

ORIGINAL

Pennsylvania-American Water Company

800 West Hershey Park Drive • P.O. Box 888 • Hershey, PA 17033-0888
(717) 533-5000 • Fax: (717) 531-3314 • E-mail: ssimms@pawc.com

Susan Simms Marsh
Associate Corporate Counsel

May 24, 2001

RECEIVED

MAY 24 2001

VIA UPS OVERNIGHT DELIVERY

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
P. O. Box 3265
400 North Street
Commonwealth Keystone Building
Harrisburg, Pennsylvania 17105-3265

DOCUMENT
FOLDER
PA-PUBLIC UTILITY COMMISSIC
SECRETARY'S BUREAU

Re: Cindy Parks v. Pennsylvania-American Water Company
Docket No. C-00015377

Dear Secretary McNulty:

On behalf of Pennsylvania-American Water Company, I enclose an original and three copies of its Answer to the Formal Complaint of Cindy Parks, Entry of Appearance and Certificate of Service regarding this matter.

As evidenced by the enclosed Certificate of Service, all parties to this proceeding have been duly served. Please time stamp the extra copy of this letter and return it to me in the enclosed, stamped, self-addressed envelope.

Respectfully,

Susan Simms Marsh
Susan Simms Marsh
Associate Corporate Counsel

dvm
Enclosures

BTL

cc: Cindy Parks



ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIVED

CINDY PARKS :
Complainant :
 :
v. :
 :
PENNSYLVANIA-AMERICAN WATER :
COMPANY, :
Respondent :

MAY 24 2001

PA PUBLIC UTILITY COMMISSION
Docket No. C-00015377 SECRETARY'S BUREAU

DOCKETED

MAY 29 2001

ANSWER TO FORMAL COMPLAINT OF CINDY PARKS

NOW COMES the Respondent, Pennsylvania-American Water Company ("PAWC" or the "Company"), by its attorney, and answers the Formal Complaint of Cindy Parks ("Complainant") as follows:

1. Admitted in part and denied in part. Based upon information and belief, it is admitted that the Complainant's name is Cindy Parks. PAWC is without sufficient knowledge or information to form a belief as to the truth and/or accuracy of the Complainant's statement relative to her address and telephone number.

DOCUMENT
FOLDER

2. Admitted.

3. The averments of Paragraph No. 3 are answered as follows:

a. Admitted.

b. Admitted in part and denied in part. It is admitted that to the best of PAWC's knowledge, there is no public water in the Hickory community. PAWC is without knowledge and information to form a belief as to the Complainant's statement that most of the residents of the Hickory community want public water. Proof, thereof, is demanded at any hearing held herein.

c. Denied. PAWC is without sufficient knowledge and information to form a belief as to the Complainant's statement regarding the issue being "... tied up for 10 years." By way of further answer, it is PAWC's understanding that the Mt. Pleasant Municipal Authority and/or the Mount Pleasant Township secured a \$1.9 million low interest loan from the Commonwealth to construct a water system; however, the project did not commence. A copy of a recent newspaper article is included as Attachment A.

d. Denied. PAWC is without sufficient knowledge and information to form a belief as to the statement regarding the quality of the Complainant's water supply. Proof, thereof, is demanded at any hearing held herein.

e. Denied. PAWC is without sufficient knowledge and information to form a belief as to the Complainant's statement that she buys bottled water.

f. Admitted in part and denied in part. PAWC admits that the Company serves a few customers in Mt. Pleasant Township. PAWC is without sufficient knowledge and information to know the areas that are included within the Complainant's statement "every area surrounding Hickory."

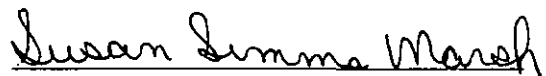
g. Denied. PAWC is without sufficient knowledge and information to form a belief as to the Complainant's statement. By way of further answer, PAWC understands that there are preliminarily conceptual plans to construct a housing development.

h. This is a statement to which no response is required. To the extent that any of the averments are construed as allegations for which a response may be required, PAWC denies any and all such allegations

4. Paragraph No. 4 of the Complaint is a prayer for relief to which no response is required. To the extent that any of the remaining averments in Paragraph No. 4 are construed as allegations for which a response may be required, PAWC denies any and all such allegations. By way of further answer, PAWC is willing to provide water service to Bona Fide Service Applicants in accordance with the Company's duly filed and approved tariff.

WHEREFORE, Pennsylvania-American Water Company requests Your Honorable Commission to dismiss the Formal Complaint of Cindy Parks at Docket No. C-00015377.

Respectfully submitted,



Susan Simms Marsh, Esquire
Pennsylvania-American Water Company
800 West Hershey Park Drive, P.O. Box 888
Hershey, Pennsylvania 17033-0888

Dated: May 24, 2001

B2 THURSDAY, MARCH 8, 2001 OBSERVER-REPORTER

All's not well with Hickory water issue

Survey shows residents still divided

BY HEIDI PRICE
THE OBSERVER-REPORTER
hprice@observer-reporter.com

For decades, dating back to when bell bottoms were popular the first time, opportunities for public water in Hickory have come and gone.

Each time an initiative has come close to fruition, it has been thwarted. Municipal authorities have formed and disintegrated, board members have been appointed and just as quickly resigned, sometimes en masse. Lawsuits also have been filed.

In light of water's volatile history in the municipality, it's understandable that the issue raises hackles.

"It's a very divisive issue in the township," said Eric Betzner, an attorney who represents the township's municipal authority. "It's an issue that a lot of people feel strongly about in that particular township."

The results of a public survey conducted by the township municipal authority were presented at the Feb. 28 meeting of township supervisors. However, a reporter's request to confirm the results was volleyed between supervisors and the municipal authority for nearly a week.

So touchy is this topic that Art Mueller of the municipal authority declined to comment until the authority could meet to discuss how to respond to media inquiries.

Until this point, there hasn't been much to handle. The municipal authority is only trying to determine public interest in the issue.

But some naysayers still take issue with the idea of a mandatory tap-in for residents.

"I like my well," Pat Territo of Hickory said Wednesday. "I understand they have a need, but they better not try to force it again so everyone can get it at a cheap price." Perrito said there are many senior citizens in Hickory who would be unable to afford an additional monthly fee.

Those who support the initiative maintain that poor water quality in Hickory, Mt. Pleasant's largest community, has made it a necessity.

A water quality test performed several years ago by the state Department of Environmental Protection revealed that "at least half the wells and cisterns in that area were found to have higher than standard levels of bacteria, which would make that area a good candidate for public water," according to DEP spokesman Patrick Shuster.

Don MacArthur was a chairman of the township municipal authority in the early 1990s. Now the Hickory resident has "nothing whatsoever" to do with water. MacArthur reluctantly offered his views on the topic when contacted Wednesday.

"From my experience in the past, the Hickory area desperately needs water; if only by reviewing tests conducted by the DEP, the well water in this area is most certainly suspect," MacArthur said.

In December 1989, the township had secured a \$1.9 million, 1 percent interest loan and a \$250,000 grant from the state to install a water system. When property owners pulled their support, the township walked away from the funds.

Less than a year later, a citizens group opposed to the water initiative tried unsuccessfully to have supervisors removed through the courts. Among their initial claims was that supervisors were so fixated on water that they had ignored township roads.

Recently, the municipal authority mailed 1,300 surveys and received 690 responses. The mailing posed three questions, including: "Assuming the authority is able to obtain water from a public utility at a reasonable rate, would you be interested in purchasing water sources?"

In Hickory, 200 residents responded "yes" and 107 residents said "no."

The study also revealed that among the residents who responded, 207 had well water, 21 had cisterns and nine had springs.

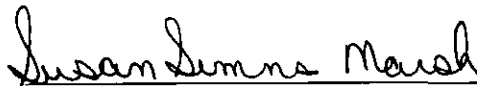
COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In the matter of:

Re: Cindy Parks. v. Pennsylvania-American Water Company
Docket No. C-00015377

NOTICE OF APPEARANCE

Please enter my appearance in the above-designated matter on behalf of Respondent, Pennsylvania-American Water Company. I am authorized to accept service on behalf of said participant in this matter. I am already receiving or have access to a copy of each document issued by the Pennsylvania Public Utility Commission in this matter and do not on the basis of this notice require an additional copy.



Susan Simms Marsh, Esquire
800 West Hershey Park Drive
P.O. Box 888
Hershey, Pennsylvania 17033-0888
(717) 533-5000

Dated: May 24, 2001

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

CINDY PARKS
Complainant

v.

PENNSYLVANIA-AMERICAN WATER
COMPANY,
Respondent

Docket No. C-00015377

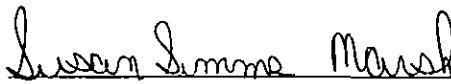
CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participant, listed below, in accordance with the requirements of 52 Pa. Code §1.54:

First Class Mail

Cindy Parks
447 Fort Cherry Road
McDonald, PA 15057

Dated this 24th day of May, 2001.



Susan Simms Marsh, Esquire
Pennsylvania-American Water Company
800 West Hershey Park Drive, P.O. Box 888
Hershey, Pennsylvania 17033-0888
(717) 533-5000

