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

July 11, 2018

Docket No. R-2018-3003104

Utility Code 230068

THOMAS T NIESEN

THOMAS NIESEN & THOMAS LLC

212 LOCUST STREET SUITE 302

HARRISBURG PA 17101

RE: Timberlee Valley Sanitation Co., Inc. Supplement No. 6 to Tariff Wastewater – Pa. P.U.C. No. 1 at Docket No. R-2018-3003104

Dear Attorney Niesen,

On June 29, 2018, Timberlee Valley Sanitation Co., Inc. (Timberlee) filed the above-captioned tariff supplement with the Public Utility Commission. For the Commission to complete its analysis of the filing, responses are required for the attached data requests. Please 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:

|  |
| --- |
| 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:

*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 \_\_\_\_\_\_\_\_\_\_\_\_

*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 \_\_\_\_\_\_\_\_\_\_\_\_

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 detailed description of the projects included as construction work in progress identified in the filing’s Schedule E-1 and state the projected or actual completion dates.
2. Please provide a detailed description of the assets held for future use identified in the filing’s Schedule E-1.
3. In the filing’s Schedule F-1, Timberlee Valley Sanitation Co., Inc.’s (Timberlee’s) inventory claim equals 1% of Net Plant-In-Service, including contributed property. Please provide a 13-month average of Timberlee’s inventory balances, evidencing the appropriateness of this claim.
4. Please explain why Timberlee’s contracted operating fees have increased from $6,227 in 2013 as per Timberlee’s 2013 annual report to the $24,440 amount claimed for 2017 in the filing’s Schedule H-1. Please provide documentation supporting that the amount claimed represents a typical annual expense.
5. Regarding the filing’s Schedule H-1, please explain why the $4,937 expense claimed for System Repairs and Maintenance represents a typical annual expense.
6. Regarding the filing’s Schedule H-1, please explain why Timberlee’s sludge removal expense has increased from $3,180 in 2015 to $7,620 in 2017 and why the 2017 value represents a typical annual expense.
7. Please explain why Timberlee’s testing expense in the filing’s Schedule H-1 was reduced to $0 in 2017.
8. In the filing’s Schedule H-1, please explain why Timberlee does not propose an adjustment to remove or annualize Engineering Fees and Bank Charges.
9. Regarding the filing’s Schedule H-2, please provide justification for the pro-forma adjustment of $3,000 to an annual claim for management fees. Also, please identify the entity or entities providing these services.
10. Please justify the claimed 48-month period for amortization of rate case expenses in the filing’s Schedule H-2.
11. In the filing’s Schedule J-1-1, please explain why the gravity sewer main line extensions on Line Nos. 51-53 are assigned a service life of 50 years where other similar assets in Account 361 are assigned a service life of 75 years.
12. Please state why the costs for permits, applications and planning modules are included in Account 380 (treatment and disposal equipment) in the filing’s Schedule J-1-1.
13. Pursuant to 52 Pa. Code § 1.36, please provide a verification statement for the filing.
14. Pursuant to 52 Pa. Code § 53.45 (h), please provide an affidavit confirming that notice requirements have been met.
15. Please provide a copy of Timberlee’s two most recent Federal Income Tax Returns.
16. Please quantify the impact of the Tax Cuts and Jobs Act of 2017 on Timberlee’s accumulated deferred income tax liability at December 31, 2017.