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File #: 181282

January 12, 2026

VIA ELECTRONIC FILING

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

**Re: Petition of Twin Lakes Utilities, Inc. for a Commission Order Authorizing the
Acquisition of Twin Lakes Utilities, Inc. by a Capable Public Utility Pursuant to 66
Pa.C.S. § 529
Docket No. P-2020-3020914**

Dear Secretary Homsher:

Pursuant to Ordering Paragraph 14 of the Opinion and Order of the Pennsylvania Public Utility Commission (“Commission”) entered in the above-captioned proceeding on January 14, 2021 (“*Receivership Order*”), enclosed for filing is the Twentieth Status Report of Aqua Pennsylvania, Inc. on the operations of the water system of Twin Lakes Utilities, Inc. Copies of this Nineteenth Status Report are being served upon the Water and Wastewater Section of the Commission’s Bureau of Technical Utility Services consistent with Ordering Paragraph 14 of the *Receivership Order*, and as indicated on the Certificate of Service.

Please direct any questions you may have regarding the enclosed filing to the undersigned counsel.

Respectfully submitted,



Garrett P. Lent

GPL/dmc

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January 12, 2026
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Attachment

cc: The Honorable Charece Z. Collins (*via email; w/attachment*)
The Honorable Steven K. Haas (*via email; w/attachment*)
Dan Searfoorce – TUS (*via email; w/attachment*)
Sean Donnelly – TUS (*via email; w/attachment*)
Paul Zander – TUS (*via email; w/attachment*)
Sharon Webb – Law Bureau (*via email; w/attachment*)
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL ONLY

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Date: January 12, 2026


Garrett P. Lent



TWENTIETH STATUS REPORT

TO THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

TWIN LAKES UTILITIES, INC.

AQUA PENNSYLVANIA, INC., AS RECEIVER

DOCKET NO. P-2020-3020914

Dated: January 12, 2026

A. BACKGROUND

On July 16, 2020, Twin Lakes Utilities, Inc. (“TLU”) filed a Petition for a Commission Order authorizing the acquisition of TLU by another capable public utility pursuant to Section 529 of the Public Utility Code¹ (“TLU Petition”). The TLU Petition was filed as a result of Middlesex Water Company (“Middlesex”), the parent company of TLU, terminating its Service Agreement with TLU.

On August 19, 2020, the Office of Consumer Advocate requested that Aqua Pennsylvania, Inc. (“Aqua” or the “Company”) become the receiver for this system. Aqua, initially, requested additional time to better understand the operations of the TLU. After a 90 day due diligence review and proactively working with the parties, Aqua voluntarily agreed to act as Receiver and was authorized to voluntarily act as Receiver on January 14, 2021.

While Aqua ultimately opposed the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) ordering Aqua to acquire the TLU system under the unique nature of these facts, the Company highlights that it voluntarily agreed to act as Receiver for the TLU system during the pendency of the Section 529 proceeding.²

On December 31, 2020 Deputy Chief Administrative Law Judge Joel H. Cheskis issued an Order Certifying Material Question to the Commission regarding Aqua’s status as Receiver. On January 14, 2021 the Commission entered an Opinion and Order in Docket No. P-2020-3020914 (“Receivership Order”) naming Aqua as Receiver for TLU.³ Aqua was directed to assume its Receivership role on January 15, 2021.⁴ Included within the PUC’s Receiver Order, the Company was directed to “[s]ubmit an initial status report to the Commission within 60 days of assuming operations and then quarterly thereafter to detail any relevant updates pursuant to duties and responsibilities assigned through receivership and that copies of the status report and quarterly updates shall be served upon the Water and Wastewater Section of the Commission’s Bureau of Technical Utility Services.”⁵ Thereafter, Aqua submitted its Initial Status Report to the Commission on March 16, 2021.

On April 22, 2021, the Administrative Law Judge issued a Recommended Decision that stated TLU was a troubled system and recommended the Commission order Aqua to acquire the TLU system subject to the condition that within thirty (30) days after the Commission’s final action in this proceeding Middlesex place in escrow \$1,675,000 to be used to offset the costs of replacing and remediating the existing infrastructure of the TLU system.⁶ Exceptions to the

¹ 66 Pa. C.S. § 529.

² See Aqua Letter of December 16, 2020 filed in this Docket whereby Aqua indicated it would be willing to act as receiver effective January 4, 2021. Subsequently, on December 22, 2020, Aqua filed a letter with the Commission which advised the Commission that Aqua was willing to act as receiver effective January 15, 2021, in order to accommodate Commission review of Aqua’s proposal at the January 14, 2021 public meeting.

³ Petition of Twin Lakes Utilities, Inc. for a Commission Order Authorizing the Acquisition of Twin Lakes Utilities, Inc. by a Capable Public Utility Pursuant to 66 Pa. C.S. § 529, Docket No. P-2020-3020914, Opinion and Order, Ordering Paragraph 2 (January 14, 2021) (hereinafter “Receivership Order”).

⁴ Id.

⁵ Id. Ordering Paragraph No. 14.

⁶ Recommended Decision at 70.

Recommended Decision were filed by Aqua and TLU on May 12, 2021. Replies to Exceptions were Filed by Aqua, TLU, the Commission’s Bureau of Investigation and Enforcement, and the Office of Consumer Advocate on May 24, 2021. The Commission entered an Opinion and Order on November 18, 2021 directing Aqua to acquire the TLU system, and requiring that Middlesex/TLU place \$1,675,000 into escrow.⁷

Aqua submitted its Second Status Report on June 23, 2021. Aqua submitted its Third Status Report on September 21, 2021. Aqua submitted its Fourth Status Report on December 20, 2021. Aqua submitted its Fifth Status Report on March 21, 2022. Aqua submitted its Sixth Status Report on June 20, 2022. Aqua submitted its Seventh Status Report on September 19, 2022. Aqua submitted its Eighth Status Report on December 22, 2022. Aqua submitted its Ninth Status Report on March 15, 2023. Aqua submitted its Tenth Status Report on June 19, 2023. Aqua submitted its Eleventh Status Report on September 18, 2023. Aqua submitted its Twelfth Status Report on December 18, 2023. Aqua submitted its Thirteenth Status Report on March 18, 2024. Aqua submitted its Fourteenth Status Report on June 24, 2024. Aqua submitted its Fifteenth Status Report on September 23, 2024. Aqua submitted its Sixteenth Status Report on December 23, 2024. Aqua submitted its Seventeenth Status Report on March 24, 2025. Aqua submitted its Eighteenth Status Report on June 23, 2025. Aqua submitted its Nineteenth Status Report on September 22, 2025.

Aqua now submits its Twentieth Status Report (“Status Report”) on the operations of TLU as directed by the Commission.

B. TWENTIETH STATUS REPORT

1. Financial

The Receivership Order directed Aqua to establish the financial position of TLU at the time Aqua assumed its Receivership role.⁸ Middlesex provided Aqua with a Trial Balance as of December 31, 2020 and updated as of January 15, 2021 which was provided to the Commission in the Initial Status Report. Aqua will continue to track expenses and capital improvements related to the TLU system through deferred accounting treatment via establishment of a regulatory asset in accordance with Aqua’s Receivership duties.⁹

Aqua would like to continue to raise a concerning issue and disagreement regarding certain invoices that were forwarded from Middlesex for payment by Aqua. Aqua has received several requests from Middlesex for payment of certain invoices related to interest on outstanding promissory notes. Aqua continues to disagree that it should pay these promissory notes for the reasons set forth in Aqua’s Second Status Report to the Commission.

⁷ Petition of Twin Lakes Utilities, Inc. for a Commission Order Authorizing the Acquisition of Twin Lakes Utilities, Inc. by a Capable Public Utility Pursuant to 66 Pa. C.S. § 529, Docket No. P-2020-3020914, Opinion and Order, Ordering Paragraphs 4 and 5 (Nov. 18, 2021) (hereinafter “Section 529 Order”).

⁸ Receivership Order, Ordering Paragraph 2, Appendix A Paragraph 1.q.

⁹ Receivership Order, Ordering Paragraph 2, Appendix A Paragraphs 1.r and 1.s.

2. Troubled System Operations and Capital Expenditures

The Company is using internal resources to operate and maintain this troubled water system. Since the last status report, completed leak detection in the system. Aqua identified a main break on January 5, 2026 and completed the repairs on January 6, 2026.

There were no other water quality or supply issues since the last status report. As Aqua continues to operate the system to ensure compliance with the Receivership Order, Aqua will make improvements necessary to provide quality and reliable service. Aqua will provide further information on operational issues in later reports.

3. Settlement Discussions

Per the direction of the Commission's order, the Company has engaged in good faith settlement negotiations and made an offer to the Middlesex.

Since the submission of the Sixteenth Status Report on December 23, 2024, Aqua has become aware that Middlesex submitted a 10-K to the Securities and Exchange Commission on February 28, 2025. Therein, on page 8, Middlesex provided an update on its litigation of matters related to the Commission's order directing Aqua to acquire the TLU system, and represented that

Following the Third Circuit Court's decision, Middlesex will not pursue further litigation in the federal courts and intends to submit the required escrow payment to complete the Receiver Utility's acquisition of the Twin Lakes system. The estimated loss recorded by the Company related to this matter, and the financial results, total assets and financial obligations of Twin Lakes are not material to Middlesex.

<https://investors.middlesexwater.com/static-files/e57c06b6-2d82-4120-b853-96685a2913da>. Middlesex's decision not to pursue further litigation in this matter means that all litigation surrounding the Commission's prior order directing Aqua to acquire the TLU system has completed.

Middlesex/TLU filed a letter and verification with the Commission on June 13, 2025, verifying that it had placed the \$1,675,000 in an escrow account as directed by the Commission in its November 18, 2021 Section 529 Order.

C. CONCLUSION

Aqua will continue to investigate the system's operations and financial status and will make necessary improvements to operate the TLU system to ensure quality service to the TLU

customers for the period of its Receivership duties during the Section 529 proceeding. Aqua will provide an update to this Status Report on or before March 23, 2026.