September 12, 2019

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Docket No. P-2016-2577404, Order Provisions, lead Service Line Replacement Progress and Customer Outreach Efforts Report

Dear Secretary Chiavetta:

Subject Order directs The York Water Company to report on several aspects of the Company's progress with replacing Company-owned and Customer-owned lead service lines and the Company's customer outreach efforts to advise customers to check their services for the possibility of lead. We last met with Commission staff and representatives of the Joint Petitioners in late March of 2018 and last filed a summary report in January of this year. York Water has continued making progress with replacing Company-owned and Customer-owned lead service lines, with educating our customers on the health effects of lead and steps our customers can take to reduce their exposure to lead in drinking water. The following summarizes York Water's report for the period January 1, 2019 to present.

Company-Owned and Customer-Owned Lead Service Line Replacement

By December 31, 2018 York Water had replaced all the 1,660 known Company-owned lead services identified for replacement and therefore compressed the projected replacement schedule from four years to two years. During this reporting period York Water identified one hundred twelve (112) additional York Water-owned service lines that upon excavation were determined to be lead and not copper or iron as previously indicated in York Water's records. These additional Company-owned service lines were identified as part of relays or repairs that were part of the Company's water main and service line replacement program, and other repair activities during the normal course of business. All of these lines have been replaced.

Through its customer outreach program York Water has been determined to identify Phase II Customer-owned service lines that are lead. At the start of this reporting period York Water had catalogued in the Company's customer database 215 Customer-owned lead service lines with the goal of replacement in 2019. Through additional public outreach in 2019, York Water has identified another 102 Customer-owned lead service lines. Of the 317 Customer-owned lead service lines, York Water has replaced 219 with the goal to replace up to 400 Customer-owned lead service lines this calendar year.

The average cost to replace a ¾” Company-owned lead service line has been approximately $1,400 which includes York Water labor, indirect costs, contract costs and permits. The average cost to replace a ¾” Customer-owned lead service line remains approximately $1,200.
Tap Water Billing Credit

York Water implemented the 200-gallon per month credit for active customers with Company-owned lead service lines with its October 28, 2016 billing cycle. The 200-gallon per month credit was reflected on customer’s water bills as a flushing credit. There has been just one credit issued by York Water in 2019 and none since March 2019. The following table summarizes the number of credits issued by York Water by month.

<table>
<thead>
<tr>
<th>Month</th>
<th>No. of Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2016</td>
<td>197</td>
</tr>
<tr>
<td>November 2016</td>
<td>1629</td>
</tr>
<tr>
<td>October 2017</td>
<td>725</td>
</tr>
<tr>
<td>October 2018</td>
<td>91</td>
</tr>
<tr>
<td>March 2019</td>
<td>1</td>
</tr>
<tr>
<td>June 2019</td>
<td>0</td>
</tr>
<tr>
<td>August 2019</td>
<td>0</td>
</tr>
</tbody>
</table>

Customer Outreach

At the start of 2019 York Water had catalogued in its master database the material for over 25,000 of the Company’s 66,000 Customer-owned service lines. That number now lies at over 30,000 and increases on a near-daily basis.

As previously indicated, the Company’s focus in 2019 has been identifying and replacing Customer-owned lead service lines. With fewer than 100 identified and yet to replace in 2019, the Company has produced a new postcard mailer to educate and assist our customers with identifying and notifying the Company of their service line material. The attached postcard will be mailed the week of September 9th to over 7,500 York Water customers residing in the City of York. With the age of housing inventory, properties in the City of York have a higher probability of having a lead Customer-owned service line. Therefore, the Company is mailing the postcard to 7,500 of the Company’s 14,000 City of York customers for whom we have no customer service line material in our database. Once a customer identifies their service line material as lead a York Water employee will be dispatched to verify the material and if the material is lead, will offer a water test an no cost to the customer. The Company will schedule replacement of the Customer-owned lead service line and continue replacing these services at a rate not to exceed 400 per year.

To date there have been no customers in 2019 who have replaced their Customer-owned lead service line as described in York Water Tariff Rule 3.4.2.4 and are therefore eligible for reimbursement of a percentage of the Company’s contractor lump sum rate.
Opportunities for Low or No Cost Funding

There is no change from the Company's previous report. York Water continues to monitor for opportunities to obtain funding sources that would be beneficial to our customers.

Should you have any questions regarding this response, please contact me directly at (717) 718-2953 or by email to jeffh@yorkwater.com.

Sincerely,

Jeffrey R. Hines, PE
President and CEO

Enclosures

Certificate of Service
Postcard Mailer
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code §1.54 (relating to service by a participant).

VIA FIRST CLASS MAIL

Phillip C. Kirchner, Esquire
Pennsylvania Public Utility Commission
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street – 2 West
P.O. Box 3265
Harrisburg, PA 17105-3265

Christine M. Hoover, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place 5th Floor
Harrisburg, PA 17101-1923

Dated: September 12, 2019

JT Hand, Chief Operating Officer
Rosemary Chiavetta, Secretary
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P.O. Box 3265
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