

# Morgan Lewis

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September 7, 2018

## **VIA eFILING**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17105-3265

**Re: Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc.  
and Aqua Pennsylvania Wastewater, Inc.  
Docket Nos. R-2018-3003558 and R-2018-3003561**

**Joint Application of Aqua Pennsylvania, Inc., and its subsidiary,  
Superior Water Company, Inc.  
Docket Nos. A-2018-3004108 and A-2018-3004109**

Dear Secretary Chiavetta:

Enclosed for filing in the above-captioned matters is the Motion to Consolidate the three matters currently pending at four separate dockets before the Pennsylvania Public Utility Commission: (1) the base rate filing of Aqua Pennsylvania, Inc. (“Aqua”) at Docket No. R-2018-3003558; (2) the base rate filing of Aqua Pennsylvania Wastewater, Inc. (“Aqua Wastewater”) at Docket No. R-2018-3003561; (3) the Joint Application of Aqua and its wholly-owned subsidiary, Superior Water Company, Inc. (“Superior”) for the merger of Superior into Aqua, the right of Aqua to provide water service in Superior’s certificated service territory, and the abandonment of service by Superior at Docket Nos. A-2018-3004108 and A-2018-3004109.

As explained in the Motion to Consolidate, the matters at the above-referenced dockets raise common issues of law or fact and the requested consolidation will promote administrative efficiency, reduce costs, and avoid unnecessary delay. Accordingly, the Motion to Consolidate satisfies the criteria for consolidation set forth in 52 Pa. Code § 5.81(a).

**Morgan, Lewis & Bockius LLP**

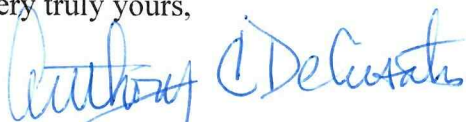
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**Rosemary Chiavetta, Secretary**  
**September 7, 2018**  
**Page 2**

Copies of the enclosed Motion to Consolidate and an accompanying Notice to Plead are being served on all parties at each of the above-referenced dockets, as indicated by the enclosed Certificate of Service.

Very truly yours,



Anthony C. DeCusatis

ACD/tp  
Enclosures

c: Per attached Certificate of Service (w/encls.)

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission v. : Docket No. R-2018-3003558  
Aqua Pennsylvania, Inc. and Aqua : Docket No. R-2018-3003561  
Pennsylvania Wastewater, Inc. :

Joint Application of Aqua Pennsylvania, :  
Inc., (“Aqua” or the “Company”) and its :  
subsidiary, Superior Water Company, Inc. :  
 (“Superior”), for the approval of: :

(1) the transfer to Aqua, through merger, of : Docket No. A-2018-3004108  
all property of Superior used or useful in the :  
public service; :

(2) the right of Aqua to begin to offer, render, :  
furnish, and supply water service in portions :  
of Douglass, New Hanover, Lower :  
Pottsgrove, Upper Frederick, Upper :  
Pottsgrove and Worcester Townships, :  
Montgomery County; North Coventry :  
Township, Chester County; and Washington :  
Township, Berks County Pennsylvania; and :

(3) the abandonment by Superior of public : Docket No. A-2018-3004109  
utility service in portions of Douglass, New :  
Hanover, Lower Pottsgrove, Upper :  
Frederick, Upper Pottsgrove and Worcester :  
Townships, Montgomery County; North :  
Coventry Township, Chester County; and :  
Washington Township, Berks County :  
Pennsylvania. :

Request for Approval of Merger Between :  
Affiliates :

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served copies of the foregoing **Motion** on the following persons in the manner specified in accordance with the requirements of 52 Pa. Code §

1.54:

VIA ELECTRONIC AND FIRST CLASS MAIL

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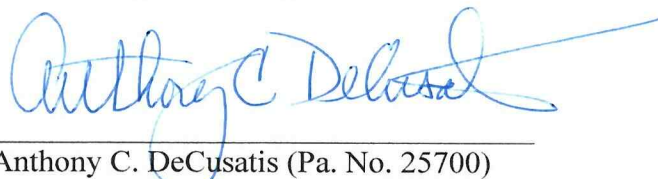
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Respectfully submitted,



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*Counsel for Aqua Pennsylvania, Inc.  
and Aqua Pennsylvania Wastewater, Inc.*

Dated: September 7, 2018

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission v. : Docket No. R-2018-3003558  
Aqua Pennsylvania, Inc. and Aqua : Docket No. R-2018-3003561  
Pennsylvania Wastewater, Inc. :  
:

Joint Application of Aqua Pennsylvania, :  
Inc., (“Aqua” or the “Company”) and its :  
subsidiary, Superior Water Company, Inc. :  
 (“Superior”), for the approval of: :

(1) the transfer to Aqua, through merger, of : Docket No. A-2018-3004108  
all property of Superior used or useful in the :  
public service; :

(2) the right of Aqua to begin to offer, render, :  
furnish, and supply water service in portions :  
of Douglass, New Hanover, Lower :  
Pottsgrove, Upper Frederick, Upper :  
Pottsgrove and Worcester Townships, :  
Montgomery County; North Coventry :  
Township, Chester County; and Washington :  
Township, Berks County Pennsylvania; and :

(3) the abandonment by Superior of public : Docket No. A-2018-3004109  
utility service in portions of Douglass, New :  
Hanover, Lower Pottsgrove, Upper :  
Frederick, Upper Pottsgrove and Worcester :  
Townships, Montgomery County; North :  
Coventry Township, Chester County; and :  
Washington Township, Berks County :  
Pennsylvania. :

Request for Approval of Merger Between :  
Affiliates :

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**NOTICE TO PLEAD**

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Pursuant to 52 Pa. Code § 5.103(b), you are hereby notified that you have 20 days to file an Answer to Aqua Pennsylvania, Inc. and Superior Water Company, Inc.’s Motion to Consolidate. All pleadings, including answers, must be filed with the Secretary’s Bureau of the

Pennsylvania Public Utility Commission, with a copy served to Aqua Pennsylvania, Inc. and Superior Water Company, Inc., and to any Administrative Law Judge assigned to the proceeding.

**Pleadings Filed Should be Sent to:**

If By U.S. Mail

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

If By Overnight, Certified and Priority Mailings:

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Commonwealth Keystone Building  
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**With Required Copy to:**

Anthony C. DeCusatis, Esq.  
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and

Alexander R. Stahl, Esq.  
Attorney ID No. 317012  
Aqua Services, Inc.  
762 W. Lancaster Ave.  
Bryn Mawr, PA 19010



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Anthony C. DeCusatis, Esq.  
*Counsel for Joint Applicants.*

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission v.	:	Docket No. R-2018-3003558
Aqua Pennsylvania, Inc. and Aqua	:	Docket No. R-2018-3003561
Pennsylvania Wastewater, Inc.	:	
	:	
Joint Application of Aqua Pennsylvania,	:	
Inc., (“Aqua” or the “Company”) and its	:	
subsidiary, Superior Water Company, Inc.	:	
(“Superior”), for the approval of:	:	
	:	
(1) the transfer to Aqua, through merger, of	:	Docket No. A-2018-3004108
all property of Superior used or useful in the	:	
public service;	:	
	:	
(2) the right of Aqua to begin to offer, render,	:	
furnish, and supply water service in portions	:	
of Douglass, New Hanover, Lower	:	
Pottsgrove, Upper Frederick, Upper	:	
Pottsgrove and Worcester Townships,	:	
Montgomery County; North Coventry	:	
Township, Chester County; and Washington	:	
Township, Berks County Pennsylvania; and	:	
	:	
(3) the abandonment by Superior of public	:	Docket No. A-2018-3004109
utility service in portions of Douglass, New	:	
Hanover, Lower Pottsgrove, Upper	:	
Frederick, Upper Pottsgrove and Worcester	:	
Townships, Montgomery County; North	:	
Coventry Township, Chester County; and	:	
Washington Township, Berks County	:	
Pennsylvania.	:	
	:	
Request for Approval of Merger Between	:	
Affiliates	:	

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**MOTION TO CONSOLIDATE**

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Pursuant to 52 Pa. Code §§ 5.81 and 5.103, Aqua Pennsylvania, Inc. (“Aqua” or the “Company”) hereby files this Motion to Consolidate the water and wastewater base rate case



proceeding filed at Docket Nos. R-2018-3003558 and R-2018-3003561 into one docket. Additionally, Aqua and Superior Water Company, Inc. (“Superior”) request that the Joint Application of Aqua and Superior filed at Docket Nos. A-2018-3004108 and A-2018-3004109 be consolidated into a single proceeding with Aqua’s consolidated base rate case proceeding. In support of this Motion, Aqua and Superior represent the following:

## **I. BACKGROUND**

1. On September 17, 2015, the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) entered an order in Docket Nos. A-2015-2472472 and A-2015-2472473 approving Aqua’s acquisition of Superior through a stock transaction. As part of the acquisition proceeding, Aqua and Superior stated their intention to fold Superior into Aqua. Additionally, in subsequent filings made with the Commission, Superior stated that Aqua would merge Superior into Aqua in the Company’s next base rate case proceeding.

2. Aqua acquired Superior on January 1, 2016.

3. On August 17, 2018, Aqua and Superior filed a Joint Application seeking Commission approval to fold Superior, by merger, into Aqua. The Joint Application was assigned Docket Nos. A-2018-3004108 and A-2018-3004109.

4. Also on August 17, 2018, Aqua filed for an increase in base rates for its water and wastewater operations, including, but not limited to, new original tariffs, along with exhibits, testimony, and required minimum filing requirements.

5. Aqua’s base rate filing was issued two docket numbers, one for water and one for wastewater, Docket Nos. R-2018-3003558 and R-2018-3003561, respectively.

6. Included in Aqua’s base rate case filing is a proposal to include Superior in Aqua’s proposed water tariff.

7. The Commission's regulation at 52 Pa. Code § 5.81(a), governing consolidation of proceedings, states:

The Commission or presiding officer, with or without motion, may order proceedings involving a common question of law or fact to be consolidated. The Commission or presiding officer may make orders concerning the conduct of the proceeding as may avoid unnecessary cost or delay.

**II. CONSOLIDATION OF THE TWO BASE RATE CASE PROCEEDING DOCKETS INTO ONE DOCKET IS APPROPRIATE**

8. Although the Company is proposing separate base rates for its water and wastewater operations, the cost of service presented for water operations includes a portion of the revenue requirement associated with the Company's wastewater operations, as authorized by Section 1311(c) of the Public Utility Code. In addition, there is a fundamental commonality to many components of the water and wastewater revenue requirements, cost of service methodology, and approach to revenue allocation and rate design. As a consequence, there are a substantial number of common questions of law and fact.

9. Consolidation of the two base rate proceeding dockets will promote administrative efficiency and reduce unnecessary expenditure of time and resources on duplicative filings and proceedings to address issues of law and fact in both proceedings. As such, consolidation of the base rate case proceedings will satisfy Section 5.81(a).

**III. CONSOLIDATION OF THE JOINT APPLICATION WITH THE CONSOLIDATED BASE RATE PROCEEDING IS APPROPRIATE**

10. The issues and facts presented in both the Joint Application and base rate proceeding are closely linked because Aqua is proposing that Superior be included in Aqua's water tariff and that Superior's water service territory be transferred to Aqua.

11. Consolidation of the Joint Application proceeding and base rate proceeding is the best and most efficient use of the Commission's and the parties' resources. The consolidation will allow any issues related to rates and the inclusion of Superior into Aqua's proposed tariff to be addressed in the same proceeding.

#### IV. CONCLUSION

WHEREFORE, Aqua Pennsylvania, Inc. and Superior Water Company, Inc. respectfully request that the proceedings at Docket Nos. R-2018-3003558, R-2018-3003561, A-2018-3004108, and A-2018-3004109 be consolidated into one proceeding.

Respectfully Submitted,



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Dated: September 7, 2018