



Joseph W. Jesiolowski
T (215) 864-8063
F (215) 864-0795
Email:jjesiolowski@ClarkHill.com

Clark Hill
Two Commerce Square
2001 Market Street, Suite 2620
Philadelphia, PA 19103

January 20, 2026

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 - *CWA Prehearing Conference Memorandum*

Dear Secretary Homsher:

Please find the attached **Prehearing Conference Memorandum of the Chester Water Authority** in the above noted proceeding.

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

Respectfully Submitted,
CLARK HILL

/s/ Joseph W. Jesiolowski
Joseph W. Jesiolowski
Counsel for CWA

JWJ
Enclosures

CC: Certificate of Service

Kevin Dooley Kent (No. 85962)
Joseph W. Jesiolowski (No. 307323)
CLARK HILL PLC
Two Commerce Square
2001 Market Street, Suite 2620
Philadelphia, PA 19103
Ph: (215) 640-8500
Fax: (215) 640-8501
Email: kkent@clarkhill.com
jjesiolowski@clarkhill.com

Attorneys for Chester Water Authority

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 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

**PREHEARING CONFERENCE MAMORANDUM OF
CHESTER WATER AUTHORITY**

Pursuant to the Prehearing Conference Order of Administrative Law Judge Mary D. Long issued on January 7, 2026, and in anticipation of the telephonic Prehearing Conference scheduled for January 22, 2026, Chester Water Authority (“CWA”) hereby files this Prehearing Conference Memorandum.

I. Introduction.

CWA submitted a Protest to argue that the merger between Essential and American Water should not be approved because it: 1) is not in the public interest; 2) provides no 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 has an anti-competitive or discriminatory impact; and 4) it is not in accordance with applicable Pennsylvania law, including the Public Utility Code and PUC regulations as well as applicable court precedent. These issues are based on facts in the public record and are self-evident. Thus, CWA will not be participating in the costly and burdensome discovery process in this matter.

II. History of the proceeding.

On October 27, 2025, American Water Works Company, Inc. (“American Water”) and Essential Utilities, Inc. f/k/a Aqua America, Inc. (“Essential”) publicly announced via a press release that they planned to merge.¹ The proposed merger ignited a firestorm of opposition nearly as soon as it was announced.² The opposition centered on the fact that the merger was not remotely in the public interest. It would result in a monopoly. It would cause significant rate increases for Essential customers who were forcibly merged into American Water’s even higher rates. And there was no commensurate public benefit to outweigh these significant, incontrovertible public harms. Essential and American Water are already both large, functional companies. They do not need to merge to somehow provide improved public service.

On November 26, 2025 – the day before Thanksgiving – American Water and 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 PUC to

¹ <https://ir.amwater.com/news-and-events/financial-releases/financial-release-details/2025/American-Water-and-Essential-Utilities-to-Merge-as-a-Leading-Regulated-U-S--Water-and-Wastewater-Utility/default.aspx>

² <https://whyy.org/articles/american-water-works-essential-utilities-merger-40-billion/> (noting that just days after the merger was announced, “Mary Grant, the Public Water for All campaign director at the nonprofit Food and Water Watch, said the merger is ‘alarming.’”).

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 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. The Joint Application requests consideration on an expedited basis and approval on or before December 17, 2026.

On Monday, December 1, 2025, the PUC posted the merger application to the docket.³ That same day, the PUC also issued an order that the time period for public comment, protests, and interventions would be open until December 29, 2025.⁴ This was an unreasonably short timeframe, over the holidays no less, for a matter as significant and controversial as the proposed merger.

Also on December 1, 2026, the PUC issued an order directing Essential and American Water to publish the notice for public comment, protests, and interventions "in a newspaper having a general circulation in the area involved and file proof of publication with the Commission on or before December 29, 2025."⁵

Notwithstanding the short time period to respond to the merger application, the following parties submitted protests, notices of intervention, or public comments:

North York Borough;

³ <https://www.puc.pa.gov/docket/A-2025-3058927>

⁴ <https://www.puc.pa.gov/pcdocs/1904199.pdf>

⁵ <https://www.puc.pa.gov/pcdocs/1904200.pdf>

Utility Workers Union of America AFL-CIO Local 612;
State Rep. John Lawrence;
State Sen. Carolyn Comitta;
Chester Water Authority;
Township of Lower Makfield;
East Norriton Township;
York Township;
West Manchester Township;
Spring Garden Township;
Manchester Township;
East Whiteland Township;
Delaware County;
City of Butler; and,
Cause-PA.

On January 7, 2026, Administrative Law Judge Mary D. Long issued a Prehearing Conference Order.⁶ The Order directed parties to submit prehearing conference memos on or before January 20, 2026. The Order further stated that the prehearing conference is scheduled for 11:00a.m. on January 22, 2026 via telephone. The Order then provided three options for the parties to proceed in response to the order:

- (1) Do nothing, and thus be treated as an inactive party **[This is the option CWA chooses, with a request that CWA also be provided with non-confidential materials exchanged and filed by the active parties, so that CWA can monitor this important matter for its constituents.]**;

⁶ <https://www.puc.pa.gov/pcdocs/1909082.pdf>

- (2) Testify at a public hearing if one is scheduled; or,
- (3) Become a party of record, and thus be treated as an active party. The Order cautioned that choosing this option would subject a party to receiving a voluminous amount of pleadings, filings, discovery requests, and written testimony.

On January 13, 2026, Essential and American Water notified the PUC that they were not able to publish the required public notice in multiple newspapers in the area involved before the December 29th deadline closed for public comment, protests, and interventions.⁷ Nevertheless, they asked the Commission to ignore this failure to give public notice and proceed with the merger application anyway. *Id.*

III. Issues CWA raised in its Protest.

CWA's Protest argued that the PUC should not approve the merger because it: 1) is not in the public interest; 2) provides no 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 has an anti-competitive or discriminatory impact; and 4) it is not in accordance with applicable Pennsylvania law, including the Public Utility Code and PUC regulations as well as applicable court precedent.

IV. CWA will not be participating in discovery or presenting any witnesses at the hearing.

The issues CWA identified in its Protest are based on publicly available information and are self-evident. Thus, CWA does not intend to participate in discovery, particularly the onerous discovery that ALJ Long cautioned about. CWA does not intend to present witnesses at the hearing.

⁷ <https://www.puc.pa.gov/pcdocs/1910085.pdf>

V. The ALJ should reopen the period for public comment, protests, and interventions.

The PUC set December 1 to December 29, 2025 as the period for public comment, protests, and interventions. As noted above, this was an unreasonably short timeframe for such an important matter. Indeed, the timeframe was so short that Essential and American Water were not even able to place public notices in the newspapers, as the PUC directed. The PUC should reopen the period for public comment, protests, and interventions.

VI. CWA will be an inactive party in this proceeding, but CWA nevertheless requests that it receive non-confidential materials exchanged between the active parties so that CWA may keep its constituents informed.

CWA is an inactive party in this proceeding. Specifically, CWA does not wish to participate in the discovery process. Nevertheless, CWA requests that it receive copies of non-confidential materials exchanged and filed by the active parties, so the CWA may keep its constituents informed regarding this important proceeding.

VII. CWA's primary speaker designated for the Prehearing Conference.

Pursuant to the Prehearing Conference Order, CWA's primary speaker designated for the Prehearing Conference is Joseph Jesiolowski, Esquire.

Respectfully submitted,

Dated: January 20, 2026

By: /s/ Joseph W. Jesiolowski
Kevin Dooley Kent (No. 85962)
Joseph W. Jesiolowski (No. 307323)
CLARK HILL PLC
Two Commerce Square
2001 Market Street, Suite 2620
Philadelphia, PA 19103
Ph: (215) 640-8500/ Fax: (215) 640-8501
Email: kkent@clarkhill.com
jjesiolowski@clarkhill.com

Attorneys for Chester Water Authority

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Docket Nos. A-2025-3058927
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CERTIFICATE OF SERVICE

I hereby certify that I have this day served copies of the a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of § 1.54 (relating to service by a party).

VIA EMAIL ONLY

The Honorable Mary D. Long
Administrative Law Judge
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
malong@pa.gov

KENNETH M. KULAK ESQUIRE MARK
A. LAZAROFF ESQUIRE CATHERINE G.
VASUDEVAN ESQUIRE BROOKE E.
MCGLINN ESQUIRE MORGAN LEWIS
AND BOCKIUS LLP 2222 MARKET
STREET

PHILADELPHIA PA 19103-2921

215.963.5384

215.963.4603

215.963.5952

215.963.5404

ken.kulak@morganlewis.com

mark.lazaroff@morganlewis.com

catherine.vasudevan@morganlewis.com

brooke.mcglinn@morganlewis.com

*Counsel for American Water Works Company, Inc. and
Alpha Merger Sub, Inc.*

ALEXANDER R. STAHL ESQUIRE
KIMBERLY JOYCE ESQUIRE
762 WEST LANCASTER AVENUE
BRYN MAWR PA 19010

610.645.1130

610.645.1077

astahl@aquaamerica.com

kajoyce@aquaamerica.com

Served via eService January 7, 2026

*Counsel for Aqua Pennsylvania, Inc. and
Essential Utilities, Inc.*

ANTHONY D. KANAGY ESQUIRE
GARRETT P. LENT ESQUIRE
HAYLEY E. WILBURN ESQUIRE
EMILY GRECU ESQUIRE
17 NORTH 2ND STREET, 12TH FLOOR
HARRISBURG PA 17101-1601 **717.612.6034**
717.612.6032

412.506.6362

412.506.6368

akanagy@postschell.com

glent@postschell.com

hwilburn@postschell.com

egrecu@postschell.com

*Counsel for Essential Utilities, Inc., Aqua
Pennsylvania, Inc., Aqua Pennsylvania
Wastewater, Inc., and Peoples Natural Gas
Company LLC*

MEAGAN MOORE ESQUIRE
PEOPLES NATURAL GAS COMPANY LLC
375 NORTH SHORE DRIVE
PITTSBURGH PA 15212

412.208.6527

814.490.4153

meagan.moore@peoples-gas.com

Counsel for Peoples Natural Gas Company

STEVEN C. GRAY ESQUIRE
OFFICE OF SMALL BUSINESS
ADVOCATE
FORUM PLACE
555 WALNUT STREET, 1ST FLOOR
HARRISBURG PA 17101
717.783.2525
717.783.2831
sgray@pa.gov
Counsel for OSBA

ALLISON C. KASTER RATE COUNSEL
PA PUC BIE LEGAL TECHNICAL
400 NORTH STREET, 2ND FLOOR WEST
HARRISBURG PA 17120
717.783.7998
717.787.4887
akaster@pa.gov

HARRISON W. BREITMAN ESQUIRE
JOEL H. CHESKIS ESQUIRE
JOHNATHAN LONGHURST ESQUIRE
CRYSTAL M. ZOOK ESQUIRE
OFFICE OF CONSUMER ADVOCATE
FORUM PLACE
555 WALNUT STREET, 5TH FLOOR
HARRISBURG PA 17101
717.780.4536
717.783.5048
hbreitman@paoca.org jcheskis@paoca.org
jlonghurst@paoca.org
czook@paoca.org
pawcaquaexternal@paoca.org
Counsel for OCA

RIA PEREIRA ESQUIRE
LAUREN BERMAN ESQUIRE
ELIZABETH R. MARX ESQUIRE
JOHN SWEET ESQUIRE
LEVI PHILLIPS ESQUIRE
PA UTILITY LAW PROJECT
118 LOCUST STREET
HARRISBURG PA 17101
717.710.3825
717.236.9486
717.701.3837
rpereira@pautilitylawproject.org
lberman@pautilitylawproject.org
emarx@pautilitylawproject.org
jsweet@pautilitylawproject.org
lphillips@pautilitylawproject.org
Counsel for CAUSE-PA

THOMAS WYATT ESQUIRE
MATTHEW OLESH ESQUIRE
MATTHEW SELMASSKA ESQUIRE
OBERMAYER REBMANN MAXWELL
& HIPPEL LLP
1500 MARKET STREET, SUITE 3400
PHILADELPHIA PA 19102
215.665.3200
215.665.3043
215.665.3001
thomas.wyatt@obermayer.com
matthew.olesh@obermayer.com
matthew.selmasska@obermayer.com
*Counsel for York Twp., West Manchester Twp.,
Spring Garden Twp., Manchester Twp., East
Whiteland Twp., County of Delaware, and City of
Butler*

ALEX J. BAUMLER ESQUIRE
LAMB MCERLANE PC
24 EAST MARKET STREET, BOX 565
WEST CHESTER PA 19381

610.701.3277

alex@skilkennylaw.com

Solicitor for East Norriton Twp

MICHAEL MADDREN ESQUIRE MURPHY
MADDREN LTD

6 DICKINSON DRIVE, SUITE 115 CHADDS
FORD PA 19317 **610.565.1210**

mike@murphymaddren.com

Counsel for Upland Borough

SCOTT B. GRANGIER
BUREAU OF INVESTIGATION AND ENFORCEMENT
PENNSYLVANIA PUBLIC UTILITY COMMISSION
400 NORTH STREET
HARRISBURG, PA 17120

sgrangier@pa.gov

Counsel for I&E

SAMUEL J. PASQUARELLIE, ESQ.
SHERRARD, GERNAM & KELLY, P.C.
535 SMITHFIELD STREET, SUITE 300
PITTSBURG, PA 15222

Samuel.Pasquarelli@sgkpc.com

*Counsel for Utility Workers of America,
AFO-CIO, Local 612*

Respectfully submitted,

Dated this 20th day of January, 2026.

MAUREEN B. CARLTON ESQUIRE
ANDREW GRIFFIN ESQUIRE
AARON NELSON ESQUIRE
CURTIN & HEEFNER LLP 1040
STONY HILL ROAD YARDLEY PA
19067 **215.736.2521**

mbc@curtinheefner.com

apg@curtinheefner.com

adn@curtinheefner.com

Counsel for Twp of Lower Makefield

By: /s/ Joseph W. Jesiolowski

Kevin Dooley Kent (No. 85962)

Joseph W. Jesiolowski (No. 307323)

CLARK HILL PLC

Two Commerce Square

2001 Market Street, Suite 2620

Philadelphia, PA 19103

Ph: (215) 640-8500/ Fax: (215) 640-8501

Email: kkent@clarkhill.com

jjesiolowski@clarkhill.com

Attorneys for Chester Water Authority