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Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
Harrisburg, PA 17120

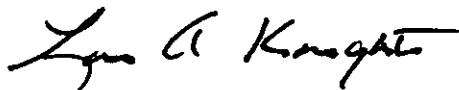
In Re: Indian Springs Water Company; Docket No. M-2019-3011972

Dear Secretary Chiavetta;

Enclosed for filing with the Pennsylvania Public Utility Commission is the Prehearing Conference Memo submitted by The Indian Springs Water Company in the above-captioned proceeding.

A copy of this document has been served in accordance with the attached Certificate of Service. Should you have any questions or comments, please feel free to call me. Thank you for your attention to this matter.

Sincerely,



Louise A. Knight
Counsel for *Indian Springs Water Company*

August 26, 2019

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COMMONWEALTH OF PENNSYLVANIA
BEFORE THE PENNSYLVANIA PUBLIC
UTILITY COMMISSION
BEFORE THE HONORABLE STEVEN HAAS

In re: The Indian Springs Water Company : Docket No. M-2019-3011972

PREHEARING MEMORANDUM OF THE
INDIAN SPRINGS WATER COMPANY

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AUG 26 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

BACKGROUND

1. On August 8, 2019, the Pennsylvania Public Utility Commission (hereafter "Commission" or PaPUC") adopted and entered the above-captioned order, reciting a number of issues experienced by Indian Springs Water Company (hereafter "Indian Springs") and Department of Environmental Protection (hereafter "DEP"), appointing Pennsylvania American Water Company (hereafter "PAWC") as receiver, and essentially instituting or at least contemplating a Section 529 proceeding (66 Pa.C.S. §529). That order is incorporated herein by reference.

2. The Indian Springs Water Company is a 130-old institution, one of the last small water companies yet in existence. Its water source is located on a parcel on the very western tip of the Pocono Plateau. It was established in the 1880s to supply water to the now-defunct Glen Summit Hotel, and ultimately to a summer resort community that sprang up around it, and still exists to this day as a residential community known as Glen Summit. Indian Springs has always exclusively served Glen Summit and been run by volunteers from within Glen Summit.

3. As mentioned in the Commission's order, PAWC and Indian Springs were engaged in protracted discussion about the purchase of the Indian Springs water distribution system for several years. Eventually an agreement was executed. However, since PAWC withdrew from the acquisition agreement, the customers of Indian Springs have expressed a strong interest in switching to on-lot wells. Of the approximately 51 customers in 2018, there are now 39. Twenty-nine (29) have drilled wells or have committed to drilling wells. Two (2) are unoccupied with the water turned off. The desires of the remainder are unknown but the homeowners' group is reaching out to those homeowners.
4. Also, an important part of the PAWC negotiation had to do with the lands owned by Indian Springs Water Company. The water source sits on a parcel, adjacent to a small lake impounded in 1882. The Glen Summit Company (the homeowners) has for more than a century leased a portion of the parcel where there is a beach, a swimming dock, and a lake house. Surrounding the lake is roughly 80 acres of forest and wetland, contiguous to roughly a 50,000-acre combination of Pinchot State Forest land, preserved Glen Summit land (450 acres), state game lands, and ultimately Nescopeck State Park.

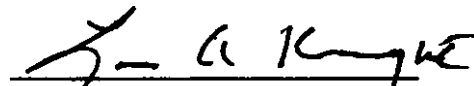
DISCUSSION

5. The Commission's August 8, 2019 order was done completely ex parte.
6. Section 529(b) of the Pennsylvania Public Utility, 66 Pa.C.S. § provides as follows:
 - (b) Alternatives to acquisition.**--Before the commission may order the acquisition of a small water or sewer utility in accordance with subsection (a), the commission shall discuss with the small water or sewer utility, and *shall give such utility a reasonable opportunity to investigate, alternatives to acquisition, including, but not limited to:...*

The facts set forth above indicate that a very plausible solution to the instant situation which are critical to further proceedings.

In view of all of the above, Indian Springs submits that prior to further Section 529 proceedings, the Commission discuss with Indian Springs principles alternatives to any further action.

Respectfully submitted,


Louise A. Knight

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In Re: The Indian Springs Water Company

Docket Nos. M-2019-3011972_

RECEIVED

AUG 26 2019

CERTIFICATE OF SERVICE

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

I hereby certify that I have this day served a true copy of the foregoing **Prehearing Memo on behalf of The Indian Springs Water Company**, upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA E-MAIL AND FIRST CLASS MAIL

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Date: August 26, 2019