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April 22, 2019

## By Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street – Second Floor North
PO Box 3265
Harrisburg, PA 17105-3265

RE: Community Utilities of Pennsylvania Inc. Wastewater Divisions; Docket No. R-2019-3008948; AFFIDAVIT OF NOTICE AND PROOF OF PUBLICATION

## Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission on behalf of Community Utilities, Inc. are the Proofs of Publication, Notices of Proposed Rate Changes and Press Releases in the above-captioned matter.

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission April 22, 2019 Page 2

Thank you for your attention to this matter. If you have any questions, please feel free to contact me at (717) 236-1300.

Very truly yours,

Thomas J. Sniscak (Attorney ID No. 33891)

Whitney E. Snyder(Attorney ID No. 316625)

Bryce R. Beard (Attorney ID No. 325837)

Counsel for

Community Utilities of Pennsylvania Inc.

WES/das Enclosures

cc: Per Certificate of Service

# **AFFIDAVIT**

to all affected customers the attached Not wastewater rates for Utilities Inc. of Penns	, mailed with sufficient postage or hand delivered tice to Customers related to the proposed increase in ylvania, which is a service territory within Community tached Press Release on the proposed increase was 3 TV, and 6ABC TV.
This <u>22</u> day of <u>April</u> , 2019.	BY: (Printed Name) Community Utilities of Pennsylvania Inc.
	Community officies of remissivama me.
this day and being, first duly sworn, says the	personally appeared before me nat the required notice was mailed or hand delivered to Pennsylvania Public Utility Commission, 52 Pa. Code day of
ANTOINETTE FEDERICO Official Seal Notary Public - State of Illinois My Commission Expires May 7, 2023	Antourite Fodereco Notary Public  2335 Landus Road Northbrook, IL 60062 Address
My Commission Expires:	5-7-23

# **AFFIDAVIT**

I, Yerry Sybury, mailed with sufficient postage or hand delivered to all affected customers the attached Notice to Customers related to the proposed increase in wastewater rates for Penn Estates Utilities, Inc. – Wastewater Division, which is a service territory within Community Utilities of Pennsylvania Inc., and the attached Press Release on the proposed increase was provided to the Pocono Record newspaper, WSBG Radio, and WBRE TV.		
This <u>22</u> day of <u>April</u> , 2019.	BY: (Printed Name) Community Utilities of Pennsylvania Inc.	
The above named person,, personally appeared before me this day and being, first duly sworn, says that the required notice was mailed or hand delivered to all affected customers, as required by the Pennsylvania Public Utility Commission, 52 Pa. Code Section 53.45.  Witness my hand and notarial seal, this		
ANTOINETTE FEDERICO Official Seal Notary Public - State of Illinois My Commission Expires May 7, 2023	Antornette Foderes Notary Public  2335 Sanders Road, Northbrook, FL 60062  Address	
My Commission Expires:	5-7-23	

#### NOTICE OF PROPOSED RATE CHANGES

#### To Our Customers:

Community Utilities of Pennsylvania Inc. ("Company") is filing a request with the Pennsylvania Public Utility Commission (PUC) to increase wastewater rates for its Penn Estate Utilities, Inc. service territory as of June 1, 2019. This notice describes the Company's rate request, the PUC's role, and what actions you can take.

Community Utilities of Pennsylvania Inc. has requested an overall wastewater rate increase of \$378,770 per year. If the Company's entire wastewater request is approved, the average wastewater bill for a residential customer in the Penn Estates service territory would increase from \$46.56 to \$59.55 per month or by 27.90%. The average wastewater bill for a commercial customer in the Penn Estates service territory would increase \$46.56 to \$59.55 per month or by 27.90%.

To find out your customer class or how the requested increase may affect your bill, contact Community Utilities at (800) 638-0262. The rates requested by the company may be found in the supplement to Wastewater Tariff PA P.U.C. No. 1. You may examine the material filed with the PUC which explains the requested increase and the reasons for it. A copy of this material is kept at the following offices:

Penn Estates Utilities, Inc. 570 Hallet Road East Stroudsburg, PA 18301

The state agency which approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates.

The PUC may change the amount of the rate increase requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the company and shown above.

There are three ways to challenge a company's request to change its rates:

- You can file a formal complaint. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before (proposed effective date of the rate increase). If no formal complaints are filed, the Commission may grant all, some or none of the request without holding a hearing before a judge.
- You can send the PUC a letter telling why you object to the requested rate increase. Sometimes there is information in these letters that makes them aware of problems with the company's service or management. This information can be helpful when they investigate the rate request. Send your letter or request for a formal complaint form to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
- 3. You can be a witness at a public input hearing. Public input hearings are held if the Commission opens an investigation of the company's rate increase request and if there is a large number of customers interested in the case. At these hearings you have the opportunity to present your views in person to the PUC judge hearing the case and the company representatives. All testimony given "under oath" becomes part of the official rate case record. These hearings are held in the service area of the company.

For more information, call the PUC at 1-800-692-7380. You may leave your name and address so you can be notified of any public input hearings that may be scheduled in this case.

#### **BACKGROUND**

Your current wastewater rates are based on operating costs and capital investment though March 31, 2014. Since that time Community Utilities of Pennsylvania has continued to make investments to maintain the quality and reliability of our service. The proposed increase is needed to recover the costs of these improvements and to reflect the increased costs of providing quality service. Together we share the goal of an environmentally sustainable wastewater treatment at the lowest possible price consistent with prudent business practices.

Since the last rate increases for wastewater, Community Utilities of Pennsylvania has added approximately \$2 million in capital expenditures and has forecasted an additional capital investment of \$2 million through December 31, 2020. Community Utilities of Pennsylvania has a plan in place to replace a lift station in 2019 install SCADA and Control System in 2020 within the Penn Estates service territory. Wastewater operating and maintenance costs are forecasted to increase 10% by the end of December 31, 2020.

We understand that there is never a good time for a rate increase. The rates we have requested are based on the actual costs of providing wastewater service. As a public utility, we have an obligation to continue to deliver clean, reliable service at the lowest reasonable cost. We welcome any feedback from our customers, whether it is about our proposed rates or about our services. Please contact Community Utilities of Pennsylvania Inc. at (800) 638-0262.

Community Utilities of Pennsylvania Inc.

#### NOTICE OF PROPOSED RATE CHANGES

#### To Our Customers:

Community Utilities of Pennsylvania Inc. ("Company") is filing a request with the Pennsylvania Public Utility Commission (PUC) to increase wastewater rates for its Utilities, Inc. of Pennsylvania ("UIP") service territory as of June 1, 2019. This notice describes the Company's rate request, the PUC's role, and what actions you can take.

Community Utilities of Pennsylvania Inc. has requested an overall wastewater revenue increase of \$378,770 per year. If the Company's entire request is approved, the average wastewater bill for a residential customer in the UIP service territory would increase from \$52.59 to \$59.55 per month or by 13.23%.

The average wastewater bill for a commercial customer in the UIP service territory would increase from \$52.59 to \$59.55 per month or by 13.23%.

To find out your customer class or how the requested increase may affect your wastewater bill, contact Community Utilities at (800) 638-0262. The rates requested by the Company may be found in the supplement to Wastewater Tariff PA P.U.C. No. 1. You may examine the material filed with the PUC which explains the requested increase and the reasons for it. A copy of this material is kept at the following office:

Utilities, Inc. of Pennsylvania 1201 Sawmill Road Downingtown, PA 19335

The state agency which approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates.

The PUC may change the amount of the rate increase requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the company and shown above.

There are three ways to challenge a company's request to change its rates:

- 1. You can file a formal complaint. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before (proposed effective date of the rate increase). If no formal complaints are filed, the Commission may grant all, some or none of the request without holding a hearing before a judge.
- You can send the PUC a letter telling why you object to the requested rate increase. Sometimes there is information in these letters that makes them aware of problems with the company's service or management. This information can be helpful when they investigate the rate request. Send your letter or request for a formal complaint form to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
- 3. You can be a witness at a public input hearing. Public input hearings are held if the Commission opens an investigation of the company's rate increase request and if there is a large number of customers interested in the case. At these hearings you have the opportunity to present your views in person to the PUC judge hearing the case and the company representatives. All testimony given "under oath" becomes part of the official rate case record. These hearings are held in the service area of the company.

For more information, call the PUC at 1-800-692-7380. You may leave your name and address so you can be notified of any public input hearings that may be scheduled in this case.

#### **BACKGROUND**

Your current existing rates are based on costs and capital expenditures through December 31, 2009. Since that time Community Utilities of Pennsylvania has continued to make investments to maintain the quality and reliability of your wastewater service. The proposed increase is needed to recover the costs of these improvements and to reflect the increased costs of providing quality service. Together we share the goal of a safe, reliable and sustainable wastewater service at the lowest possible price consistent with prudent business practices.

Community Utilities of Pennsylvania has added approximately \$2 million in capital expenditures from December 31, 2009 to December 31, 2018. Further, the Company projects that operating and maintenance costs will increase by approximately 10% by December 31, 2020. Community Utilities of Pennsylvania also has a plan in place for SCADA and Control System in 2020 within UIP's service territory. The SCADA and Control System will allow the Company identify system inefficiencies and prevent system failures in the future.

We understand that there is never a good time for a rate increase. The rates we have requested are based on the actual costs of providing wastewater service. As a public utility, we have an obligation to continue to deliver clean, reliable service at the lowest reasonable cost. We welcome any feedback from our customers, whether it is about our proposed rates or about our services. Please contact Community Utilities of Pennsylvania Inc. at (800) 638-0262.

Community Utilities of Pennsylvania Inc.



# Press Release on Proposed Rate Change to the Service Territories Within Community Utilities of Pennsylvania Inc. (Penn Estates Utilities, Inc.)

Community Utilities of Pennsylvania Inc. ("Company") has filed a request with the Pennsylvania Public Utility Commission ("Commission") on April 1, 2019 to modify its rates for water and wastewater service as of June 1, 2019. The Company's filing with the Commission proposes to increase its annual water and wastewater revenue by \$362,019 and \$378,770

If the Company's entire water request is approved, the average water bill for a residential customer in the Penn Estates service territory would increase from \$41.86 to \$53.43 per month or by 27.64%.<sup>1</sup> The average water bill for a commercial customer in the Penn Estates service territory would increase from \$39.44 to \$51.07 per month or by 29.49%.<sup>2</sup>

If the Company's entire wastewater request is approved, the average wastewater bill for a residential customer in the Penn Estates service territory would increase from \$46.56 to \$59.55 per month or by 27.90%. The average wastewater bill for a commercial customer in the Penn Estates service territory would increase from \$46.56 to \$59.55 per month or by 27.90%.

Parties interested in obtaining more information regarding the Company's request and to find out what actions may be taken please contact Community Utilities of Pennsylvania Inc. at (800) 638-0262. The rates requested by the Company may be found in supplement to Water Tariff PA P.U.C. No. 1 and supplement to Wastewater Tariff PA P.U.C. No. 1. Interested parties may examine the material filed with the Commission at the following local business office; Penn Estates Utilities, Inc. 570 Hallet Road, East Stroudsburg, PA 18301.

<sup>&</sup>lt;sup>1</sup> Assumes average usage of 3,931 gallons in 2018 and 3,764 in 2020

<sup>&</sup>lt;sup>2</sup> Assumes average usage of 3,545 gallons in 2018 and 3,398 in 2020



# Press Release on Proposed Rate Change to the Service Territories Within Community Utilities of Pennsylvania Inc. Utilities, Inc. of Pennsylvania ("UIP")

Community Utilities of Pennsylvania Inc. ("Company") has filed a request with the Pennsylvania Public Utility Commission ("Commission") on April 1, 2019 to modify its rates for water service as of June 1, 2019. The Company's filing with the Commission proposes to increase its annual wastewater revenue by \$378,770. If the Company's entire request is approved, the average wastewater bill for a residential customer in the UIP service territory would increase from \$52.59 to \$59.55 per month or by 13.23%. The average wastewater bill for a commercial customer would increase from \$52.59 to \$59.55 per month or by 13.23%.

Parties interested in obtaining more information regarding the Company's request and to find out what actions may be taken please contact Community Utilities of Pennsylvania Inc. at (800) 638-0262. The rates requested by the Company may be found in supplement to Water Tariff PA P.U.C. No. 1. Interested parties may examine the material filed with the Commission at the following local business office; Utilities, Inc. of Pennsylvania 1201 Sawmill Road Downingtown, PA 19335.

### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

### BY FIRST CLASS MAIL

Office of Consumer Advocate 555 Walnut Street Forum Place, 5th Floor Harrisburg, PA 17101-1923

Office of Small Business Advocate Commerce Building, Suite 202 300 North 2nd Street Harrisburg, PA 17101

Bureau of Investigation & Enforcement Pennsylvania Public Utility Commission Commonwealth Keystone Building P.O. Box 3265 Harrisburg, PA 17105-3265

> Thomas J. Sniscak Whitney E. Snyder

Bryce R. Beard

Dated this 22<sup>nd</sup> day of April, 2019