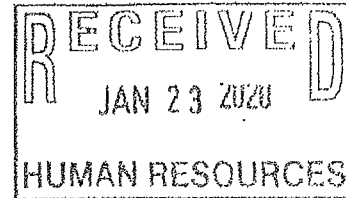


S.A.V.E.

SAFETY, AGRICULTURE, VILLAGES and ENVIRONMENT, INC.



January 20, 2020

Ms. Alexandra Chiaruttini, Chief Counsel
PA Department of Environmental Protection
Rachel Carson State Office Building, 16th Floor
400 Market Street
Harrisburg, PA 17105-2063

Dear Ms. Chiaruttini,

After I attended a hearing last week in the Delaware County Courthouse for the Orphans Court Docket #217-2019, it has come to our Board's attention that the PA DEP Southeast Regional Counsel's office has responded to a Motion filed by the Intervenors in a case involving the Chester Water Authority and the City of Chester in coordination with Aqua PA. The Governor has taken a very disturbing position in this effort by Aqua PA to takeover the Chester Water Authority, under the guise of this having to do with the Act 47 distressed status of the City of Chester. The curious filing by your Southeast Regional Office suggests that the DEP is acting for the benefit of Aqua's share holders and not the CWA ratepayers or the general public.

We respectfully ask that you review the position of the Southeast Office and provide us with some explanation as to why DEP would engage in this legal battle that could have been resolved by the settlement between the CWA and the City of Chester with a \$60M payout that would have helped address the City's financial challenges, without hindering the other 80% of the customer base that is located in Delaware and Chester Counties, outside of the City of Chester. This unprecedented effort to challenge the autonomy of a long standing municipal authority is part of a strategy for Aqua to monopolize the water and wastewater customer base for the broader region. We support privatization of systems in cases where municipal authorities desire to be sold, but not in this hostile takeover effort by the profit motivated Investor Owned Utility. Copies of letters previously sent to Governor Wolf and the responses that we have received to date are enclosed and are simply unacceptable.

S.A.V.E.'s mission is to promote the quality of life and community character of southern Chester County through Smart Growth principles that support safe transportation, agriculture, villages and the environment. Many S.A.V.E. supporters live in the service area and benefit from the natural resources of the CWA. We strongly object to this hostile takeover of the CWA.

Sincerely,

BLAIR FLEISCHMANN
Executive Director

cc: Governor Tom Wolf
✓ Chester Water Authority
Senator Andrew Dinniman
Representative John Lawrence
Chester County Commissioners

S.A.V.E.

August 28, 2018

Governor Tom Wolf
Office of the Governor
508 Main Capital Building
Harrisburg, PA 17120

Dear Governor Wolf,

This enclosed letter is in response to a public notice that was published in the August 18, 2018 issue of the Delaware County Daily Times. The notice states that Econsult Solutions, Inc., the recovery coordinator appointed by the Commonwealth of Pennsylvania, has prepared an Act 47 Exit Plan for the City of Chester based on the financial condition of the City and the plan contains certain findings, which include the monetization of the assets of the Chester Water Authority (CWA).

The assets of the CWA are owned and operated for the purpose of providing safe drinking water for residents in Chester and Delaware Counties, not just the City of Chester. Your support of this effort to take the assets of a fiscally responsible municipal authority to make them available to a profit motivated private company is unacceptable. This action will not only penalize current and future ratepayers, but will take away the local control of this water resource. We oppose the position of your General Counsel that gives this recovery coordinator the power to control the assets of the CWA. The communications between your recovery coordinator and the private company in advance of their offer to purchase the CWA in May of 2017 should be recognized for the violation of due process and this effort now should be recognized for the abuse of power that it is.

S.A.V.E.'s mission is to promote the quality of life and community character of southern Chester County through Smart Growth principles that support safe transportation, agriculture, villages and the environment. Many S.A.V.E. supporters reside in the service area of the CWA and we object to the monetization of the assets of the CWA without their consent.

Management of this water resource for all of the CWA rate payers is an essential aspect of long-range planning; the attempt to sell this resource is a short-term, and in our opinion, short-sited response to the fiscal problems facing the City of Chester.

Sincerely,

Blair Fleischmann
Executive Director

cc: Chester Water Authority



COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE GOVERNOR
HARRISBURG

THE GOVERNOR

September 13, 2018

Blair Fleischmann
101 East Street Road
Kennett Square, PA 19348

Dear Blair,

Thank you for your recent correspondence to Governor Tom Wolf sharing your thoughts and concerns regarding Chester City. Please know that your concerns have been reviewed with the utmost attention and referred to the Department of Community and Economic Development.

The City of Chester's recovery team is dedicated to supporting the City's recovery efforts by providing the highest level of professional assistance. The actions and recommendations by the City of Chester's Recovery Coordinator to explore a possible transaction involving the public water asset has been part of written correspondence with the Mayor since July 2017 as a recommendation.

A Public Meeting for the Act 47 Coordinator's Exit Plan for the City of Chester was held on September 6, 2018. The proposed Act 47 Exit Plan recommends that the City Officials hire a Financial Advisor and appropriate Legal Counsel to assist them with any agreement regarding the public water asset. The Department remains committed to help foster strong fiscal integrity for the City of Chester so that it can continue to provide for the health, safety and welfare services for its citizens and support the recommendations of the Recovery Coordinator.

Thank you again for your correspondence, if you should have any thoughts or issues regarding state government, please do not hesitate to reach out to Governor Tom Wolf's office again. To learn about how Governor Tom Wolf is making a new way for Pennsylvania, please feel free to visit www.governor.pa.gov, and follow him on Twitter at @GovernorTomWolf, and on Facebook at www.facebook.com/governorwolf.

Sincerely,

Dennis M. Davin
Secretary

S.A.V.E.

October 8, 2019

Governor Tom Wolf
Office of the Governor
508 Main Capital Building
Harrisburg, PA 17120

Dear Governor Wolf,

We respectfully ask you to intervene and stop the efforts by your Department of Community and Economic Development's Act 47 consultants to support a sale of the assets of the Chester Water Authority (CWA). The current legal actions, supported by your consultants, are more aligned with the shareholders of an Investor Owned Utility than with the customers of the CWA.

Forcing a sale of the CWA assets is an unfair way of addressing the financial issues of the City of Chester (the City). The City has never financially invested in the assets of the CWA. Therefore, the current and future customers of the CWA, currently close to 80% from outside of the City, should not be used in this unprecedented effort to force the privatization of a fiscally responsible municipal authority. Your support of this highly inequitable scheme to turn over the customer base of the CWA to an Investor Owned Utility will not adequately address the financial obligations of the City and will only lead toward the monopolization of these services.

We wrote to you in response to a Public Notice that was published on August 18, 2018. The notice stated that Econsult Solutions, Inc., the recovery coordinator appointed by the Commonwealth of Pennsylvania, had prepared an Act 47 Exit Plan for the City based on the financial condition of the City and the plan contained certain findings, which included the monetization of the assets of the CWA. Your response letter of September 13, 2018 from Secretary Dennis Davin stated that you are committed to helping foster strong fiscal integrity for the City so that it can provide services for its citizens. The timing of your communications with the Mayor of Chester began coincidentally two months after Aqua's unsolicited attempt to purchase the CWA in May of 2017, but yet the City has been in fiscal distress for several years. We would like to know why you would take such extreme measures to benefit an Investor Owned Utility at the expense of ratepayers from outside of the City. That is essentially what you are doing in your role as Governor, as we watch the CWA attempt to defend itself from the consolidated and ongoing efforts by the City and Aqua in our court system.

S.A.V.E.'s mission is to promote the quality of life and community character of southern Chester County through Smart Growth principles that support safe transportation, agriculture, villages and the environment. Many S.A.V.E. supporters live in the service area and benefit from the natural resources of the CWA. We strongly object to the monetization of the assets of the CWA.

Sincerely,

Blair Fleischmann
Executive Director

cc: Chester Water Authority

101 East Street Road, Kennett Square, PA 19348 www.savepa.org 610-925-0041 director@savepa.org



COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S OFFICE OF GENERAL COUNSEL

November 14, 2018

Blair Fleischmann
5330 Homeville Road
Kennett Square, PA 19363

Dear Mr. Fleischmann:

We are in receipt of and thank you for your letter inquiry to the Governor's Office. You have asked how the Federal government manages decisions made by the Department of Community and Economic Development.

The Department of Community and Economic Development's mission is to encourage the shared prosperity of all Pennsylvanians by supporting good stewardship and sustainable development initiatives across our Commonwealth. With a keen eye toward diversity and inclusiveness, we act as advisors and advocates, providing strategic technical assistance, training, and financial resources to help our communities and industries flourish.

Since we are a Department within the Commonwealth of Pennsylvania, the Federal government is not involved in managing any decisions made within DCED.

I trust this answer is responsive to your specific question.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Adams".

Mike Adams
Chief Counsel



pennsylvania
DEPARTMENT OF ENVIRONMENTAL
PROTECTION
SOUTHEAST REGIONAL COUNSEL

June 18, 2019

By Electronic and U.S. Overnight Mail

Clerk of the Orphan's Court
Delaware County Courthouse
201 W. Front Street
Media, PA 19063

Re: In Re: Chester Water Authority
Docket No. 19-217

Dear Sir or Madam:

Enclosed please find the Department's Response to Chester Water Authority's Petition in the above-captioned matter. If you have any questions about the Department's position in this matter, feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Gina Thomas".

Gina M. Thomas
Assistant Counsel

cc: Certificate of Service
Honorable Spiros E. Angelos (enc. *courtesy copy*)

Enc.

IN THE COURT OF COMMON PLEAS OF DELAWARE COUNTY, PENNSYLVANIA
ORPHAN'S COURT DIVISION

NO. 19-217

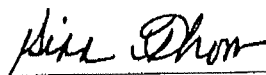
IN RE: CHESTER WATER AUTHORITY TRUST

DEPARTMENT OF ENVIRONMENTAL PROTECTION'S RESPONSE TO
CHESTER WATER AUTHORITY'S PETITION FOR APPROVAL OF
DECLARATION OF TRUST

By this filing, the Commonwealth of Pennsylvania, Department of Environmental Protection will not take a position with respect to the issues raised in this matter. As the agency with the duty and authority to administer and enforce the Pennsylvania Safe Drinking Water Act, Act of May 1, 1984, P.L. 206, *as amended*, 35 P.S. §§ 721.1-721.17 ("Safe Drinking Water Act"); Section 1917-A of the Administrative Code of 1929, Act of April 9, 1929, P.L. 177, *as amended*, 71 P.S. § 510-17 ("Administrative Code"); and the rules and regulations promulgated thereunder ("Regulations"), the Department reserves its rights to enforce these laws or any other Pennsylvania environmental statutes and regulations should a violation occur regardless of the outcome of this litigation.

Respectfully submitted,

FOR THE COMMONWEALTH OF
PENNSYLVANIA, DEPARTMENT OF
ENVIRONMENTAL PROTECTION:



GINA M. THOMAS
Assistant Counsel
Office of Chief Counsel
2 East Main Street
Norristown, PA 19401

Date: 6/18/19

IN THE COURT OF COMMON PLEAS OF DELAWARE COUNTY, PENNSYLVANIA

ORPHAN'S COURT DIVISION

NO. 19-217

IN RE: CHESTER WATER AUTHORITY TRUST

CERTIFICATE OF SERVICE

I hereby certify that on June 18, 2019, the foregoing documents were served by electronic and U.S. Mail to the below listed counsel:

City of Chester
c/o Kenneth R. Schuster, Esq.
City Solicitor
405 Avenue of the States
Chester, PA 19013

Incorporator

City of Chester
c/o Kevin Greenberg, Esq.,
Joel M. Eads, Esq. and
Bradley A. Nankerville, Esq.
1717 Arch Street, Suite 400
Philadelphia, PA 19103

City of Chester

Delaware County
c/o Michael Maddren, Esq.
201 W. Front Street
Media, PA 19063

Appointing Entity

John A. Terrill, II, Esq.
Karen A. Fahrner, Esq.
100 Four Falls, Suite 300
West Conshohocken, PA 19428

Chester Water Authority

J. Adam Matlawski, Esq.
1223 N. Providence Road
Media, PA 19063

Chester Water Authority

Francis J. Catania, Esq.
230 N. Monroe Street, 2nd Floor
P.O. Box 2029
Media, PA 19063

Chester Water Authority

Rocco P. Imperatrice, Esq.
3405 West Chester Pike
Newtown Square, PA 19073

AQUA Pennsylvania

Joel Frank, Esq.
24 E. Market Street
P.O. Box 565
West Chester, PA 19381

AQUA Pennsylvania

Chester County
c/o Thomas L. Whiteman, Esq.
Solicitor
1313 W. Market Street, Suite 6702
West Chester, PA 19380

Appointing Entity

Susquehanna River Basin Commission
c/o Jason Oyler, Esq.
General Counsel
4423 North Front Street
Harrisburg, PA 17110

Government Entity

Trustees of the Chester Water Authority
c/o Denis A. Gray, Esq.
Palmer & Gray, LLP
Carriage House, Suite 100
115 Bloomington Avenue
Wayne, PA 19087

Trustees

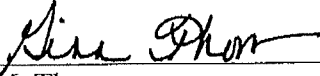
Wells Fargo Bank, N.A.
c/o William E. Mahoney, Jr., Esq.
2005 Market Street, Suite 2600
Philadelphia, PA 19103

Trustee for Outstanding Bonds

Kevin Dooley Kent, Esq.
Megan A. Guernsey, Esq.
Joseph W. Jesiolowski, Esq.
Centre Square, West Tower
1500 Market Street, Suite 3900
Philadelphia, PA 19102

Chester Water Authority

FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION:



Gina M. Thomas
Assistant Counsel
Attorney I.D. No. 60262
Office of Chief Counsel
2 East Main Street
Norristown, PA 19401