

**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            | : | A-2025-3058927 |
| Merger Sub, Inc. for a Certificate of Public | : | A-2025-3058928 |
| Convenience Under Sections 1102(A)(3)        | : | A-2025-3058929 |
| 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                                  | : |                |

**PREHEARING ORDER**

On November 26, 2025, the 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. (Joint Applicants) filed applications (Joint Applications) to obtain the approval of the Commission under Chapters 11 and 22 of the Public Utility Code for a change of control of Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc. (Aqua PA) and Peoples Natural Gas Company LLC (Peoples) to be affected by the merger of Essential and Merger Sub, a wholly owned subsidiary of American Water (the Merger). The Joint Applicants also requested that the Commission approve, under Chapter 21 of Code, certain new affiliated interest agreements to facilitate the sharing of resources and best practices created by the Merger between American Water and Essential Utilities. The Joint Application included written testimony and exhibits describing the Merger and the substantial affirmative public benefits it is expected to produce in Pennsylvania.

As directed by the Commission's Secretary, notice of the Joint Applications was published in the Pennsylvania Bulletin<sup>1</sup> and newspapers of general circulation.<sup>2</sup>

The Bureau of Investigation & Enforcement (I&E) and the Office of Small Business Advocate (OSBA) filed notices of appearance. The Office of Consumer Advocate (OCA), the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), the Chester Water Authority, and Upland Borough, Delaware County, filed protests. The County of Delaware; East Whiteland Township, Chester County; Manchester Township, York County; Spring Garden Township, York County; West Manchester Township, York County; York Township, York County; City of Butler, Butler County; East Norriton Township; the Township of Lower Makefield, Bucks County; and North York Borough, York County; and the Utility Workers Union of America, AFL-CIO, Local 612 (UWUA).

The Joint Applications were assigned to me and scheduled for a Prehearing Conference on January 22, 2026. By Prehearing Conference Order dated January 7, 2026, the Parties were directed to file prehearing memoranda.

On January 20, 2026, the Parties filed their prehearing memoranda as directed. The Joint Applicants also filed Answers opposing the Petitions to Intervene of Township of Lower Makefield, the City of Butler, Manchester Township, North York Borough, Spring Garden Township, West Manchester Township, and York Township. The Joint Applicants also filed preliminary objections to the protests of Upland Borough and the Chester Water Authority.

A prehearing conference was held as scheduled on January 22, 2026. This Order memorializes the matters decided and agreed upon by the Parties attending the conference.<sup>3</sup>

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<sup>1</sup> 54 Pa.B. 8454 (December 13, 2025).

<sup>2</sup> See Proofs of Publication filed December 29, 2025; January 6, 2026; January 13, 2026; and January 22, 2026.

<sup>3</sup> Upland Borough did not participate in the prehearing conference.

## Protests and Petitions to Intervene

Counsel for the Chester Water Authority and Upland Borough shall file a response to the Joint Applicants' preliminary objections on or before **February 9, 2026**.

No party objected to the petitions to intervene of the County of Delaware, East Whitland Township, East Norriton Township or UWUA. Those petitions to intervene were granted.

The Joint Applicants objected to the petitions to intervene of Township of Lower Makefield, the City of Butler, Manchester Township, North York Borough, Spring Garden Township, West Manchester Township, and York Township (in this order, collectively, Municipalities), because, among other things, the municipalities are in the service territory of Pennsylvania American Water Company (PAWC). Although PAWC is a subsidiary of Applicant American Water Works, the Joint Applicants argue that PAWC is not a party to the Joint Application, and that there is no present intent to consolidate the operations of the Aqua utilities with PAWC.

The Municipalities countered that there is no record support for the averment that there will be no impact from the merger on PAWC and its customers. Among other things, the Municipalities contend that they should be permitted an opportunity to explore the issue of whether there will be impacts – positive or negative – as a result of the transaction. OSBA and OCA supported the intervention of the Municipalities.

Following argument from interested Parties, I granted the petitions to intervene of the Municipalities.

## Parties

The Parties are directed to monitor filings with the Commission's Secretary's Bureau and advise the undersigned of any additional petitions to intervene, or formal complaints filed after the date of this Order.

## Service of Documents

All Parties are required to register and use the Commission's E-filing system for the service of documents. The Parties agreed to accept electronic service of documents. All filings must also be served on the presiding Administrative Law Judge by email.

## Litigation Schedule

The Parties agree upon the following litigation schedule:

| <u>Date</u>                 | <u>Event</u>  |
|-----------------------------|---|
| November 26, 2025           | Joint Application filed   |
| January 22, 2026            | Prehearing Conference   |
| May 21, 2026                | Written Direct Testimony of All Other Parties Due <u>In-Hand</u>  |
| June 25, 2026               | Written Rebuttal Testimony Due <u>In-Hand</u>   |
| July 23, 2026               | Written Surrebuttal Testimony Due <u>In-Hand</u>  |
| July 29, 2026               | Written Rejoinder Outline Due <u>In-Hand</u>  |
| August 3, 2026, <b>noon</b> | Witness Schedule Due <u>In-Hand</u>   |
| August 4-6, 2026            | Technical Evidentiary Hearings and oral rejoinder in Harrisburg (beginning at 10:00 a.m. each day)  |
| September 3, 2026           | Main Briefs Due <u>In-Hand</u>  |
| September 24, 2026          | Reply Briefs Due <u>In-Hand</u> or Submission of Joint Settlement Petition Executed By Representatives of All Parties, Together With All Parties' Statements In Support of Settlement |

The Parties are reminded of the Commission’s requirements for the preparation and filing of written testimony. 52 Pa.Code § 5.412. Written testimony must be accompanied by all exhibits to which it relates. Technical terms and concepts are to be clearly defined and explained in the testimonies and briefs. **The Parties are to agree on a list of common acronyms and use them consistently in all written testimony and briefs.**

No written testimony will be admitted into evidence unless accompanied by a verification or affidavit of the witness.

The above-stated dates are in-hand dates for service on the Parties and the Presiding Administrative Law Judge (ALJ). The Parties and the Presiding ALJ agree to accept email transmission of such material, so long as the subject email is received by 4:30 p.m. on the date. The email address of the Presiding ALJ is: [malong@pa.gov](mailto:malong@pa.gov).

Hearings will begin promptly each day. The Parties must confer before commencement of the hearings to schedule their witnesses so as to avoid “holes” or “dead time” during the hearings. In the event that a partial settlement is achieved the Parties should be prepared to proceed on the first scheduled day of hearing to present evidence on the non-resolved issues.

**All witnesses who will provide oral rejoinder testimony or be subject to cross-examination must appear in person. Requests for oral rejoinder or cross-examination by telephone will only be granted in exigent circumstances. Failure of counsel to secure the appearance of a witness in a timely manner is not an exigent circumstance.**

The last day to request the cancellation of the evidentiary hearings is **noon on August 3, 2026**. A request to cancel the hearings will only be granted if the request is unanimous and the Parties have agreed to waive cross-examination of all witnesses and to stipulate to admission of testimonies and exhibits. The Parties shall file a fully executed joint stipulation for the admission of evidence with the Secretary’s Bureau no later than 4 p.m. on August 3, 2026, unless otherwise ordered. The stipulation must include: (1) a stipulation that all Parties waive cross-examination of all witnesses, (2) a list of all testimonies and exhibits to be

admitted into the record, either embedded within the stipulation or attached to the stipulation, (3) a stipulation that the testimonies and exhibits to be admitted into the record are admissible and should be admitted. If such a stipulation is filed, the Administrative Law Judge may issue an Order adopting the stipulation, admitting the evidence into the record, cancelling the evidentiary hearings, and ordering the Parties to file their testimonies and exhibits, with appropriate verifications, with the Commission's Secretary's Bureau along with a copy of the Order. The stipulation shall also be provided to the Administrative Law Judge in Microsoft Office Word format.

Evidentiary hearing exhibits presented at a hearing, including written testimony and exhibits admitted into evidence, shall be sent to the court reporter electronically by the Party sponsoring the exhibits by the close of business on the last day of hearings, with a copy provided to the Administrative Law Judge. This is in the interest of the environment and saving ratepayers money from the expenditure of printing voluminous hard copies.

Further instructions regarding the conduct of the evidentiary hearings may be provided on a date closer to the first day of hearing.

### **Public Input Hearings**

The OCA has requested ten in-person public input hearings, and two public input hearings by telephone. The Joint Applicants are amenable to a certain number of public input hearings, but do not believe ten in-person public input hearings are necessary. The OCA is directed to confer with the Parties in this proceeding and on or before **February 3, 2026**, provide a plan for public input hearings which include general dates and locations. The identification of specific venues is appreciated. The schedule for public input hearings will be addressed in a separate order.

## Issues

In their respective prehearing memoranda, the Parties identified various issues they may wish to pursue. The reader is directed to these documents to review a recitation of these issues. Additional issues may arise as the discovery process unfolds.

## Discovery

The Parties shall engage in informal discovery whenever and wherever possible in an attempt to resolve any discovery disputes amicably. 52 Pa.Code § 5.322. If this process fails, the Parties have recourse to the Commission's procedures for formal discovery, as herein modified. 52 Pa.Code §§ 5.321, *et seq.* The Parties must not send the Presiding ALJ discovery material or cover letters, unless attached to a motion to compel. **All motions to compel must contain a certification of counsel of the informal discovery undertaken and their efforts to resolve their discovery disputes informally.** If a motion to compel fails to contain such certification, the Presiding ALJ will direct them to pursue informal discovery before any ruling on the motion.

Following a discussion with the Parties, the following modifications to the Commission's procedures for formal discovery are directed for any discovery serves following the prehearing conference.

- a. Answers to written interrogatories and requests for document production, entry for inspection, or other purposes will be served in-hand within 14 calendar days of service of the interrogatories.
- b. Objections to written interrogatories and/or requests for document production, will be communicated orally within three (3) calendar days of service; unresolved objections shall be served on the parties in writing within five (5) calendar days of service.
- c. Motions to dismiss objections and/or direct the answering of interrogatories and/or request for production will be filed within five (5) business days of service of written objections.

- d. Answers to motions to dismiss objections and/or direct the answering of interrogatories, and/or request for production will be filed within three (3) business days of service of such motions.
- e. Requests for admissions will be deemed admitted unless answered within ten (10) calendar days or objected to within five (5) calendar days of service.
- f. Answers to on-the-record data requests shall be served in-hand within five (5) calendar days of the requests.
- g. Any discovery or discovery-related pleadings (such as objections, motions, answers to motions) served after 4:30 p.m. Monday through Thursday or on a Friday after 1:30 p.m. or on any business day preceding a state holiday shall be deemed to have been served on the following business day for purposes of calculating the due date for any responsive filings.

After rebuttal testimony is served, the deadlines shall be reduced as follows:

- a. Answers to written interrogatories and responses to requests for document production, entry for inspection or other purposes will be served in-hand within five (5) days of service of the interrogatories.
- b. Objections to written interrogatories and requests for document production, entry for inspection or other purposes, will be communicated orally to the propounding party within two (2) calendar days of service; unresolved objections shall be served on the propounding party in writing within three (3) calendar days of service.
- c. Motions to dismiss objections and/or direct the answering of interrogatories and/or production of documents will be filed within three (3) business days of service of written objections.
- d. Answers to motions to dismiss objections and/or direct the answering of interrogatories and/or production of documents will be filed within three (3) business days of service of such motions.
- e. Requests for admissions will be deemed admitted unless answered within three (3) calendar days of service.
- f. Any discovery or discovery related pleadings such as objections, motions, answers to motions served after 4:30 p.m. Monday through Thursday or on a Friday after 1:30 p.m. or on any business day preceding a state holiday shall be deemed to have been served on the following business day for purposes of tracking responsive due dates.

### **Settlement and Stipulations**

The Parties are reminded it is the Commission's policy to encourage settlements. 52 Pa.Code § 5.231(a). The Parties shall notify the presiding ALJ on or before **noon on Monday, August 3, 2026**, if they have resolved their dispute or will waive cross-examination of all witnesses.

If settlement is not feasible, the Parties are encouraged to stipulate to any matters they reasonably can to expedite this proceeding, lessen the burden of time and expenses in litigation on all Parties and conserve precious administrative hearing resources. 52 Pa.Code §§ 5.232 and 5.234. All stipulations entered into by the Parties must be reduced to writing, signed by the Parties to be bound thereby, and moved into the record during the hearings in this case. An exception to this requirement may occur when circumstances of time and expediency warrant. If so, an oral presentation of a stipulation is permissible, if it is followed by a reduction to writing as herein directed.

### **Cross-Examination**

Friendly cross-examination or cumulative cross-examination during hearings will not be permitted. 52 Pa.Code §§ 5.76 & 5.243.

### **Briefs**

The Parties must comply with 52 Pa.Code §§ 5.501, *et seq.*, regarding the preparation and filing of briefs. Page limitations on briefs will be discussed on or before the last day of hearings. The electronic version of a brief must be prepared in *Microsoft Office Word* format.

**Modification**

Any of the provisions of this Prehearing Order may be modified upon motion and good cause shown by any party in interest.

Date: January 26, 2026

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/s/  
Mary D. Long  
Administrative Law Judge

**A-2025-3058927, A-2025-3058928, & A-2025-3058929 - 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**

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