The Fight to Sta

Lessons from Cheste Public Water Syst

By Noël Brandon

EVERY PUBLIC WATER UTILITY IS BUILT ON AN IMPLICIT PROMISE: Decisions about water will be made in the best interests of the people and communities that depend on it. But what happens when a financially healthy utility is targeted and falsely claimed as a short-term financial asset to be sold or monetized rather than a public service for the residents of a large region?

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That question sits at the center of Chester Water Authority's decade-long legal battle, but its implications extend far beyond southeastern Pennsylvania. As communities across the country grapple with aging infrastructure, rising costs and municipal financial pressures, the principles at stake in southeastern Pennsylvania could help shape how public water systems are governed, protected and held accountable for years to come.

Public water systems exist to provide safe, reliable, affordable service. They should not become financial tools used to solve unrelated government fiscal challenges. Whether you're a utility executive, board member or policymaker, the experience of Chester Water Authority offers timely lessons about governance, affordability, and public trust that deserve national attention.

For generations, Chester Water Authority has quietly fulfilled its mission. Its roots date to an 1866 Act of Assembly, which later followed to CWA becoming incorporated in 1939. Since that time, CWA has delivered safe, reliable drinking water to approximately 200,000 people and businesses across southeastern Pennsylvania. Throughout its history, CWA has remained financially and operationally sound, regardless of and independent from the City of Chester's financial condition.

For over nine years, various efforts have sought to take over or "monetize" CWA to generate revenue tied to the city's financial challenges and current bankruptcy. Earlier this year, the Pennsylvania Supreme Court reaffirmed important limits on those efforts, confirming that no other governmental entity, such as the City of Chester, has any "ownership interest" in the CWA as the city's receiver had claimed.

While the city's receiver continues to file more litigation against the CWA, the larger issue extends well beyond any single court filing: Should a financially healthy public utility be subject to years of litigation and political attacks aimed at making it a financial asset to address problems it did not create? The answer has implications far beyond the City of Chester.

From my perspective, this experience has reinforced several lessons that every public utility should consider.

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First, governance exists to protect customers before it protects institutions. Independent authorities are designed to insulate essential public services from outside financial and political pressures. Decisions about water systems should be guided by public health, infrastructure needs and long-term stewardship, not short-term financial or political objectives. When that separation begins to erode, it is ultimately customers who bear the consequences, through higher costs, diminished service, a loss of local accountability, or all three.

Second, the mission of a public utility is affordability and well-maintained infrastructure. Profit is not part of the equation, which is precisely why this equation works so well for CWA ratepayers. We often measure the health of a utility by the reliability of its treatment plants, distribution system, or capital investments. Affordability deserves equal consideration. Across Pennsylvania and throughout the country, policymakers are increasingly focused on rising utility

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costs, because they understand that every increase has real consequences for families, businesses, and local economies. Water systems should be evaluated by the value they deliver to the communities they serve, not simply by what they might be worth in the short term from a contrived sell-off which will negatively impact both present and future generations of people in the service area.

Third, public trust is a utility's most valuable asset, and the easiest to lose. Throughout this experience, I have been reminded that governing a public utility is about far more than pumps, pipes, and treatment plants. It is about stewardship. Every decision ultimately affects families, businesses, schools, hospitals, and communities that trust us to provide one of life's most essential services. That trust takes generations to earn and only moments to undermine.

The courts will ultimately resolve the latest in the series of costly litigation crafted by the city's receiver, and legislators will continue to debate the broader policy issues at stake. But utility leaders cannot wait for others to reaffirm the principles that have long guided successful public water systems. Protecting the independence of well-functioning utilities is not about preserving institutions for their own sake; it is about preserving the ability to make decisions that put present and future customers first. One only needs to look at the aftermath of New Garden Township and Limerick in Pennsylvania to see how bad things can get after a municipal system is sold. These communities sold their systems to Aqua (Essential Utilities), an investor-owned utility who is now pursuing a merger with American Water. Since that sale, these communities have been dealing with massive rate hikes and lack of public control for several years now with no end in sight.

Strong governance, responsible stewardship and an unwavering commitment to the people we serve remain the foundation of public trust. If Chester Water Authority's experience encourages utilities across the country to strengthen those principles before they face similar challenges, then an important lesson will have emerged, making this fight worthwhile for us all.

Noël Brandon is board chair of the Chester Water Authority in Chester, Pennsylvania.