PENNSYLVANIA PUBLIC UTILITY COMMISSION Harrisburg, PA 17105-3265

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 No. P-2024-3050549

EX PARTE EMERGENCY ORDER

On August 1, 2024, Deer Haven, LLC (Deer Haven) filed a Petition with the Pennsylvania Public Utility Commission (Commission) requesting the issuance of an *ex parte* emergency order appointing Aqua Pennsylvania, Inc. (Aqua) to act as a temporary receiver to operate its Water System and its Sewer System. Petition at 1, 8. On August 7, 2024, the Commission issued a Secretarial Letter denying Deer Haven's request for an *ex parte* emergency order with respect to its Sewer System and declined to impose a receivership for the Sewer System. Secretarial Letter at 5. Subsequently, on August 13, 2024, Deer Haven filed a letter informing the Commission of intervening developments relevant to its Petition (Letter). In light of the Letter, I hereby issue this *Ex Parte* Emergency Order, which pertains to Deer Haven's Sewer System only.

Deer Haven is a jurisdictional public utility that provides water service, under Utility Code 210124, and wastewater service, under Utility Code 230106. Deer Haven provides water service to approximately 43 customers and wastewater service to approximately 62 customers. In its Petition, Deer Haven noted that its water wells and distribution system, along with its wastewater collection system and sewage treatment plant, were initially owned and operated by Edwin, Inc (Edwin). In 2004, Deer Haven

¹ The Petition was assigned two separate docket numbers due to the involvement of both a water system and a sewer system. Deer Haven's request regarding its Sewer System was addressed at the instant docket number, Docket No. P-2024-3050549. Deer Haven's request regarding its Water System was addressed separately at Docket No. P-2024-3050545.

acquired all of the Edwin common stock together with all assets used and useful in the provision of water distribution services to the public, including but not limited to, water distribution lines, wells, and all other equipment and facilities used by Edwin in the provision of water service (Deer Haven Water System, or Water System) as well as all assets used and useful in the provision of wastewater services to the public, including but not limited to collection mains, pumps, treatment facilities, and all other equipment and facilities used and useful by Edwin in the provision of wastewater services (Deer Haven Sewer System, or Sewer System). The water distribution system and wastewater treatment plant and collection system are located in Palmyra Township, Pike County, Pennsylvania. Petition at ¶¶ 2-4.

Deer Haven explained that Deer Haven and its affiliate, Haven Development, owned approximately 85 acres of property, including the site where the Water System and Sewer System are located. They intended to complete phased redevelopment of the area, including a new wastewater treatment plant to replace the existing plant. In 2010, they entered into a Purchase and Sale Agreement with Pocono Lakefront, LLC (Pocono Lakefront) for the sale of the property, including the land where the Water System and Sewer System are located. Deer Haven and Pocono Lakefront also entered into a Grant of Capacity and Option to Purchase Agreement whereby Deer Haven granted Pocono Lakefront, its successors, and assigns the option to purchase the Water System and Sewer System for \$1.00, subject to Commission approval of the transfer of the certificate of public convenience to Pocono Lakefront. In 2014, Deer Haven and Pocono Lakefront entered into a Purchase Agreement (Utility Agreement) under which Pocono Lakefront would purchase the Water System and Sewer System subject to Commission approval, Pocono Lakefront would form a company to hold the certificate of public convenience once a new sewer system was constructed, and the Water System would be operated by an unaffiliated company, Pocono Water Works Company, Inc. (Pocono Water Works), pending the transfer of the Water System to Pocono Lakefront. Petition at \P ¶ 4-6.

Deer Haven stated that, after numerous delays and as the result of the settlement of a lawsuit in New Jersey, Deer Haven and Pocono Lakefront now intend to move forward with the transfer of the Sewer System and that, in accordance with the Utility Agreement, PL Utilities, LLC (PLU) was formed to own and operate the Sewer System after the transfer. However, Deer Haven also stated that Pocono Lakefront has informed Deer Haven that it no longer intends to take possession of the Water System, which is currently operated by Pocono Water Works. Petition at ¶ 7.

With respect to the Sewer System, Deer Haven explained that, in 2015, the Department of Environmetal Protection (DEP) issued a Water Quality Management Permit to Pocono Lakefront for the construction of a new wastewater treatment plant (WWTP) and associated sewer lines/connections and that, after construction delays, the new WWTP was substantially completed in 2023. Pocono Lakefront has since taken numerous steps to secure regulatory approvals for the transfer of the Sewer System from Deer Haven. On June 17, 2024, Deer Haven and PLU filed a Joint Application for Abandonment and Certificate of Public Convenience (Application) with the Commission at Docket Nos. A-2024-3049587 and A 2024 3049591 seeking approval of the abandonment of Deer Haven's sewer service and the commencement of sewer service by PLU. Deer Haven noted that it continues to support expeditious approval of the Application. Before Pocono Lakefront can begin operating the new WWTP, however, it must complete the Act 537 planning process and conclude negotiation of a three-party Consent Order and Agreement to address Deer Haven's prior environmental noncompliance. Deer Haven stated that these processes will continue through the end of the calendar year or longer and, in the meantime, the Sewer System would remain exposed to additional violations as it does not possess the resources to take corrective action in response to violations identified by DEP. Petition at ¶¶ 13-14.

Further, Deer Haven explained that, while the Utility Agreement designated Pocono Lakefront as the party responsive for paying for operation of the Water System and Sewer System, the subsequent New Jersey settlement directs Deer Haven to operate the Sewer System during an interim period while Pocono Lakefront secures the regulatory approvals necessary for it to connect the new WWTP to the Sewer System and take over operations, including certificates of public convenience. Deer Haven stated that, with Sewer System revenues failing to cover operating expenses, it has struggled to maintain the aged and distressed existing WWTP in compliance with DEP and Commission regulations. Deer Haven noted that, in February 2024, it hired Environmental Services Corp. (ESC) to operate the Sewer System and improve compliance efforts, although efforts to secure an operator were extremely challenging due to the poor environmental compliance record. Deer Haven also noted that, since the New Jersey settlement, the existing WWTP suffered a tank leak requiring costly repairs and that DEP has imposed daily sampling requirements above and beyond those identified in Deer Haven's NPDES permit. Deer Haven explained that retaining ESC and conducting the supplemental sampling required by DEP costs approximately \$7,000 per month. Deer Haven noted that these expenses alone far exceed the annual revenue from the Sewer System and that the company is challenged to stay current on monthly invoices. Deer Haven stated that, although ESC continues to operate the Sewer System, Deer Haven remains at high risk of ESC withdrawing as plant operator. Petition at ¶ 15.

Thus, Deer Haven requested the immediate issuance of an *ex parte* emergency order directing Aqua to take temporary receivership of the Sewer System and conduct all operational and administrative activities necessary to preserve reasonably continuous safe and adequate service until Pocono Lakefront has secured all required regulatory approvals to consummate the transfer to the sewer utility assets to PLU.² Deer Haven noted that Aqua currently operates wastewater facilities within close proximity to the Sewer System and has the technical and financial resources to safely and adequately operate the Sewer System. Petition at ¶ 16.

On August 7, 2024, the Commission issued a Secretarial Letter denying Deer Haven's request for an *ex parte* emergency order with respect to Deer Haven's Sewer System and declined to impose a receivership for the Sewer System. Secretarial Letter at 5. Therein, the Commission stated that, upon review, it found that Deer Haven failed to present facts demonstrating the existence of an "emergency," *i.e.*, that the situation presents a clear and present danger to life or property or is uncontested and requires action prior to the next scheduled public meeting with respect to its request for an *ex parte* emergency order for the Sewer System. *Id.* at 4.

The Commission explained that Deer Haven did not aver that the situation involving the Sewer System presents a clear and present danger to life or property or is uncontested and requires action prior to the next scheduled public meeting. In particular, the Commission noted, that Deer Haven states that ESC, which it hired to improve compliance efforts, continues to operate the Sewer System. Additionally, the Commission noted that there is an Application involving the Sewer System pending before the Commission at Docket Nos. A-2024-3049587 and A-2024-3049591. In the

² Deer Haven also requested the issuance of an *ex parte* emergency order directing Aqua to take temporary receivership of the Water System and conduct all operational and administrative activities necessary to preserve reasonably continuous safe and adequate service until the impacted parties develop a long-term solution for the Water System. As noted above, this request was addressed separately at Docket No. P-2024-3050545. *See supra*, n.1.

Application, Deer Haven seeks to abandon sanitary sewer service to the public and seeks cessation of all rights and obligations as a public utility as well as the termination of all regulatory responsibility for operation of the Sewer System and PLU, which was formed for the purpose of owning and operating the Sewer System, seeks to begin to offer, furnish, or supply sanitary sewer service to the public in portions of Palmyra Township, Pike County, Pennsylvania and to serve as the public utility for the Sewer System.

The Commission stated that the issues raised in Deer Haven's Petition for *ex parte* emergency order are largely intertwined with those in the Application, noting that Deer Haven's Petition expressed continued support for approval of the Application. *Id.* at 4.

Given that Deer Haven failed to present facts demonstrating the existence of an emergency in its Petition and, in light of the pending Application regarding the Sewer System, the Commission denied Deer Haven's request for an *ex parte* emergency order with respect to the Sewer System and declined to impose a receivership for the Sewer System. The Commission directed Deer Haven to proceed with the Application at Docket Nos. A-2024-3049587 and A-2024-3049591. *Id.* at 5.

Subsequently, on August 13, 2024, Deer Haven filed its Letter informing the Commission of intervening developments regarding its Sewer System that are relevant to its Petition. Deer Haven explained that, on August 7, 2024, ESC informed Deer Haven that it would terminate service as operator of Deer Haven's Sewer System effective August 9, 2024, due to a past due balance on the account. Deer Haven stated that, notwithstanding recent payments toward the outstanding balance, ESC terminated service on August 9, 2024, leaving Deer Haven without a certified operator. Deer Haven also stated that its financials continue to deteriorate to the point where it is considering declaring bankruptcy. Thus, Deer Haven requests that the Commission reconsider its disposition as to the Sewer System. Letter at 1. Deer Haven's Letter is accompanied by an Appendix, which is the communication from ESC, as well as a Verification.

Initially, I note that, under the circumstances, I will treat Deer Haven's Letter as a renewed request for *ex parte* emergency relief. *See* 52 Pa. Code § 1.2. Pursuant to the Commission's regulation at 52 Pa. Code § 3.2, petitions for emergency orders must be supported by a verified statement of facts which establishes the existence of an emergency, including facts to support the following: (1) the Petitioner's right to relief is clear; (2) the need for relief is immediate; (3) the injury would be irreparable if relief is not granted; and (4) the relief requested is not injurious to the public interest.

Based on the intervening developments since the issuance of the Commission's Secretarial Letter on August 7, 2024, I determine that the facts regarding Deer Haven's Sewer System as presented in Deer Haven's Letter satisfy the requirements of 52 Pa. Code § 3.2. Thus, I grant Deer Haven's renewed request for *ex parte* emergency relief with respect to the Sewer System consistent with this Order.

I believe that a receiver should act immediately to assess and correct conditions that would cause Deer Haven to provide unsafe, inadequate, or unreasonable wastewater service to its customers and the public. Deer Haven should also appear before the Commission to demonstrate whether it is capable of providing safe, reliable, and reasonably continuous sewer service in accordance with the requirements of the Commission and the DEP. To this end, I will initiate a proceeding pursuant to Section 529 of the Public Utility Code, 66 Pa.C.S. § 529, where Deer Haven shall appear before the Commission to address these matters and, if necessary, provide reasonable solutions thereto. In the interim, I will appoint a receiver for the Sewer System pursuant to 66 Pa.C.S. § 529(g) to protect the interests of Deer Haven's sewer customers and members of the affected public. The responsibilities of the receiver are specified in the attached Appendix A.

I take immediate affirmative action here, subject to revision in a subsequent Ratification Order, to protect Deer Haven's wastewater customers and all members of the public affected by the regulated wastewater service rendered by Deer Haven, and to confirm Deer Haven's obligation to provide safe, reasonable, and adequate wastewater service. Based on its apparent lack of safe, reasonably continuous, and adequate service, present management and operating conditions at Deer Haven appear to present a serious public health and safety threat that the Commission will not ignore.

Pursuant to the Public Utility Code, every public utility has a duty to "furnish and maintain adequate, efficient, safe, and reasonable service and facilities, and shall make all such repairs, changes, alterations, substitutions, extensions, and improvements in or to such service and facilities as shall be necessary or proper for the accommodation, convenience, and safety of its patrons, employes, and the public." 66 Pa.C.S. § 1501. Additionally, "such service shall be reasonably continuous and without unreasonable interruptions or delay." *Id.*

The Public Utility Code authorizes the Commission to regulate the conduct of public utilities in the Commonwealth. 66 Pa.C.S. § 501. The Commission is also authorized to "enforce obedience" to the Public Utility Code, Commission regulations, and Commission orders. 66 Pa.C.S. § 502. Moreover, Section 529 of the Public Utility Code, 66 Pa.C.S. § 529, authorizes the Commission to direct a competent public utility to assume operational control or to acquire a small sewer utility that has jeopardized public safety by failing to provide reasonable and adequate sewer service.

Section 529 is an emergency provision that authorizes the Commission to take immediate action to protect the public interest by ordering the acquisition of a small water or sewer utility. Pursuant to 66 Pa.C.S. § 529(a), the Commission may order a capable public utility to acquire a small water utility like Deer Haven, if the Commission determines, after notice and hearing, that: (1) Deer Haven has violated statutory or

regulatory standards, (2) Deer Haven has failed to comply within a reasonable period of time with any Commission order concerning the safety, adequacy, efficiency, or reasonableness of service, (3) Deer Haven cannot reasonably be expected to furnish and maintain adequate, efficient, safe, and reasonable service and facilities in the future, (4) alternatives to acquisition are determined to be impractical or not economically feasible, (5) the acquiring utility is capable of operating Deer Haven in compliance with statutory and regulatory standards, and (6) that the rates charged to Deer Haven customers will not increase unreasonably because of the acquisition. In making these determinations, the Commission is to consider the factors enumerated in 66 Pa.C.S. § 529(c). Additionally, 66 Pa.C.S. § 529(a)(4) requires the Commission to explore alternatives to acquisition, as outlined in 66 Pa.C.S. § 529(b). The Commission's Office of Administrative Law Judge will be tasked with assigning one of its Administrative Law Judges to initiate this Section 529 proceeding.

As the bureau with delegated prosecutory discretion under Section 308.2(a)(11) of the Public Utility Code, 66 Pa.C.S. § 308.2(a)(11), the Commission's Bureau of Investigation and Enforcement shall be directed to participate in this matter to address fitness determinations, alternatives to acquisition, and factors for consideration required under Sections 529(a), (b), and (c) as it deems appropriate and before a final determination on acquisition can be rendered.

In addition to the above, 66 Pa.C.S. § 529(b)(3) and (g) provides that the Commission may take action to appoint a receiver to ensure the provision of adequate, efficient, safe, and reasonable service and facilities to the public and ensure that customers of a small sewer utility and the affected public will receive safe and adequate service during the pendency of a Section 529 proceeding. Section 529(g) of the Public Utility Code provides as follows:

(g) Appointment of receiver.—The commission may, in its discretion, appoint a receiver to protect the interests of the customers of the small water or sewer utility. Any such appointment shall be by order of the commission, which order shall specify the duties and responsibilities of the receiver.

66 Pa.C.S. § 529(g).

In its Petition, Deer Haven requested Aqua be appointed as a temporary receiver for the Sewer System, noting that Aqua currently operates wastewater facilities within close proximity to the Sewer System and has the technical and financial resources to safety and adequately operate the Sewer System. I agree that Aqua has the resources and capabilities to operate the Deer Haven Sewer System.³

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³ On August 13, 2024, at Docket No. P-2024-3050545, Aqua filed a Letter stating that it is willing to accept appointment as receiver for Deer Haven's Water System. Therein, Aqua requested that, in an order related to the Water System, the Commission include, *inter alia*, the establishment of deferred accounting for capital expenditures and operating expenditures in allowing the establishment of deferred expense accounts. While Aqua did not file a similar letter regarding the Sewer System at the instant docket and I am not addressing the merits of Aqua's requests with respect to the Water System here, I will take into account these requests in delineating the responsibilities of the receiver for Deer Haven's Sewer System in Appendix A to this Order.

Therefore, this Order will appoint Aqua as the Receiver to manage and operate the Deer Haven Sewer System during the pendency of the Section 529 proceeding ordered herein. I appoint Aqua as the Receiver because of its expertise in operating wastewater utilities subject to regulation under the Public Utility Code which will allow it to work to ensure safe, adequate, reliable, and reasonably continuous wastewater service to Deer Haven's customers and the public. Accordingly, I have specified the duties and responsibilities of the Receiver in this Order and in Appendix A.

CONCLUSION

Deer Haven, LLC's renewed request for *ex parte* emergency relief is granted with respect to its Sewer System consistent with this Order. I hereby issue this *Ex Parte* Emergency Order to protect the health, safety and welfare of the wastewater customers of Deer Haven, LLC. I will initiate a proceeding pursuant to Section 529 of the Public Utility Code, 66 Pa.C.S. § 529, including the appointment of Aqua Pennsylvania, Inc. as receiver under Section 529(g). These actions will provide for the orderly transition of operation and perhaps ownership of Deer Haven, LLC's Sewer System to a competent wastewater service provider and will protect the wastewater customers of Deer Haven, LLC and the affected public; **THEREFORE**,

IT IS ORDERED:

- 1. That the Deer Haven, LLC's renewed request for *ex parte* emergency relief filed on August 13, 2024, at Docket No. P-2024-3050549, is granted with respect to Deer Haven, LLC's Sewer System consistent with this Order.
- 2. That an investigation shall be instituted into whether the Commission should order a capable public utility to acquire Deer Haven, LLC's Sewer System pursuant to 66 Pa.C.S. § 529 and as is consistent with this Order.

- 3. That the Bureau of Investigation and Enforcement is expected to participate in the investigation proceeding. Wastewater utilities with an interest in this matter may petition to participate as appropriate.
- 4. That Deer Haven, LLC shall provide notice to its sewer customers of the imposition of the receivership and the initiation of a Section 529 proceeding in the same manner as a general rate increase and shall inform its sewer customers to direct future payments for sewer service to the Receiver as appointed by the Commission.
- 5. That pursuant to 66 Pa.C.S. § 529(g), the Commission directs Aqua Pennsylvania, Inc. to act as the Receiver for Deer Haven, LLC's Sewer System beginning August 15, 2024, and to continue during the pendency of the Section 529 proceeding ordered above and in accordance with Appendix A to this Order.
- 6. That the Receiver shall not assume any debt incurred by Deer Haven, LLC, unless such assumption is approved through an Order of this Commission.
- 7. That the Receiver shall not be liable for preexisting conditions, defects, or regulatory or statutory violations occasioned by Deer Haven, LLC.
- 8. That the Receiver shall be permitted to establish a regulatory asset account for all reasonably incurred expenses in its capacity as receiver.
- 9. That utilities serving Deer Haven, LLC are permitted and directed to initiate service to the facilities that used to serve Deer Haven, LLC's wastewater customers in the name of the Receiver as appointed by the Commission and consistent with this Order.

- 10. That Deer Haven, LLC shall preserve all hard copy or electronic records, files, bank statements, documents, papers, or any other materials related to its offering of wastewater service, including records of all contracts, agreements, loans, payments, and other arrangements with affiliated companies or be subject to criminal and/or civil prosecution under Chapter 33 of the Public Utility Code and any other applicable state or federal law.
- 11. That Deer Haven, LLC shall, no later than August 15, 2024, turn over copies or originals of all books, records, accounts, and any other information used and useful in the provision of wastewater service to customers served by Deer Haven, LLC to the Receiver as appointed by the Commission or be subject to criminal and/or civil prosecution under Chapter 33 of the Public Utility Code and any other applicable state or federal law.
- 12. That Deer Haven, LLC shall, no later than August 15, 2024, turn over all operations and assets, including keys to locks securing facilities, buildings, and any other property, whether personal or real property, used and useful in the provision of wastewater service to customers served by Deer Haven, LLC to the Receiver as appointed by the Commission or be subject to criminal and/or civil prosecution under Chapter 33 of the Public Utility Code and any other applicable state or federal law.
- 13. That Deer Haven, LLC, including its owners and employees, are directed to provide full and unconditional cooperation with the orderly transition of operations, management, and oversight to the Receiver as appointed by the Commission or be subject to criminal and/or civil prosecution under Chapter 33 of the Public Utility Code and any other applicable state or federal law.
- 14. That the Deer Haven, LLC shall cease all billing and collections activity to its former wastewater customers as of August 15, 2024.

15. Effective immediately, Deer Haven, LLC shall not engage in any purchase, sale, payment, lease, loan, or exchange of any service, property, money, security, right, or thing under contract, whether oral or written, or under any arrangement with an affiliated interest, the terms of which have not been approved by the Commission, subject to criminal and/or civil prosecution under Chapters 19, 21, and 33 of the Public Utility Code and any other applicable state or federal law.

16. That a copy of this Order be served on Deer Haven, LLC, Aqua Pennsylvania, Inc., the Commission's Office of Administrative Law Judge, the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, and the Northeast Regional Office of the Pennsylvania Department of Environmental Protection.

17. That a copy of this Order be posted on the Commission's website at www.puc.pa.gov.

Stephen M. DeFrank, Chairman

DATE: August 15, 2024

APPENDIX A

Docket No. P-2024-3050549

- 1. That the Receiver Aqua Pennsylvania, Inc. (Aqua), in its capacity as a receiver of Deer Haven, LLC's (Deer Haven) Sewer System (Deer Haven Sewer System, or the system), shall have the following duties and responsibilities:
 - a. Operate the system in compliance with all State, Federal, and local laws and regulations.
 - b. Maintain any existing or necessary permits, licenses, approvals, authorizations, orders, consents, registrations, or filings.
 - c. Provide a listing of recommended capital improvements, identifying the capital improvements necessary to improve the performance of the system, to address or anticipate the obsolescence of portions of the system, to reduce the cost of operating the system, to provide cost savings or efficiency innovations to the system, or to comply with existing or anticipated changes to applicable laws and regulations.
 - d. Provide all supervision and personnel necessary to operate the system in a professional, efficient and economic manner, and in accordance with sound operating practices and prudent industry and utility standards.
 - e. Respond to system emergencies by taking necessary action to ensure the continued provision of adequate, efficient, safe and reasonable sewer service.
 - f. Notify appropriate regulatory or governmental agencies regarding any emergency which, in the reasonable judgement of the Receiver, is likely to result in material loss or damage to the system or constitute a material threat to human health or safety.
 - g. Provide for normal routine maintenance and the provision of supplies for the system.
 - h. Keep financial and accounting records and all pertinent operating data and information relating to the system as prudent industry and utility practices would require.
 - i. Continue billing and collection functions for the Deer Haven Sewer System.

- j. Provide the Deer Haven Sewer System's customer service.
- k. Have the authority to receive and utilize grant funds in the name of Deer Haven and borrow money in the name of Deer Haven necessary for the implementation of corrective actions and continued provision of adequate, efficient, safe and reasonable service to the customers of the Deer Haven Sewer System.
- 1. Have the authority to file a petition for bankruptcy and participate in such proceedings on behalf of the Deer Haven Sewer System.
- m. Comply with Deer Haven's effective tariff for Deer Haven Sewer System customers.
- n. Submit all necessary paperwork to regulatory agencies of the system on behalf of the Deer Haven Sewer System.
- o. Submit an initial status report to the Commission within 60 days of August 15, 2024, and then quarterly thereafter to detail any relevant updates pursuant to duties and responsibilities assigned through receivership.
- p. Participate in discussions with the Commission regarding alternatives to the acquisition of the Deer Haven Sewer System, pursuant to 66 Pa.C.S. § 529(b).
- q. Submit testimony regarding each factor delineated under 66 Pa.C.S. § 529(c) in any future proceeding pursuant to 66 Pa.C.S. § 529(a) relating to the acquisition of the Deer Haven Sewer System by a capable public utility.
- r. Make reasonable efforts to establish the financial position of the Deer Haven Sewer System at the time the Receiver assumed receivership.
- s. Establish a deferred expense account for expenses incurred by the Deer Haven Sewer System that are payable to the Receiver.
 - i. Operating expenses and Department of Environmental Protection (DEP) mandated capital expenses incurred by Aqua as Receiver are eligible for deferred accounting treatment and may be charged to a deferred expenses account.

- t. Petition the Commission to add or remove any duties or responsibilities; however, the Receiver must continue to fulfill all duties and responsibilities until such duties or responsibilities are removed by Commission Order or by a court with competent jurisdiction.
- u. Be permitted to use existing Commission-approved affiliated entities to provide services to the Deer Haven Sewer System, provided that the Receiver provides the Commission written notice identifying which affiliates are providing services for which approval under 66 Pa.C.S. § 2102 would typically be required.
- v. Satisfy the aforementioned duties and responsibilities either directly, through Commission-approved affiliates, or through competitive operation and maintenance agreements or any combination thereof.
- w. Charge Deer Haven reasonable rates for all services rendered to or for the Deer Haven Sewer System on behalf of the receivership.
- 2. That the Receiver, in its own capacity, shall have the following duties and responsibilities:
 - a. Should Deer Haven be unable to obtain necessary financing for ensuring the continued provision of adequate, efficient, safe and reasonable service to the customers of the Deer Haven Sewer System, the Receiver, at its option, may either directly provide financing for Deer Haven or file a petition for bankruptcy.
 - b. Establish a deferred expense account for expenses incurred by the Receiver resulting from this order, including prudent and reasonable legal expenses.
- 3. The Receiver may petition the Commission for modification or termination of this receivership, or to appoint another, or an additional, entity as a receiver of the Deer Haven Sewer System.