

Nantmeal Warwick Sewer Company, Inc.

26 E. Main Street
P.O. Box 20
Elverson, PA 19520
610-286-5115 fax 610-286-8954

RECEIVED
2012 AUG 10 AM 10:01
PA P.U.C.
SECRETARY'S BUREAU

August 9, 2012

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Nantmeal Warwick Sewer Company, Inc. Rate Increase Request
Docket No. R-2012-2312632

Dear Ms. Chiavetta:

We are pleased to respond below to the Data Requests from the Water/Wastewater Industry Group dated July 17, 2012.

RATE BASE

RB-1 The Balance Sheet filed with the rate filing shows contributions-in-aid-of-construction ("CIAC") of \$2,363,900, as does the Schedule L of the 2011 tax return.

a) Provide a schedule, by year, showing the breakdown of CIAC into the related accounts of the Plant-In Service schedule to identify the property to which the CIAC were applied.

Response

Date	Description	Fixed Asset	CIAC
Mar-02	Land	\$491,400.00	\$0.00
Sep-02	Monitoring Equip	\$2,292.00	\$0.00
Nov-04	Treatment Equip	\$453,733.00	\$448,421.00
Nov-04	Landscaping & Fencing	\$116,035.00	\$114,676.00
Nov-04	Sewer Mains	\$22,117.00	\$16,916.00
Nov-04	Buildings	\$213,163.00	\$210,667.00
Nov-04	Lagoons	\$1,591,856.00	\$1,573,220.00
Feb-05	Permits	\$1,050.00	\$0.00
Jun-05	Irrigation System	\$65,201.00	\$0.00

\$2,956,847.00	\$2,363,900.00
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b) Show the accumulated depreciation, by year, for the CIAC allocated to each account.

Response

See the enclosed Asset Depreciation Report.

RB-2 Provide any justification or support for the service lives used to calculate the accrued and annual depreciation of the assets claimed in the filing.

Response

The accumulated depreciation of each of our assets is based on the straight-line method using a term of life we believe reflects industry standards and our experience with that type of asset.

<u>Asset</u>	<u>Service Life</u>
Monitoring Equip	15 years
Treatment Equip	15 years
Landscaping & Fencing	20 years
Sewer Mains	15 years
Buildings	20 years
Lagoons	20 years
Permits	15 years
Irrigation System	15 years

RB-3 State if all assets listed in the plant in service schedule are used exclusively for wastewater business. If not, provide the estimated percentage that each shared asset is used for wastewater business.

Response

All assets listed in the plant in service schedule are used exclusively for wastewater business.

RATE STRUCTURE

RS-1 Provide a copy of a recent bill sent by the Company to a customer. The name and address of the customer should be blacked-out.

Response

See the enclosed copy of a recent customer bill.

RS-2 Indicate if the Company provides free wastewater service to any entity. If yes, provide a schedule that shows the type of service, annual usage, and explain the reason why the entity is not charged for service.

Response

The Company does not provide free wastewater service to any entity.

QUALITY OF SERVICE

QS-1 Provide details on any informal customer complaints received by the Company from January 1, 2009 to the present. Identify the date of the complaint, the location of the complaint, the nature of the complaint and the action taken by the Company to resolve the complaint.

Response

The Company has not received any informal customer complaints from January 1, 2009 to the present.

QS-2 Provide a discussion of the Company's policy on tracking and responding to customer complaints.

Response

The Company's policy is to record each complaint from our Customers, and make every effort to address all concerns or questions to their satisfaction.

Sincerely,



Merle W. Stoltzfus
President

Enclosure: verification affidavit

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AFFIDAVIT AFFIRMING FACTUAL NATURE OF ALL DATA SUBMITTED

COMMONWEALTH OF PENNSYLVANIA

Chester County

} SS:

Merle W. Stoltzfus, being duly sworn (affirmed) according to law, deposes and says that he is President of Nantmeal Warwick Sewer Company, Inc.; that he is authorized to and does make this affidavit for it; and that the facts set forth are true and correct to the best of his knowledge, information and belief, and he expects the said Nantmeal Warwick Sewer Company, Inc. to be able to prove the same at the hearing hereof.

[Signature]
Merle W. Stoltzfus, President
Signature of Affiant

PA P.U.C.
SECRETARY'S BUREAU

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Sworn and subscribed before me this
9th day of August 2012

My Commission Expires Nov. 22, 2015

[Signature]
Signature of Official Administering Oath

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Keith A. DeWalt, Notary Public
Elverson Boro, Chester County
My Commission Expires Nov. 22, 2015
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

ASSET DEPRECIATION REPORT

NANTMEAL WARWICK SEWER COMPANY Dec. 31, 2012

Sorted: ASSET A/C#

Method: 2-BOOKS-Std Conv Applied

Range: 125.0 - 145.0

Include: All assets

Date Acq Date Sold	Description Meth - Conv - Life - ITC - Stat - New - Listed	Inv Credit Depr Year	Cost Net Book Value	Valuation Salvage Value	Depr Basis Prior Bonus	Current Depr Current Bonus	Beg A/Depr End A/Depr	Selling Price Gain/Loss
ASSET A/C#: 125.0 - DEFERRED DEBT								
12/08/03	LOAN ORIGATION FEES AMORT FM 5.00 Omit Active New Not Listed	0.00 10	7,500.00 0.00	0.00 0.00	7,500.00 0.00	0.00 0.00	7,500.00 7,500.00	0.00 0.00
Totals for ASSET A/C#: 125.0 (1 assets)			7,500.00 0.00	0.00 0.00	7,500.00 0.00	0.00 0.00	7,500.00 7,500.00	0.00 0.00

Summary For:	125.0	Cost	Section 179 +	Accum. Depr.	= Total
Beginning Balances	(1 assets)	7,500.00	0.00	7,500.00	7,500.00
+ Additions (A)	(0 assets)	0.00	Curr. Depr. 0.00	0.00	0.00
Subtotals		7,500.00	0.00	7,500.00	7,500.00
- Disposals (D) and Trades (T)	(0 assets)	0.00	0.00	0.00	0.00
Ending Balances	(1 assets)	7,500.00	0.00	7,500.00	7,500.00

ASSET A/C#: 140.0 - LAND								
03/28/02	LAND - TO BUILD SEWER PLANT ON NONE HY 1.00 Omit Active New Not Listed	0.00 11	491,400.00 491,400.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
Totals for ASSET A/C#: 140.0 (1 assets)			491,400.00 491,400.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00

Summary For:	140.0	Cost	Section 179 +	Accum. Depr.	= Total
Beginning Balances	(1 assets)	491,400.00	0.00	0.00	0.00
+ Additions (A)	(0 assets)	0.00	Curr. Depr. 0.00	0.00	0.00
Subtotals		491,400.00	0.00	0.00	0.00
- Disposals (D) and Trades (T)	(0 assets)	0.00	0.00	0.00	0.00
Ending Balances	(1 assets)	491,400.00	0.00	0.00	0.00

ASSET A/C#: 145.0 - SEWER SYSTEM								
09/13/02	MONITORING EQUIPMENT SLP FM 15.00 Omit Active New Not Listed	0.00 11	2,292.30 713.16	0.00 0.00	2,292.30 0.00	152.82 0.00	1,426.32 1,579.14	
11/30/04	EQUIPMENT AT SEWER PLANT SLP FM 15.00 Omit Active New Not Listed	0.00 9	453,732.65 206,700.46	0.00 0.00	453,732.65 0.00	30,248.84 0.00	216,783.35 247,032.19	
11/30/04	LANDSCAPING & FENCING AT SEWER SLP FM 20.00 Omit Active New Not Listed	0.00 9	116,034.91 68,653.95	0.00 0.00	116,034.91 0.00	5,801.75 0.00	41,579.21 47,380.96	
11/30/04	SEWER MAINS SLP FM 15.00 Omit Active New Not Listed	0.00 9	17,116.63 7,797.57	0.00 0.00	17,116.63 0.00	1,141.11 0.00	8,177.95 9,319.06	
11/30/04	TOWNSEND SEWER MAIN SLP FM 15.00 Omit Active New Not Listed	0.00 9	5,000.00 2,277.80	0.00 0.00	5,000.00 0.00	333.33 0.00	2,388.87 2,722.20	
11/30/04	BUILDINGS AT SEWER PLANT SLP FM 20.00 Omit Active New Not Listed	0.00 9	213,162.83 126,121.35	0.00 0.00	213,162.83 0.00	10,658.14 0.00	76,383.34 87,041.48	
11/30/04	SEWER LAGOONS AT SEWER PLANT SLP FM 20.00 Omit Active New Not Listed	0.00 9	1,591,856.68 941,848.57	0.00 0.00	1,591,856.68 0.00	79,592.83 0.00	570,415.28 650,008.11	
02/24/05	SPRAY IRRIGATION PERMITTING SLP FM 15.00 Omit Active New Not Listed	0.00 8	1,050.00 495.83	0.00 0.00	1,050.00 0.00	70.00 0.00	484.17 554.17	
06/07/05	IRRIGATION PUMP SLP FM 15.00 Omit Active New Not Listed	0.00 8	65,201.00 32,238.30	0.00 0.00	65,201.00 0.00	4,346.73 0.00	28,615.97 32,962.70	
Totals for ASSET A/C#: 145.0 (9 assets)			2,465,447.00 1,386,846.99	0.00 0.00	2,465,447.00 0.00	132,345.55 0.00	946,254.46 1,078,600.01	0.00 0.00

Summary For:	145.0	Cost	Section 179 +	Accum. Depr.	= Total
Beginning Balances	(9 assets)	2,465,447.00	0.00	946,254.46	946,254.46
+ Additions (A)	(0 assets)	0.00	Curr. Depr. 0.00	132,345.55	132,345.55
Subtotals		2,465,447.00	0.00	1,078,600.01	1,078,600.01
- Disposals (D) and Trades (T)	(0 assets)	0.00	0.00	0.00	0.00
Ending Balances	(9 assets)	2,465,447.00	0.00	1,078,600.01	1,078,600.01

ASSET DEPRECIATION REPORT

NANTMEAL WARWICK SEWER COMPANY Dec. 31, 2012

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Method: 2-BOOKS-Std Conv Applied

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Include: All assets

Date Acq Date Sold	Description Meth - Conv - Life - ITC - Stat - New - Listed	Inv Credit Depr Year	Cost Net Book Value	Valuation Salvage Value	Depr Basis Prior Bonus	Current Depr Current Bonus	Beg A/Depr End A/Depr	Selling Price Gain/Loss
Grand totals for all accounts:		(11 assets)	2,964,347.00	0.00	2,472,947.00	132,345.55	953,754.46	0.00
			1,878,246.99	0.00	0.00	0.00	1,086,100.01	0.00

Summary For Grand Totals		Cost	Section 179 +	Accum. Depr.	=	Total
Beginning Balances	(11 assets)	2,964,347.00	0.00	953,754.46		953,754.46
+ Additions (A)	(0 assets)	0.00	Curr. Depr.	0.00		132,345.55
Subtotals		2,964,347.00	0.00	1,086,100.01		1,086,100.01
- Disposals (D) and Trades (T)	(0 assets)	0.00	0.00	0.00		0.00
Ending Balances	(11 active assets)	2,964,347.00	0.00	1,086,100.01		1,086,100.01

	Cost	Current Depreciation	Ending Accum. Depr.
Depreciable assets: (10 assets, 0 disposed)	2,956,847.00	132,345.55	1,078,600.01
Amortizable assets: (1 assets, 0 disposed)	7,500.00	0.00	7,500.00

Codes that may appear next to the date acquired include: A - Addition, D - Disposal, T - Traded, I - Inactive

Additional Summary Statistics for Assets:

	Cost	Current Year Salvage Value	Prior Year Salvage Value	Depreciable Basis	Beginning Accum. Depr.	Current Depreciation	Ending Accum. Depr.	Net Book Value
Grand Totals for all assets	2,964,347.00	0.00	0.00	2,472,947.00	953,754.46	132,345.55	1,086,100.01	1,878,246.99
Less: Inactive Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disposed Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Traded Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Totals (Active Assets)	2,964,347.00	0.00	0.00	2,472,947.00	953,754.46	132,345.55	1,086,100.01	1,878,246.99

Nantmeal Warwick Sewer Company, Inc.
P.O. Box 20
Elverson, PA 19520

610-286-5115

Invoice

Date
6/29/2012

To
[REDACTED]
[REDACTED]
[REDACTED]

	Account #	Invoice #	Due Date	
	1387	892	7/31/2012	
Description	Previous	Current	Day/Gal/Qty	Amount
Quarterly Charge Sewer Usage @ 108 Orchard Hill Lane	3/30/2012 401700	6/29/2012 414400	91 12,700	42.00 38.35

Quarterly Charge Sewer Usage @ 107 Orchard Hill Lane	3/30/2012 6100	6/29/2012 58300	91 52,200	42.00 157.64

			Amount Due	\$279.99



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ELVERSON PA 19520-0020

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PA PUBLIC UTILITY COMMISSION
PO BOX 3265
HARRISBURG PA 17105-3265

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