

# Buchanan

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February 3, 2026

## **VIA E-FILING**

Matthew L. Homsher, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor  
Harrisburg, PA 17120

Re: Application of Aqua Pennsylvania Wastewater, Inc. pursuant to Sections 507, 1102 and 1329 of the Public Utility Code for Approval of its Acquisition of the Wastewater System Assets of the Delaware County Regional Water Quality Control Authority, Docket No. A-2019-3015173

Dear Secretary Homsher:

Aqua Pennsylvania Wastewater, Inc. (“Aqua”) files and serves this Tenth Status Report in connection with the above-captioned proceeding, as directed by the Presiding Officer, Administrative Law Judge F. Joseph Brady, in his Interim Order Granting Joint Motion for Stay (“Order Granting Stay”) dated February 6, 2023. The Order Granting Stay was based on the City of Chester’s request in its bankruptcy proceeding at Case No. 22-13032 for a stay of Aqua’s Application proceeding at Docket A-2019-3015173, and DELCORA’s Complaint for Declaratory Judgment against Aqua and Delaware County before the Delaware Court of Common Pleas at Docket No. CV-2023-000494. Accordingly, Aqua reports on the status of these proceedings.

### **In re: City of Chester, Pennsylvania, Debtor, Case No. 22-13032**

Consistent with Bankruptcy Judge Ashely M. Chan’s Order of March 7, 2023, Aqua participated in the sixty (60) day period of discussions on the City of Chester’s (“City”) claimed reversionary interests in certain assets constituting a small portion of the DELCORA wastewater system. Judge Chan conducted a hearing on May 15, 2023, at which time the City of Chester, Aqua and DELCORA reported to the Court on the status of the Parties’ efforts toward identifying and reaching an agreement regarding identification of any assets subject to the claimed reversionary interest. At the hearing, Aqua identified assets it believed may be subject to the reversionary interest. Aqua also committed to recognize a Reversionary Interest with respect to any assets that are ultimately identified as subject to that interest. On May 23, 2023, the

Bankruptcy Court issued an order staying Aqua's DELCORA Application before the Pennsylvania Public Utility Commission ("PUC"). Aqua subsequently filed a Notice of Appeal on June 6, 2023, to the United States District Court for the Eastern District of Pennsylvania. Aqua's brief in support of the appeal was filed on August 7, 2023. The parties continue to wait for the Court to determine if oral argument will be scheduled, or if a decision will be rendered solely on briefing. Aqua filed a renewed request to lift the Stay at Bankruptcy Court which was denied.

On August 26, 2024, the Receiver of the City filed with the U.S. Bankruptcy Court a Plan of Adjustment which indicated his intent to proceed with a process to monetize water assets, which included assets owned by the Chester Water Authority, the Stormwater Authority of the City of Chester, and the City's reversionary interests in certain of the sewer assets of DELCORA. On November 20, 2024, a Request for Qualifications ("RFQ") was issued by the City's Receiver for interested parties to submit a response to the RFQ by January 15, 2025. A Request for Proposals ("RFP") was issued on May 2, 2025. On December 12, 2025, the Receiver extended the time to respond to the RFP to April 3, 2026.

However, by decision entered on January 21, 2026, the Pennsylvania Supreme Court reversed the prior September 16, 2021 decision of the Commonwealth Court of Pennsylvania, which had held that the City of Chester had the unilateral power to take back the assets/projects of the Chester Water Authority. The Supreme Court held, to the contrary, that the power to take back those assets/projects is instead within the power of the nine-member Chester Water Authority Board, on which the City of Chester, Chester County, and Delaware County have equal representation. Thus, without the cooperation of a majority of the Chester Water Authority Board, the Receiver of the City cannot proceed with a process to monetize the assets of the Chester Water Authority. Following the Supreme Court's decision, the Receiver for the City suspended the RFP.

The City's claimed reversionary interest in certain of the sewer assets of DELCORA is not affected by the Supreme Court's January 21 Decision, and the Bankruptcy Court's order staying Aqua's DELCORA Application before the PUC remains in effect for this reason as well.

### **DELCORA Complaint for Declaratory Judgment against Aqua and Delaware County before the Delaware Court of Common Pleas, Docket No. CV-2023-000494**

In this proceeding, Aqua filed preliminary objections to DELCORA's Complaint. Delaware County filed an Answer to DELCORA's Complaint. The court scheduled a hearing on Aqua's preliminary objections for October 12, 2023. However, prior to the scheduled hearing, the Delaware County Court notified the parties that the hearing was canceled and that the preliminary objections would be re-listed after the parties receive the benefit of a Commonwealth Court's decision on Delaware County's appeal of the Delaware County Court's September 13, 2022, Remand Order.

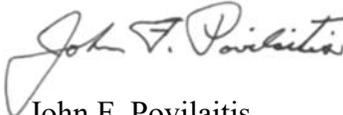
On June 4, 2024, the Commonwealth Court issued its Opinion in Delaware County's appeal from the September 13, 2022 Remand Order, affirming the Remand Order to the extent it granted Delaware County mandamus relief, dismissing Delaware County's Trust-related claims as moot, and acknowledging DELCORA's ability under the Municipal Authorities Act to execute the Asset Purchase Agreement with Aqua. None of the parties pursued an appeal to the Supreme Court of Pennsylvania, and as a result the June 4, 2024, Commonwealth Court Order is final.

On December 3, 2024, the Delaware County Court of Common Pleas issued an order that sustained Aqua’s preliminary objections and dismissed DELCORA’s complaint. In dismissing DELCORA’s complaint, Judge Dozor’s Opinion stated that “... this Court finds that there is no uncertainty, case or controversy as a matter of law, and therefore declaratory relief is unnecessary and inappropriate.” Judge Dozor also stated that “as a result of prior decisions of this Court and the Commonwealth Court, the issues that Delcora asked this Court to decide have already been fully litigated and decided, no uncertainty remains, and those issues cannot be relitigated in this case”, and that “[i]t is important to note, that this Court has always confirmed the authority of the Pennsylvania Public Utility Commissions scope of the review, authority and approval.”

Because more than thirty days have elapsed since the December 3, 2024 Order without DELCORA seeking to amend its Complaint or filing an appeal challenging the dismissal of its Complaint, the December 3, 2024 Order has become final and unappealable.

Copies of this Status Report have been served on Parties to this proceeding, as indicated in the attached Certificate of Service.

Very truly yours,



John F. Povilaitis

JFP/psm

cc: Certificate of Service  
The Honorable F. Joseph Brady

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Aqua Pennsylvania Wastewater, :  
Inc. pursuant to Sections 507, 110 and 1329 of :  
the Public Utility Code for Approval of its : Docket No. A-2019-3015173  
Acquisition of the Wastewater System Assets :  
of the Delaware County Regional Water Quality :  
Control Authority :

**CERTIFICATE OF SERVICE**

I hereby certify that this day I served a copy of the foregoing document upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code § 1.54.

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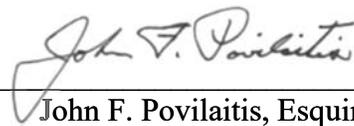
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Dated: February 3, 2026

  
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