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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 18, 2016

Docket No. R-2016-2538660

Utility Code 2118089

**VIA CERTIFIED MAIL**

THOMAS J SNISCAK

HAWKE MCKEON SNISCAK LLP

100 NORTH TENTH STREET

HARRISBURG PA 17101

RE: Community Utilities of Pennsylvania Inc. Water Division Supplement No. 1 to Tariff Water – Pa. P.U.C. No. 1at Docket No. R-2016-2538660

Dear Attorney Sniscak:

On April 6, 2016, Community Utilities of Pennsylvania Inc. Water Division (Company) filed Tariff Supplement No. 1 to Tariff – Water Pa. P.U.C. No 1 to consolidate and increase rates for all customers for the service territories formerly known as Penn Estates Utilities, Inc. and Utilities, Inc. – Westgate.

Please be advised that you are directed to forward the requested information to the Commission within 10 working days of receipt of this letter. Failure to respond in a timely manner may result in the filing being denied. As, well, if the Company decides to withdraw its filing, please send a reply notifying the Commission of such a decision. Please send all responses to the Secretary of the Commission at either of the following addresses:

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| Rosemary Chiavetta, Secretary |  | Rosemary Chiavetta, Secretary |
| Pennsylvania Public Utility Commission | or | Pennsylvania Public Utility Commission |
| P.O. Box 3265 |  | 400 North Street |
| Harrisburg, PA 17105-3265 |  | Harrisburg, PA 17120 |

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 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 Spencer Nahf via e-mail at snahf@pa.gov or fax at (717) 787-4750. Please also direct any questions to Spencer Nahf, in the Bureau of Technical Utility Services, Water/Wastewater Division at telephone number (717) 787-5164. Thank you in advance for your cooperation.

 Sincerely,

 Rosemary Chiavetta

 Secretary

Enclosure

cc: Spencer Nahf (w/enclosure)

Bureau of Technical Utility Services

Water/Wastewater Division

Data Request 1

Community Utilities of Pennsylvania Inc. Water Division (CUPI) Supplement No. 1 Tariff Water – Pa. P.U.C. No. 1 at Docket No. R-2016-2538660

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 data request.

1. Please provide a calculation of the customer bills comparing billing at the existing base rates and at the proposed consolidated rates for the two service areas showing the amount of increases and percent increases at each level of usage listed below:

Estimate bills for residential customers with 5/8-inch diameter meters at usage levels of 0, 1,000, 2,000, 3,000, 5,000 and 10,000 gallons per month.

Estimate bills for commercial customers with 1.5-inch meters diameter at usage levels of 0, 1,000, 2,000, 3,000, 5,000, 8,000, 10,000, 15,000 and 20,000 gallons per month.

1. Please provide an explanation of the “Purchased Services” value that is included as revenue on Page 1-7 of the rate study for the Base Year Ended 12/31/15 and state if the “Purchased Services” figure contains “above-the-line” expenses.
2. Please provide an explanation of the “Accruals” amount that is included as revenue on Page 1-7 of the rate study for the Base Year ended 12/31/15.
3. Please state the revenue and expenses by account for the years ended December 31, 2013, 2014 and 2015 for each of the two service areas.
4. Please identify which service area incurs the purchased water expense of $277,715 listed on Page 1-12 and justify why the expense is to be recovered from both service areas rather than through a surcharge applicable to the service area that incurs the additional expense.
5. Please identify the rates of the utility that sells water to CUPI as well as the meter size.
6. Provide a customer bill analysis and an application of rates for each of the service areas for the year ended 12/31/2015 as shown on Page 2-1 by applying the existing rate schedules.
7. Please provide a list of CUPI’s three largest customers by water usage in each service area identifying the name, annual volumetric usage and meter size for each.
8. Please state whether CUPI prepared a cost of service study to assess how the proposed rate increase should be allocated to each service area.
9. Please quantify the expense savings and the estimated amount of savings CUPI anticipates as a result of consolidating the two service areas.
10. Please provide the required customer notice and affidavit.
11. If CUPI anticipates the rehabilitation or replacement of deteriorated distribution mains and services to reduce the percent of unaccounted for water, please estimate the annual reduction in the purchased water expense through December 31, 2017.