters 11, 21, and 22 of the Public Utility Code. 66 Pa. C.S. §§ 66 Pa. C.S. §§ 1102; 1103; 2102; 2210.

2. Section 1102 of the Public Utility Code requires that the Commission issue a Certificate of Public Convenience as a legal prerequisite to offering service, abandoning service and certain property transfers by a public utility or their affiliated interests. 66 Pa. C.S. § 1 102(a)(1)-(3). As set forth below, the Commission must also examine this transaction under the provisions of Chapters 21 and 22 of the Code.

3. Section 1103 requires that a certificate shall only be granted upon findings that "the granting of such certificate is necessary or proper for the service, accommodation, convenience, or safety of the public." 66 Pa. C.S. § 1103(a). The Supreme Court has found that this section of the Code requires a finding that a proposed merger will affirmatively benefit the public and "affirmatively promote the 'service, accommodation, or convenience or safety of the public' in some substantial way." City of York v. Pa. P.U.C., 295 A.2d 825, 828 (Pa. 1973) (internal citations omitted); see Popowsky v. Pa. P.U.C., 937 A.2d 1040, 1054 (Pa. 2007).

4. Additionally, Section 1103 explicitly allows the Commission to impose conditions upon the issuance of a Certificate of Public Convenience. 66 Pa. C.S. § 1103(a). Section 1103(a) of the Code provides: "The Commission, in granting such certificate, may impose such conditions as it may deem to be just and reasonable."

5. If the Commission ultimately approves the proposed merger set forth in the Joint Application, CAUSE-PA submits that the Commission must impose conditions to ensure that there are affirmative public benefits that are durable and that accrue broadly including to the benefit of thousands of low income customers within the combined service territory.

6. Further, Section 2102 of the Code states that prior to any arrangement providing for the furnishing of certain services, *e.g.*, management, supervisory, construction, engineering, accounting, legal, or similar services, between a public utility and any affiliated interest, Commission approval must be obtained. 66 Pa. C.S. § 2102(a).

7. Based on CAUSE-PA's preliminary review, the Joint Application raises several issues regarding the impact on moderate and low income residential customers.

8. Specifically, CAUSE-PA has identified the following areas that require further consideration by the Commission and must be resolved prior to Commission approval:

   a) The Joint Application provides that the proposed Merger will not have any adverse impact on Aqua PA's or Peoples' rates. Joint Application ¶ 32. CAUSE-PA submits that the Commission must examine the impact the proposed acquisition will have on the rates for the Applicants' customers. The Supreme Court has made clear that:

> In engaging in this affirmative public benefit analysis, the Commission is required to consider the impact that granting the CPC would have on rates. In *City of York,* we stated "the Commission should consider, at least in a general fashion, the effect that a proposed merger is likely to have on future rates to customers. Along with the likely effect of a proposed merger

> upon the service that will be rendered to consumers, the probable general effect of the merger upon rates is certainly relevant criteria of whether the merger will benefit the public." *City of York*, 295 A.2d at 829. As such, the Commission cannot postpone considering the impact on rates until a future rate base case but, rather, must consider the impact on rates as part of its affirmative public benefits analysis. *McCloskey*, 195 A.3d at 1066. This consideration may include the rate impact on both existing and new consumers. *Id.* at 1067.

Lawrence v. Pa. P.U.C., ____ A.3d ____, Docket Nos. 47-49 MAP 2024, Slip. Op., at 29-30 (Pa. Dec. 16, 2025) (*citing* City of York v. Pennsylvania Public Utility Commission, 295 A.2d 825 (Pa. 1972) and McCloskey v. Pa. Pub. Util. Comm'n., 195 A.3d 1055, 1058 (Pa. Cmwlth. 2018)).

b) In addition to the consideration of rates, CAUSE-PA asserts that prior to approval of the Joint Application, the Commission must examine the impact the proposed acquisition will have on consolidation of rate zones, rate design, billing practices, and the terms and conditions of service applicable to the Applicants' customers.

c) The Joint Application provides only the baldest of assertions and no material demonstration that the proposal will produce substantial public benefits to ratepayers. Joint Application ¶ 34. CAUSE-PA asserts that prior to approval of the Application, the Commission must examine whether the proposed acquisition will produce tangible and measurable affirmative benefits to moderate and low income ratepayers within the Applicants' service territories.

d) The Application provides that the proposal will renew crucial water infrastructure and improve the quality of service of the Applicants' customers as a result of this acquisition. Joint Application ¶ 34 (a-b). CAUSE-PA asserts that prior to approval of the Joint Application, the Commission must examine whether the proposed acquisition will maintain or improve the quality of service provided to the Applicants' customers, including reliability, safety, and customer service experience.

e) The Application provides that the Merger will have no adverse effects on Pennsylvania's competitive retail gas market. Joint Application ¶ 26. CAUSE-PA asserts that prior to approval of the Joint Application, the Commission must examine whether the proposed acquisition will adversely affect retail competition in Pennsylvania.

f) The Joint Application does not demonstrate the impact the acquisition will have on the required Universal Service programs, as well as on the programs that Joint Applicants have been ordered to undertake as a result of prior mergers and settlements. CAUSE-PA asserts that prior to approval of the Joint Application, the Commission must examine the Applicants' universal service programs and other low income affordability programs to ensure that these programs are adequately funded, locally managed, and improved to meet the needs of low income, payment-troubled customers in the Applicants' service territories.

g) CAUSE-PA asserts that prior to approval of the Joint Application, the Commission must examine whether the proposed acquisition is fully consistent with the requirements and standards of the Pennsylvania Public Utility Code.

h) The Joint Application requests that it be considered on an expedited basis by the Commission so that a final order is entered, at the latest, by the December 17, 2026 public meeting. Joint Application ¶ 19.

i) CAUSE-PA opposes expedited disposition of the Joint Application. The proposed Merger, if approved, will significantly affect the rates and terms and conditions of service for impacted customers, and would create "the nation's largest regulated water and wastewater utility…" (Joint Application at ¶ 34). It is essential that the operational

and financial impacts of Applicants' proposals are adequately and meaningfully analyzed to ensure that the proposals set forth in the Joint Applications comport with applicable statutes, Commission regulations, and Commission policy. Given the complexity of the issues involved in this proceeding, the size of the surviving entity and the market concentration concerns that may result from the merger, CAUSE-PA submits that expedited treatment is not warranted.

j) CAUSE-PA reserves the right to raise additional issues as the case proceeds, and further information is obtained from the Applicants.

IV. LEGAL REPRESENTATION:

CAUSE-PA is represented in this proceeding by several attorneys at the Pennsylvania Utility Law Project:

Ria M. Pereira, Esq., PA ID: 316771
Lauren N. Berman, Esq., PA ID: 310116
Elizabeth R. Marx, Esq., PA ID: 309014
John W. Sweet, Esq., PA ID: 320182
Levi A. Phillips, Esq. PA ID: 338477

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Counsel for CAUSE-PA consents to the service of documents by electronic mail to pulp@pautilitylawproject.org, as provided in 52 Pa. Code § 1.54(b)(3).

V. PRAYER FOR RELIEF AND CONCLUSION

WHEREFORE, CAUSE-PA respectfully requests that the Pennsylvania Public Utility Commission:

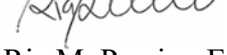
(1) Refer this matter to the Office of Administrative Law Judge for the investigatation and the scheduling of full evidentiary hearings, including necessary public input hearings, related to the Joint Application.

(2) CAUSE-PA further requests that the Commission not approve this application unless it finds that: (a) the Application is in the public interest; (b) the Application provides substantial affirmative public benefits to the ratepayers of American Water, Essential, Aqua PA, Aqua PA Wastewater, and Peoples, as well as the public generally; (c) the Application does not adversely affect retail competition in Pennsylvania; and, (d) the Application is in accordance with the public utility code.

(3) Additionally, CAUSE-PA requests that the Commission impose such terms and conditions upon the proposed acquisition as are necessary to ensure that the Application meets the requirements set forth above.

Respectfully Submitted,

PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA



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Certificate of Service

I hereby certify that I have this day served copies of the Protest of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54.

VIA EMAIL ONLY

The Honorable Charles E. Rainey, Jr. Chief Administrative Law Judge Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street Harrisburg, PA 17120 crainey@pa.gov	Allison Kaster, Esq. Bureau of Investigation and Enforcement Pennsylvania Public Utility Commission 400 North Street Harrisburg, PA 17120 akaster@pa.gov
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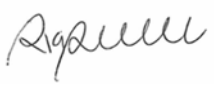
Respectfully Submitted,
PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA



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