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| PUC logo | COMMONWEALTH OF PENNSYLVANIAPENNSYLVANIA PUBLIC UTILITY COMMISSIONP.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE** |

April 5, 2016

Docket No. A-2016-2537209

Utility Code 230073

**Via CERTIFIED Mail**

Susan Simms Marsh Esquire

Pennsylvania-American Water Company

800 West Hersheypark Drive

Hershey PA 17033

David P ZAMBITO Esquire

cOZEN O’CONNOR

17 nORTH sECOND STREET SUITE 1410

hARRISBURG PA 17101

RE: Joint Application of Pennsylvania American Water Company [wastewater division] (PAWC-WD) and the Sewer Authority of the City of Scranton (Authority) for approval of 1) the transfer, by sale, of substantially all of the Sewer Authority of the City of Scranton's Sewer System and Sewage Treatment Works assets, properties and rights related to its wastewater collection and treatment system to PAWC-WD, and 2) the right of PAWC-WD to begin to offer or furnish wastewater service to the public in the City of Scranton and the Borough of Dunmore, Lackawanna County, PA at Docket A-2016-2537209

Dear Attorneys Marsh and Zambito:

On March 30, 2016, PAWC-WD filed a joint application seeking approval of its purchase of the Sewer Authority of the City of Scranton’s wastewater system assets. In order for the Commission to complete our analysis of your application, the Bureau of Technical Utility Service (TUS) Water/Wastewater Division requires responses to the attached data requests. Please be advised that you are directed to forward the requested information to the Commission within 10 working days of receipt of this letter.

Please send all responses to the Secretary of the Commission at the following address:

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

When submitting documents, all documents requiring notary stamps must have original signatures. Please note that some responses may be e-filed to your case at http://www.puc.pa.gov/efiling/default.aspx. A list of document types allowed to be e-filed can be found at http://www.puc.pa.gov/efiling/DocTypes.aspx.

**Please note that your answers must be verified per 52 Pa Code § 1.36.** Accordingly, you must provide the following statement with your responses:

*I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter.  I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).*

The blank space in the preceding statement should be filled in with the name of the appropriate company representative, and the signature of that representative should follow the statement. Please contact the above staff person if any problems should arise that prevents a full response within ten working days or if any clarification of these data requests is needed. Please mark the materials “CONFIDENTIAL” in a bold or highlighted manner if any of the requested information is deemed to be of a confidential nature.

In addition, to expedite completion of the application, please send a copy of the information to Sean Donnelly via e-mail at sdonnelly@pa.gov or by fax at (717) 787-4750. Please also direct any questions to Sean Donnelly, TUS Water/Wastewater Division at telephone number (717) 783-2505. Thank you in advance for your cooperation.

****

Sincerely,

Rosemary Chiavetta

Secretary

Enclosure

cc: Parties of Record

 Sean Donnelly, P.E., PUC TUS (w/enclosure)

Note: Restate the data request prior to providing a response. In addition, provide the name and title of the person(s) providing the response and/or information for each.

1. The Application states the Authority provides sewer service to approximately 31,000 residential and non-residential, including commercial, apartment, industrial, and municipal, sewer customers. Please quantify the Authority’s sewer customer connections by each individual class.
2. The proposed boundaries of the wastewater service area depicted in Application’s Exhibit M are not described with bearing angles and distances. Please provide a written description of the proposed service area’s boundaries that includes bearing angles and distances.
3. The Application is silent as to whether it complies with the City of Scranton’s (City’s) and Dunmore Borough’s Act 537 Official Sewage Facilities Plans (Act 537 Plans). Please state whether the Application complies with both the City’s and the Borough’s Act 537 Plans.
4. The Pennsylvania Department of Environmental Protection’s (DEP’s) website notes the City has an Act 537 Plan dated 11/22/1988. Please provide a copy of the City’s Act 537 Plan.
5. DEP’s website notes the Borough has an Act 537 Plan dated 12/28/1988. Please provide a copy of the Borough’s Act 537 Plan.
6. Please provide a copy of Authority’s Chapter 94 Municipal Wasteload Management Report that was most recently submitted to DEP.
7. Please provide a copy of all DEP permits obtained for the Authority’s wastewater system assets.
8. Please provide a detailed and comprehensive list of the Authority’s wastewater system assets to be purchased by PAWC-WD. The list needs to describe and quantify all assets (i.e., sewer services, mains, interceptors, manholes, pump stations, and wastewater treatment process equipment, etc.).
9. Please explain the basis of the proposed purchase price for the Authority’s wastewater system assets.
10. Please state the value of the Authority’s wastewater system assets.
11. Please state whether the Authority received any Contributions-In-Aid of Construction for its wastewater system assets.
12. Please clarify whether PAWC-WD will perform an original cost study of the Authority’s wastewater system assets to be purchased.
13. Please explain how PAWC-WD will finance the proposed purchase of the Authority’s wastewater system assets.
14. Please provide the tentative journal entries that PAWC-WD will use to book the purchase of the Authority’s wastewater system assets.
15. Please provide a copy of the Authority’s current wastewater service rules and regulations.
16. Please provide a copy of the Authority’s current industrial pretreatment rules and regulations if it is not already part of the Authority’s current wastewater service rules and regulations.
17. Please provide calculations showing how the proposed revenue and expense figures listed in the Application’s Exhibit O where determined.
18. Please provide a copy of the Authority’s most recent annual financial statement report submitted to the Commonwealth.