
Garrett P. Lent

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File #: 174732

June 9, 2026

VIA ELECTRONIC FILING

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

**Re: Joint Application of Aqua America, Inc., Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Company LLC and Peoples Gas Company LLC for All of the Authority and the Necessary Certificates of Public Convenience to Approve a Change in Control of Peoples Natural Gas Company LLC and Peoples Gas Company LLC by Way of the Purchase of All of LDC Funding, LLC's Membership Interests by Aqua America, Inc.
Docket Nos. A-2018-3006061, A-2018-3006062 and A-2018-3006063**

Dear Secretary Homsher:

By Order ("Order") entered January 24, 2020, in the above-captioned proceeding, the Pennsylvania Public Utility Commission ("Commission") approved, with certain modifications, a Joint Petition for Approval Of Non-Unanimous, Complete Settlement Among Most Parties ("Settlement") that authorized the sale of Peoples Natural Gas Company LLC ("Peoples Natural Gas") and Peoples Gas Company LLC ("Peoples Gas") ("collectively, the "Peoples Companies") to Aqua America, Inc., subject to certain conditions. Subsequent to the entry of the Commission's Order, Aqua America, Inc. changed its name to Essential Utilities, Inc. ("Essential"). Closing on the sale occurred on March 16, 2020.

Consistent with the Commission's Order, this Annual Report identifies the status of compliance with certain of the conditions imposed by the Settlement. In addition to the Annual Report, Aqua Pennsylvania, Inc., maintains a tracking and root cause analysis of customer complaints pursuant to Paragraph 57 of the Settlement. This analysis is available upon request.

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A number of Settlement commitments (a) required completion within 5 years or less of the Commission's Order, or (b) required periodic reporting over a period of 5 years or less of the Commission's Order. As the Commission's Order was entered January 24, 2020, and 5 years from its date of entry have passed, the report herein submitted by the Peoples Companies addresses Settlement Commitments that either (a) are not yet completed and required completion within a period of more than 5 years of the Commission's Order, or (b) required periodic reporting over a period of more than 5 years of the Commission's Order.

Copies of this filing will be served upon the Commission's Bureau of Technical Utility Services, the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, and counsel for the Utility Workers Union of America, Local 612.

Any questions regarding this filing may be directed to the undersigned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Garrett P. Lent". The signature is fluid and cursive, with the first name "Garrett" and last name "Lent" clearly distinguishable.

Garrett P. Lent

GPL/sll
Attachments

cc: Kimberly Joyce
Andrew Wachter
Lynda Petrichevich
Emma C. Petty
Carol Scanlon
Rob Horensky, Manager Gas Safety
Paul Diskin
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL AND/OR FIRST-CLASS MAIL:

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Date: June 9, 2026



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2026 ANNUAL REPORT OF STATUS WITH REGARD TO EACH COMMITMENT CONTAINED IN SETTLEMENT IN
DOCKET NOS. A-2018-3006061, A-2018-3006062, A-2018-3006063

Paragraph #	Commitment	Status
1	Aqua America commits to addressing the replacement of gathering pipe representing remediation of the bare steel within the Goodwin/Tombaugh Gathering System over a seven-year timeframe. The work to begin repair and replacement of the system would begin three months after closing (such work includes engineering and planning) and the Peoples Companies and interested parties would meet to discuss and provide updates on the status of the project every six months.	Meetings with the Advocates occurred on 2/5/2025 (update reflecting progress as of December 2024) and 9/5/2025 (update reflecting progress as of June 2025).
6	Peoples Natural Gas and Aqua America will look to create and find synergies in the replacement of gathering and distribution pipe that eventually flow back to customers. In addition, the companies will explore the opportunity of grant eligibility and include PIOGA members for possible solutions and partnership addressing the issue.	As of 12/31/2025, 285 miles of pipeline have been removed from service without adversely impacting customers or supply. Through effective design and connections to other nearby pipeline systems, approximately 100 of those 285 miles, or about 35%, was able to be abandoned and did not require replacement.
45	Aqua America currently has one Board member that is employed by a natural gas utility and all nine board of director seats will be filled at the closing of this transaction. Aqua America commits to include natural gas distribution utility operations as a component of its search process for board membership and will endeavor to have additional members on its Board with background and experience with natural gas distribution utility operations. When any new Board member is added over the next ten years, Aqua America commits to providing notice of the change to its Board's composition to OCA, I&E, OSBA and the Commission. Such notice shall include identification of the new Board member and sufficient background on their work history and experience. The commitment acknowledges that compliance with rules regarding conflict of interest, related party transactions and director independence impact this Paragraph.	No new Board members were added in 2025.