

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held March 26, 2026

Commissioners Present:

Stephen M. DeFrank, Chairman
Kimberly Barrow, Vice Chair
Kathryn L. Zerfuss
John F. Coleman, Jr.
Ralph V. Yanora

Application of Pennsylvania-American Water :
Company under Section 1102(a) of the :
Pennsylvania Public Utility Code, 66 Pa.C.S. :
§ 1102(a), for approval of (1) the transfer, :
by sale, of substantially all of the :
Sutersville-Sewickley Municipal Sewage :
Authority's assets, properties and rights related : A-2025-3056563
to its sanitary sewage collection and :
conveyance system to Pennsylvania-American :
Water Company; and (2) the right of :
Pennsylvania-American Water Company to :
begin to offer and furnish wastewater service :
to the public in the Borough of Sutersville and :
in portions of Sewickley Township, :
Westmoreland County, Pennsylvania :

ORDER

BY THE COMMISSION:

We adopt as our action the Recommended Decision of Administrative Law Judge Jeffrey A. Watson and Administrative Law Judge Ann Quimby dated February 17, 2026;

THEREFORE,

IT IS ORDERED:

1. That the Commission approve the Amended Joint Petition for Approval of Settlement of All Issues as submitted, including all terms and conditions thereof, without modification.
2. That the Application filed by Pennsylvania-American Water Company in this matter on July 29, 2025, as amended by the Amended Settlement, be approved.
3. That the Commission issue Certificates of Public Convenience under 66 Pa.C.S. §§ 1102(a) and 1103(a) evidencing Commission approval of (a) the transfer to Pennsylvania-American Water Company, by sale, of substantially all property and rights of Sutersville-Sewickley Municipal Sewage Authority used or useful in the public service in accordance with the Asset Purchase Agreement (the System); and (b) the commencement of Pennsylvania-American Water Company of wastewater service to the public in the Borough of Sutersville and in portions of Sewickley Township, Westmoreland County, Pennsylvania currently served by Sutersville-Sewickley Municipal Sewage Authority.

4. That the Commission permit Pennsylvania-American Water Company to issue compliance tariff supplements, consistent with the *pro forma* wastewater tariff supplement attached to the Application as Appendix B, including all rates, rules and regulations regarding conditions of Pennsylvania-American Water Company's wastewater service, as revised herein, to become effective immediately upon Closing.

5. That the Commission not permit Pennsylvania-American Water Company to include System-related investments in its Distribution System Improvement Charge (DSIC) until Pennsylvania-American Water Company collects a DSIC from System customers. The DSIC provisions of Pennsylvania-American Water Company's effective tariff will apply to customers in the System no sooner than the first base rate in which the System is included.

6. That, except as explicitly agreed upon in the Amended Settlement, nothing contained in the Amended Settlement or in the Commission's approval of the Application shall preclude any of the parties from asserting any position or raising any issue in other Pennsylvania-American Water Company's proceedings. This includes, but is not limited to, the rights of the Office of Small Business Advocate to address and make other proposals for system rate base and rates in Pennsylvania-American Water Company's future rate cases, appeals, and remands.

7. That any claim by Pennsylvania-American Water Company to recover transaction and closing costs associated with the acquisition of the Sutersville-Sewickley Municipal Sewage Authority's wastewater system assets will not include costs incurred by Sutersville-Sewickley Municipal Sewage Authority. The Office of Small Business Advocate reserves its rights to challenge the reasonableness, prudence, and basis for Pennsylvania-American Water Company's transaction and closing cost claims in the rate filing where they are claimed.

8. That Pennsylvania-American Water Company shall, within the first billing cycle following the closing date, provide a bill insert to Sutersville-Sewickley Municipal Sewage Authority's former customers regarding Pennsylvania-American Water Company's commercial customer payment arrangement program. The bill insert shall include, at a minimum, a description of the available program, eligibility requirements for participation in the program, and the contact information for Pennsylvania-American Water Company and the Office of Small Business Advocate. Pennsylvania-American Water Company and the Office of Small Business Advocate agree to discuss the specific language and placement of contact information after the submission of this settlement but before the finalization of the bill insert.

9. That, Pennsylvania-American Water Company shall provide a page on its website, within the first thirty (30) days of the closing date, directed to Sutersville-Sewickley Municipal Sewage Authority's former customers, which provides information regarding Pennsylvania-American Water Company's commercial customer payment arrangement program as well as contact information for the Office of Small Business Advocate.

10. That, the Commission, pursuant to 66 Pa.C.S. § 507, may issue Certificates of Filing or approvals for the following agreements between Pennsylvania-American Water Company and a municipal corporation:

- i. the Asset Purchase Agreement By and Between Sutersville-Sewickley Municipal Sewage Authority as Seller, and Pennsylvania-American Water Company, as Buyer, Dated as of May 22, 2025; and
- ii. the Intermunicipal Authorities Sewage Service Agreement for the Sutersville-Sewickley Municipal Sewage Authority

Service Area, dated as of September 11, 2006, as amended
May 9, 2025.

11. That the Commission may issue any other approvals or certificates appropriate, customary, or necessary under the Pennsylvania Public Utility Code to carry out the transactions contemplated in the Application in a lawful manner.

BY THE COMMISSION,

A handwritten signature in cursive script, appearing to read "Matthew L. Homsher".

Matthew L. Homsher
Secretary

(SEAL)

ORDER ADOPTED: March 26, 2026

ORDER ENTERED: March 26, 2026