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

May 10, 2018

Docket No. R-2018-3001306

Utility Code 210117

JONATHAN P NASE

COZEN OCONNOR

17 NORTH SECOND STREET SUITE 1410

Harrisburg PA 17101

RE: Hidden Valley Utility Services, L.P. Supplement No. 1 to Tariff Water - Pa. P.U.C. No. 1 at Docket No. R-2018-3001306

Dear Attorney Nase:

On April 27, 2018, the Hidden Valley Utility Services filed the above-referenced document with the Public Utility Commission. For the Commission to complete its analysis of the filing, responses to the attached data requests are required. Please be advised that you are directed to forward the requested information to the Commission within 10 working days of the date of this letter.

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

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| Secretary, Pennsylvania Public Utility Commission  400 North Street, 2nd Floor  Harrisburg, Pennsylvania 17120 |

All documents requiring notary stamps must have original signatures. Some responses may be e-filed at <http://www.puc.pa.gov/efiling/default.aspx>. A list of allowable e-filing document types is available 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:

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| *I,* [print name of appropriate company representative], *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).*  Signature \_\_\_\_\_\_\_\_  Title \_\_\_\_\_\_\_\_\_\_\_\_  Date \_\_\_\_\_\_\_\_\_\_\_\_ |

Please contact the below staff person if any problems should arise that prevent 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 Paul Zander via e-mail at[**pzander@pa.gov**](mailto:pzander@pa.gov) or by fax at (717) 787-4750. Questions may be directed to Paul Zander in the Bureau of Technical Utility Services, Water/Wastewater Division at telephone number (717) 783-1372. Thank you in advance for your cooperation.

Sincerely,

Rosemary Chiavetta

Secretary

Enclosure

cc: Tanya McCloskey, Office of Consumer Advocate (w/enclosure)

John Evans, Office of Small Business Advocate (w/enclosure)

Richard Kanaskie, PUC Bureau of Investigation and Enforcement (w/enclosure)

Note: Please 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 copy of the written or printed notice Hidden Valley Utility Services, L.P. (HVUS) sent to customers pursuant to 52 Pa. Code § 53.45(b)(2) and provide evidence of the date this notice was mailed.
2. Please provide a copy of the news release issued on April 27, 2018 by HVUS pursuant to 52 PA. Code § 53.45(b)(3).
3. Please provide the affidavit confirming notice requirements have been met pursuant to 52 Pa. Code § 53.45(h).
4. Please provide an organization chart for HVUS identifying its corporate structure.
5. Please provide a working copy of the electronic Excel file containing the depreciation schedule for HVUS assets as of December 31, 2017.
6. Please provide a copy of HVUS’s two most recently filed federal income tax returns and two most recently filed IRS Schedule C forms.
7. Please provide a copy of HVUS’s lease agreement(s) for HVUS facilities from 2015 through 2017.
8. Please provide justification for HVUS’s three-year amortization period for rate case expenses.
9. Please provide justification for HVUS’s 2015 maintenance/repair expenses and provide a detailed breakdown of these expenses.
10. Please provide justification for the increase in HVUS’s insurance expenses between 2015 and 2016.
11. Please provide justification for HVUS’s 2016 engineering expense and provide a detailed breakdown of these expenses.
12. Please provide justification for the increase in HVUS’s purchased power expenses between 2016 and 2017.
13. Please quantify total expenses incurred by HVUS up to December 31, 2017 related to complaints filed with the PUC by operation and maintenance expense account (i.e., legal expenses, engineering expenses, management fees, etc.). Also, please quantify how these expenses were allocated to water and wastewater operations.
14. Please quantify and describe any contributions-in-aid of construction, customer advances for construction, or other contributions received related to HVUS’s utility plant.
15. Please provide justification for HVUS’s debt cost rate of 10.00% as of December 31, 2017. Also, please identify the source of HVUS debt financing.
16. HVUS’s 2016 annual financial report identified revenue from public fire protection customers. Please identify the rates paid by, and the applicable rate schedule for, public fire protection customers.
17. Please identify the number of unmetered HVUS customers by customer classification (i.e., residential, availability, private fire, etc.) as of December 31, 2017.
18. HVUS’s 2016 annual financial report filed with the Commission indicated $602,441 in utility plant account 311.30 – Pumping Equipment, while page 10 of the filing’s Exhibit PRH-2 identified $602,441 in utility plant account 320.3 – Water Treatment Equipment. Please provide an explanation for this discrepancy.