

# Morgan Lewis

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January 20, 2026

**VIA eFILING**

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

**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 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 and A-2025-3058929**

Dear Secretary Homsher:

Enclosed please find the **Answer of American Water Works Company, Inc., Essential Utilities, Inc., Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Company LLC, and Alpha Merger Sub, Inc. to the Petition to Intervene of the City of Butler** in the above captioned matter.

As indicated in the Certificate of Service, copies have been served upon all parties of record.

If you have any questions, please contact me directly at 215.963.4603. Thank you.

Very truly yours,



Mark A. Lazaroff

MAL/ap

Enclosures

c: Per Certificate of Service (w/encls.)

DB1/ 165708161.1

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**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY 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 ALPHA MERGER SUB, INC. :  
FOR A CERTIFICATE OF PUBLIC :     **Docket Nos. A-2025-3058927**  
CONVENIENCE UNDER SECTIONS :                     **A-2025-3058928**  
1102(A)(3) AND 2210(C) OF THE PUBLIC :                 **A-2025-3058929**  
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 :**

**CERTIFICATE OF SERVICE**

I hereby certify that I have this date served true and correct copies of the **Answer of American Water Works Company, Inc., Essential Utilities, Inc., Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Company LLC, and Alpha Merger Sub, Inc. to the Petition to Intervene of the City of Butler** on the following individuals in the matter specified in accordance with the requirements of 52 Pa. Code § 1.54:

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Dated: January 20, 2026

DB1/ 165708190.1

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>JOINT APPLICATION OF AMERICAN</b>	:	
<b>WATER WORKS COMPANY, INC.,</b>	:	
<b>ESSENTIAL UTILITIES, INC., AQUA</b>	:	
<b>PENNSYLVANIA, INC., AQUA</b>	:	
<b>PENNSYLVANIA WASTEWATER, INC.,</b>	:	
<b>PEOPLES NATURAL GAS COMPANY</b>	:	
<b>LLC AND ALPHA MERGER SUB, INC.</b>	:	<b>DOCKET NOS. A-2025-3058927</b>
<b>FOR A CERTIFICATE OF PUBLIC</b>	:	<b>A-2025-3058928</b>
<b>CONVENIENCE UNDER SECTIONS</b>	:	<b>A-2025-3058929</b>
<b>1102(A)(3) AND 2210(C) OF THE PUBLIC</b>	:	
<b>UTILITY CODE AND ALL OTHER</b>	:	
<b>NECESSARY APPROVALS TO EFFECT A</b>	:	
<b>CHANGE OF CONTROL OF AQUA</b>	:	
<b>PENNSYLVANIA, INC., AQUA</b>	:	
<b>PENNSYLVANIA WASTEWATER, INC.,</b>	:	
<b>AND PEOPLES NATURAL GAS</b>	:	
<b>COMPANY LLC</b>	:	

**ANSWER OF AMERICAN WATER WORKS COMPANY, INC., ESSENTIAL  
UTILITIES, INC., AQUA PENNSYLVANIA, INC., AQUA PENNSYLVANIA  
WASTEWATER, INC., PEOPLES NATURAL GAS COMPANY LLC, AND ALPHA  
MERGER SUB, INC. TO THE PETITION TO INTERVENE OF  
THE CITY OF BUTLER**

**I. INTRODUCTION AND OVERVIEW**

Pursuant to the 52 Pa. Code § 5.66, American Water Works Company, Inc. (“American Water”), Essential Utilities, Inc. f/k/a Aqua America, Inc. (“Essential”),<sup>1</sup> Aqua Pennsylvania, Inc. (“Aqua PA”) and Aqua Pennsylvania Wastewater, Inc. (“Aqua PA WW”),<sup>2</sup> Peoples Natural Gas Company LLC (“Peoples”), and Alpha Merger Sub, Inc. (“Merger Sub”) (collectively, the “Joint Applicants”) submit this Answer to the Petition to Intervene (the “Petition”) of the City of Butler

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<sup>1</sup> Aqua America, Inc. changed its name to Essential Utilities, Inc. on February 3, 2020 following its acquisition of Peoples.

<sup>2</sup> Unless otherwise specified herein, references to Aqua PA also include Aqua PA WW, which is a wholly-owned subsidiary of Aqua PA.

(“Butler”) in the above-referenced proceedings. As explained below, the Joint Applicants oppose the Petition because Butler has no legally recognizable interest in the instant merger proceeding and, therefore, cannot meet the eligibility criteria set forth in the Pennsylvania Public Utility Commission’s (the “Commission’s”) regulations at 52 Pa. Code § 5.72.

First, Butler’s request to intervene in this proceeding is based on the erroneous assumption that its residents that are customers of American Water’s operating subsidiary Pennsylvania-American Water Company (“PAWC”) will become customers of “any resulting combined entity” from the proposed merger of Essential and Merger Sub, a wholly owned subsidiary of American Water (the “Merger”).<sup>3</sup> However, the Merger only involves a change in the ultimate ownership and control of Aqua PA and Peoples – not PAWC. Following completion of the Merger, American Water will remain the ultimate corporate parent of PAWC, and Aqua PA, Peoples and PAWC will remain separate utilities as they are today. In short, the Commission’s decision in this proceeding will have no impact on PAWC, including its ownership, operations, service, and rates.

Butler’s interest in this proceeding, as set forth in its Petition, arises from its geographic location within PAWC’s service area, which is not a party to this proceeding or involved in the Merger. Nonetheless, Butler seeks to intervene to make sure its residents and constituents that are currently PAWC customers will receive service at reasonable rates in accordance with the Public Utility Code if American Water decides to consolidate PAWC and Aqua PA operations in the future. However, a general interest in full compliance with the law does not confer standing to intervene in a Commission proceeding.<sup>4</sup> In any event, the interests of all utility customers are

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<sup>3</sup> Petition at ¶ 7.

<sup>4</sup> See, e.g., *Application of Artesian Water Pennsylvania, Inc., for Approval to Begin to Offer, Render, Furnish or Supply Water Serv. to the Pub. in Additional Territory in Portions of New Garden Twp., Chester Cty., Pennsylvania*, A-2014-2451241, 2015 WL 1976284, at \*9 (Apr. 22, 2015) (citing *Ken R. ex rel. C.R. v. Arthur Z.*, 682 A.2d 1267, 1270 (Pa. 1996); *In re El Rancho Grande, Inc.*, 437 A.2d 1150 (Pa. 1981); *William Penn Parking Garage, Inc. v. City of Pittsburgh*, 346 A.2d 269, 282-284 (Pa. 1975)).

adequately represented by the statutory parties that are actively participating in this proceeding.<sup>5</sup> The Commission's Bureau of Investigation and Enforcement ("I&E"), which has the broadest mandate, functions as an independent prosecutorial bureau within the Commission and, as such, is charged with representing the public interest ratemaking and service matters.<sup>6</sup> The Office of Consumer Advocate ("OCA") has a statutory obligation to protect the interests of residential consumers of public utility service,<sup>7</sup> and the Office of Small Business Advocate ("OSBA") represents the interests of small businesses.<sup>8</sup>

Furthermore and contrary to Butler's assertions, completing the proposed merger will have no effect on PAWC's prior acquisition of the wastewater assets of the Butler Area Sewer Authority ("BASA), including the settlement commitments approved by the Commission at Docket No. A-2022-3037047. As a consequence, Butler has not demonstrated either that it has an "interest which may be directly affected ... and as to which the petitioner may be bound by the action of the Commission in [this] proceeding" or that it has an "interest of such nature" that its participation "may be in the public interest." For all of these reasons, the Petition should be denied.

In further support of their opposition to the Petition, the Joint Applicants respond to the specific paragraphs of the Petition as follows:

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<sup>5</sup> See, e.g., *Hoffman Industries, Inc. v. PPL Elec. Utils., Inc.*, Docket Nos. C-00003811 et al., 2001 WL 36256543 (Opinion and Order entered Oct. 15, 2001) (denying intervention in a formal complaint proceeding against PPL's Generation Rate Adjustment rider to a consulting firm representing commercial and industrial clients in Pennsylvania because, among other things, the statutory parties adequately represented the interests of PPL's commercial and industrial customers).

<sup>6</sup> See *Implementation of Act 129 of 2008 Organization of Bureaus and Offices*, Docket No. M-2008-2071852 (Final Order entered Aug. 11, 2011), p. 5.

<sup>7</sup> See 71 Pa.C.S. §§ 309-1 et seq.

<sup>8</sup> See 73 P.S. §§ 399.41 et seq.

## II. ANSWER TO SPECIFIC AVERMENTS

1. Admitted.

2. Admitted in part, denied in part. It is admitted that PAWC acquired the wastewater assets of the BASA. The Joint Applicants are without knowledge or information sufficient to form a belief as to the remaining allegations of Paragraph No. 2 and, therefore, deny those allegations and demand proof thereof, if deemed relevant.

3. Denied. The averments of Paragraph No. 3 are denied for the reasons set forth in Section I above, which are incorporated herein by reference. By way of further answer, it is denied that Butler's alleged interest in ensuring that the customers PAWC acquired from the BASA "retain the same benefits and protections provided for in that transaction" gives rise to an "interest" in the instant merger proceeding that satisfies the minimum requirements of 52 Pa. Code § 5.72(a)(2) for the Commission to authorize intervention. This averment amounts to no more than a general interest in compliance with the law, which, as previously explained, is insufficient to convey a direct, immediate, and substantial interest in the subject matter of a proceeding.

4. Denied. The averments of Paragraph No. 4 seek to characterize the Commission's regulations at 52 Pa. Code § 5.72, which as a written document speaks for itself.

5. Denied. The averments of Paragraph No. 5 are denied for the reasons set forth in Section I and Paragraph No. 3 above, which are incorporated herein by reference. By way of further answer, the application filed by the Joint Applicants ("Joint Application") seeks Commission approval under Chapters 11 and 22 of the Public Utility Code for a change in control of Aqua PA and Peoples to be effected by the Merger. When the Merger is complete, Essential will be a wholly-owned subsidiary of American Water. As explained in the Joint Application, American Water is not proposing to merge Aqua PA and PAWC at this time. The fact that PAWC currently provides service to Butler's residents and constituents is not an "interest" that could be

directly affected in any way by the Commission’s granting the Joint Application. Moreover, I&E, the OCA, and the OSBA are actively participating in this case<sup>9</sup> and adequately represent the interests of customers regarding any potential impacts of the Merger on rates and service. Accordingly, Butler has no interest in this proceeding sufficient to warrant granting its Petition.

6. The allegations of Paragraph No. 6 are conclusions of law to which no response is required and, therefore, are deemed denied.

7. Denied. The averments of Paragraph No. 7 are denied for the reasons set forth in Section I, Paragraph No. 3, and Paragraph No. 5 above, which are incorporated herein by reference. Additionally, Butler’s averment that its residents “will now become customers of any resulting combined entity” is specifically denied. Aqua PA and PAWC will remain separate utilities following completion of the Merger. American Water is not seeking Commission approval to merge Aqua PA and PAWC or consolidate any Pennsylvania operations in this proceeding.

8. The Joint Applicants are without knowledge or information sufficient to form a belief as to the remaining allegations of Paragraph No. 8 and, therefore, deny those allegations and demand proof thereof, if deemed relevant.

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<sup>9</sup> The OCA filed a Notice of Appearance and Protest on December 15, 2016, the OSBA filed a Notice of Intervention on December 16, 2025, and I&E filed a Notice of Appearance on January 7, 2026.

### III. CONCLUSION

**WHEREFORE**, for the foregoing reasons, the Joint Applicants respectfully request that the Commission deny the petition to intervene filed by the City of Butler and reject all other relief requested therein.

Respectfully submitted,



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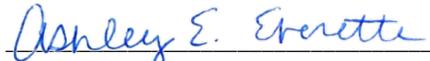
**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>JOINT APPLICATION OF AMERICAN</b>	:	
<b>WATER WORKS COMPANY, INC.,</b>	:	
<b>ESSENTIAL UTILITIES, INC., AQUA</b>	:	
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<b>PENNSYLVANIA WASTEWATER, INC.,</b>	:	
<b>AND PEOPLES NATURAL GAS</b>	:	
<b>COMPANY LLC</b>	:	

**VERIFICATION**

I, Ashley E. Everette, hereby declare that I am Vice President, Rates and Regulatory at American Water Works Service Company, Inc.; that I am authorized to make this verification; that the facts set forth in the foregoing Answer are true and correct to the best of my knowledge, information, and belief; and that I make this verification subject to the penalties of 18 Pa. C.S.A. § 4904 pertaining to false statements to authorities.

DATE: January 20, 2026

  
\_\_\_\_\_  
Ashley E. Everette  
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