

COMMONWEALTH OF PENNSYLVANIA



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June 4, 2026

**Via Electronic Filing**

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

Re: Pennsylvania Public Utility Commission v.  
Deer Haven LLC (Water)  
Docket Nos. P-2024-3050545

Pennsylvania Public Utility Commission v.  
Deer Haven LLC (Wastewater)  
Docket Nos. P-2024-3050549

Dear Secretary Homsher:

Attached for electronic filing please find the Office of Consumer Advocate's Answer to Aqua Pennsylvania Inc.'s (Aqua or the Company), Petition to Terminate Receivership in this matter.

Copies have been served on the parties as indicated on the enclosed Certificate of Service.

Respectfully submitted,

/s/ Christy M. Appleby  
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Enclosures

cc: The Honorable Christopher P. Pell (email only)  
Certificate of Service

CERTIFICATE OF SERVICE

Petition of Deer Haven LLC, Requesting an Ex Parte Emergency Order Allowing Aqua Pennsylvania, Inc. to Act as a Receiver to Operate the Deer Haven Water and Sewer Systems : Docket Nos. P-2024-3050545 P-2024-3050549

I hereby certify that I have this day served a true copy of the following documents, the Office of Consumer Advocate’s, Answer to Aqua Pennsylvania Inc.’s (Aqua or the Company), Petition to Terminate Receivership, as follows, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below.

Dated this 4th day of June 2026.

SERVICE BY E-MAIL ONLY

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Dated: June 4,2026

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

|   |   |                |
|---|---|----------------|
| Petition of Deer Haven LLC, Requesting        | : | P-2024-3050545 |
| Requesting an Ex Parte Emergency Order        | : | P-2024-3050549 |
| Allowing Aqua Pennsylvania, Inc. to Act       | : |                |
| as a Receiver to Operate the Deer Haven Water | : |                |
| and Sewer Systems                             | : |                |

**OFFICE OF CONSUMER ADVOCATE ANSWER TO AQUA PENNSYLVANIA  
WASTEWATER, INC.'S PETITION TO TERMINATE RECEIVERSHIP**

The Pennsylvania Office of Consumer Advocate (OCA) by and through its undersigned counsel hereby files this Answer to Aqua Pennsylvania Inc.'s (Aqua or the Company), Petition to Terminate Receivership and avers the following:

I. BACKGROUND

On August 1, 2024, Deer Haven, LLC (DH or Deer Haven) filed a Petition for Ex Parte Emergency Order to appoint a temporary Receiver to operate its Water and Sewer Systems. *See generally*, Petition of Deer Haven, LLC Requesting an Ex Parte Emergency Order (Emergency Petition). Deer Haven historically has not provided safe and adequate water or wastewater services under Section 1501 of the Public Utility Code. Deer Haven's inability to provide safe and adequate wastewater services is evidenced in its multiple violations of Pennsylvania Department of Environmental Protection (DEP) regulations. *See* Appendix B and C to Emergency Petition.

On August 7, 2024, Chairman Stephen M. DeFrank issued an *Ex Parte* Emergency Order (Emergency Order), granting in part and denying in part Deer Haven's Emergency Petition. August 26, 2024, Ratification Order at 1 and 3 (Ratification Order). Chairman DeFrank determined that Deer Haven met the requisite standard for issuing an *ex parte* emergency order under 52 Pa. Code

§ 3.1-3.2. *Id.* at 3. Additionally, Chairman DeFrank found that a receiver should act immediately to address and correct conditions causing DH to provide unsafe, inadequate, and unreasonable service to its customers. *Id.* The Emergency Order appointed Pocono Water Works as the Receiver of the Deer Haven System. *Id.* Finally, the Emergency Order initiated proceedings pursuant to Section 529 of the Public Utility Code. *Id.*

Aqua expressed through its letter to the Commission on August 13, 2024, that it was willing to accept an appointment as the receiver for the Deer Haven System. Ratification Order at 4. The Commission noted that Aqua was technically and financially able to safely and adequately operate DH during the Section 529 proceedings and also had facilities within a reasonable proximity to Deer Haven. *Id.* On August 26, 2024, the Pennsylvania Public Utility Commission (Commission) issued a Ratification Order. The Ratification Order ratified the Emergency Order with modifications. Specifically, the Ratification Order modified the Emergency Order by appointing Aqua as receiver for Deer Haven, in place of Pocono Water Works.

The Deer Haven water and wastewater treatment systems have been the subject of a Joint Application for Certificates of Public Convenience (CPC) (Joint Application), seeking approval of the abandonment of sewer service by DH and commencement of service by PL Utilities, LLC (PLU) since June 17, 2024. Aqua Petition to Terminate Receivership at ¶ 5. This Joint Application was Stayed during the pendency of the above discussed Emergency Petition. *See generally*, August 26, 2024, Stay Order. The Stay was lifted on February 20, 2025, by Order of the Commission. The Commission entered a conditional approval Order, approving the Joint Application on March 7, 2025. *See*, March 7, 2025, Order. Following the Order, DH, Aqua, and PLU filed Motions for Extension of time on August 26, 2025, September 24, 2025, and November 11, 2025. Aqua Petition to Terminate Receivership at ¶¶ 11 and 13. The Commissions Bureau of Technical Utility

Services issued a letter advising that review of the supplemental materials submitted by PLU and DH satisfied the March 7, 2025, Order. *Id.* at ¶ 14.

Subsequently, PLU through its Counsel notified the parties on December 31, 2025, of the CPC issued to PLU. *Id.* at ¶ 15. PLU submitted its initial tariff on January 6, 2026. *Id.* According to an update from Counsel for PLU provided on January 19, 2026, “The Bureau of Technical Services currently is characterizing PLU’s utility status as pending until PLU gets the system up and running and is actually providing utility service.” Additionally, in the January 19, 2026, update, PLU advised that it was working with its contractor to ensure the new treatment plant and pump stations were operational since some time had passed since they were last tested. *See generally*, PLU Status Update Email to Judge Pell dated January 19, 2026.

The factual background presented in Aqua’s Petition did not include additional important information. On April 30, 2026, just over one month ago, Counsel for PLU advised that a component of the treatment system at the PLU WWTP required replacement. Aqua Petition to Terminate Receivership at ¶ 18.<sup>1</sup> On May 14, 2026, PLU provided an update that the component had been replaced however the WWTP required further maintenance and start up procedures which would require approximately two weeks before coming online. Aqua Petition to Terminate Receivership at ¶ 19.<sup>2</sup> It was expected that the plant would be fully operational by May 29. *Id.*

OCA has not received any further updates that the WWTP is operational and running from PLU, Aqua, DEP, or DH.

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<sup>1</sup> *See* PLU Email Status Update dated April 30, 2026.

<sup>2</sup> *See generally*, PLU Email Update to Judge Pell dated May 14, 2026.

II. ANSWER

A. Aqua's Petition to abandon its receivership is premature.

On May 15, 2026, prior to the WWTP plant being confirmed as operational, Aqua has filed this instant Petition to Terminate Receivership, arguing that PLU has stated that as of May 15, 2026, all of the requirements to the Consent Order and Agreement with DEP have been met, construction of the WWTP was completed, and it was expected to be fully operational by May 29, 2026. Aqua Petition to Terminate Receivership at ¶ 21. Additionally, once the WWTP is operational and interconnection has occurred, PLU will be able to provide safe and reliable wastewater service to PLU customers. *Id.* at ¶ 22.

The OCA posits that Aqua's Petition to Terminate Receivership is premature for several reasons. As an initial matter, the OCA does not have a means of verifying PLU's compliance with the Consent Order and Agreement between PLU and DEP. The OCA is not a party to the Consent Order and Agreement between PLU and DEP, nor does it have a copy of the requirements contained therein. Neither PLU nor Aqua has provided OCA or the Commission with a copy of the document. In its status updates, PLU indicated there were several issues with the startup of the WWTP following the issuance of the CPC as noted above.

PLU has experienced several "hiccups" in its startup of the new plant. These hiccups may continue through the initial startup phase of the plant. Further, any number of unforeseen issues experienced with a new plant, run by a newly formed sewer utility, could lead to Deer Haven customers being subject to unsafe, unreliable, and inadequate wastewater treatment services. Currently, DH customers are receiving safe, reliable, and adequate services through the Aqua Receivership. Aqua's Petition provides that the Company will "file a notice setting forth the date it ceased operations," but Aqua's Petition does not provide what conditions should be present for

the plant to be considered operational. Aqua Petition to Terminate Receivership at ¶ 25. Until these issues have been worked through by PLU and the plant has been operated successfully without interruption of service or impact to quality of service for a period of time, the prudent course of action is for Aqua to maintain its Receivership of the DH sewer system to ensure customers continue to receive safe, reliable, and adequate wastewater treatment services.

B. Aqua's Petition has several deficiencies.

In addition to the OCA's inability to confirm that customers of the Deer Haven system are receiving safe, reliable, and adequate sewer services through the new PLU WWTP, the Petition has several other deficiencies. The Petition provides no plan for transition of customers, timeline for transition, or how long the plant should be operational without issue before the Receivership is abandoned. Customers have been served by Aqua since December 2024. The only information about the proposed transition is a statement that "APW will file a notice with the Commission setting forth the date it ceased operations." Aqua Petition to Terminate Receivership at ¶ 25. The purpose of the 529 proceeding was due to serious deficiencies in the service provided to customers and "notice of the transition" does not provide any assurances to the customers about the fitness of PLU WWTP to serve customers over the long term.

Moreover, the Petition is also deficient in that it does not provide any discussion about the proposed transition of billing service and recovery of the costs that Aqua has incurred in acting as the Receiver. The OCA contends that Aqua must establish the financial position of Deer Haven as well as ensure the transition of all billing and financial obligations from Aqua to PLU. The Ratification Order in Paragraph (r) provides that Aqua will "Make reasonable efforts to establish the financial position of the Deer Haven Water System at the time the Receiver assumed receivership." Ratification Order at 10. The Deer Haven system was under considerable financial

strain prior to the commencement of these proceedings. Aqua's appointment as Receiver was in part due to its financial capabilities as proven wastewater treatment provider.

As the Receiver of the Deer Haven system, Aqua had the obligation to bill and collect amounts due from Deer Haven customers. Neither Aqua, Deer Haven, nor PLU has provided any evidence of how Aqua will ensure the seamless transition between its management of funds for Deer Haven and PLU's assumption of financial responsibility. The OCA is currently unaware of any transition of financial obligations including any accounts containing funds from Deer Haven customers from Aqua to PLU. In order to ensure that the PLU system is set up for success, the OCA contends that removal of Aqua at this junction is premature until financial and accounting transition procedures are in place.

Postponing the transition of the Aqua Receivership to PLU will not only ensure that PLU and the Deer Haven customers are prepared, but it will also enable Aqua to establish what if any expenses are eligible for deferred accounting treatment in its next base rate case. Aqua has provided no evidence of the expenses that it has incurred as a result of being appointed as the Receiver for the Deer Haven System. Further, Aqua has provided no evidence that it has attempted to collect any of the expenses that it has incurred as the Receiver for the Deer Haven system from Deer Haven. Any proposed transition must set forth a plan for how the Company proposes to address the financial requirements set forth in the Ratification Order. Ratification Order Paragraphs (r) and (s) at 10-11. Therefore, until Aqua is able to provide evidence of accounting measures taken to establish which expenses have been recovered from Deer Haven as well as which expenses are extraordinary operation and maintenance, it is premature to end Aqua's Receivership as this time.

### **III. CONCLUSION**

WHEREFORE, the OCA respectfully requests that Aqua's Petition to Terminate Receivership of the Deer Haven, LLC Sewer System be denied and Aqua shall continue to provide Receivership services to the Deer Haven, LLC Sewer System.

Respectfully submitted,

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Dated: June 4, 2026

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Deer Haven LLC, Requesting an Ex Parte Emergency Order Allowing Aqua Pennsylvania, Inc. to Act as a Receiver to Operate the Deer Haven Water and Sewer Systems :  
: Docket Nos. P-2024-3050545  
: P-2024-3050549

VERIFICATION

I, Darryl A. Lawrence, hereby state that the facts set forth in the Office of Consumer Advocate's Answer to Aqua Pennsylvania Inc.'s (Aqua or the Company), Petition to Terminate Receivership, are true and correct (or are true and correct to the best of my knowledge, information, and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: June 4, 2026

Signature: */s/Darryl Lawrence*  
Darryl A. Lawrence  
Consumer Advocate

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