



Commitment to Customers & Communities

To Those We Serve Across All Communities:

The Bucks County Water & Sewer Authority (BCWSA) has been serving municipalities across Bucks County and southeastern Pennsylvania for the last 60 years. We have a proven record of always putting our communities, customers and employees first in every decision we make.

With that core principle in mind, when we were presented with an initial acquisition offer for BCWSA, we had a fiduciary responsibility to examine every detail and determine the most beneficial decision for all concerned. The process included obtaining an assessment of all our operations, services, assets and any other resources that are part of BCWSA. **A significant component of our analysis entailed ensuring that our customers would have rate protections, municipalities and their taxpayers would realize financial benefits, programs would remain in place to achieve the highest environmental standards, and no current and former employees' pay and benefits would be negatively impacted.**

After agreeing to our terms, we received a formal offer of \$1.1 billion from Aqua Pennsylvania to acquire our wastewater operations only. (BCWSA would continue to own and provide water service.) Receiving the formal offer allows us to present it to the public and receive feedback. While we take these next steps, it is important to know that we have not made a final decision on the acquisition offer. We want stakeholders, ratepayers and community members to have an opportunity to review the terms of the agreement that would provide:

- **Customers** – We anticipate the sale proceeds could be contributed to a fund to minimize rate increases over the next 10 years, including a complete rate freeze in the first year. The sale of only our wastewater operation means significantly lower rate increases, estimated to be less than \$20/month more by 2033. Low-income residents will continue to have access to grant or discount programs to help pay bills.
- **Community** - Bucks County government and its residents will receive about \$1 billion in new revenues from the sale proceeds. Along with creating a fund for customers, the county can allocate the money for needs that it deems appropriate, such as eliminating its debt, freezing any tax increases over an extended period of time, and other essential needs to benefit residents. Operations at BCWSA's current headquarters will continue for at least 25 years.
- **Employees** – All employees (union and non-union) will maintain their jobs based on current salaries and collective bargaining agreements. All pension plans will remain intact and existing employee benefits will be maintained.
- **Environmental** – Aqua Pennsylvania will assume all necessary permits to operate the systems and assume all Pennsylvania Department of Environmental Protection (DEP) and U.S. Environmental Protection Agency (EPA) consents and orders related to the systems. Aqua Pennsylvania will also seek PUC approval for the ability to replace damaged customer wastewater laterals to address the stormwater inflow, which is something BCWSA is not permitted to do.

The benefits outlined above are terms that we required Aqua Pennsylvania to meet. They reflect our commitment to you, the customers and communities we serve. This announcement marks the first step toward moving forward with full transparency. We will be holding meetings for the public to ask questions to BCWSA and Aqua Pennsylvania representatives regarding the transaction and their services. The input received during these meetings will be part of any final actions involving this proposed acquisition. You can learn all the facts and stay updated at www.BCWSAcommitment.org. We look forward to hearing from you.

Sincerely,

John Cordisco, BCWSA Board Chair