

CAPTION SHEET

CASE MANAGEMENT SYSTEM

1. REPORT DATE: 00/00/00 :  
2. BUREAU: ALJ :  
3. SECTION(S): :  
5. APPROVED BY: : 4. PUBLIC MEETING DATE:  
DIRECTOR: : 00/00/00  
SUPERVISOR: :  
6. PERSON IN CHARGE: : 7. DATE FILED: 03/02/06  
8. DOCKET NO: C-20065953 : 9. EFFECTIVE DATE: 00/00/00

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PARTY/COMPLAINANT: WALLACE, BARRY J.

RESPONDENT/APPLICANT: PA-AMERICAN WATER CO

COMP/APP COUNTY: LANCASTER

UTILITY CODE: 212285

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ALLEGATION OR SUBJECT

COMPLAINANT STATES THERE IS A PROBLEM WITH HIS WATER QUALITY. HE WANTS THE PROBLEM CORRECTED OR A DIFFERENT TYPE OF SYSTEM INSTALLED THAT DOES NOT REQUIRE BACK FLUSHING.

DOCUMENT  
FOLDER

**DOCKETED**

MAR 6 2006

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Formal Complaint Form

212285

ORIGINAL

Please print or type.

C-20065953

1. CUSTOMER NAME (COMPLAINANT)

Your name, mailing address, county, telephone number, utility account number and service address:

Name BARRY J. WALLACE

Street/P.O. Box 912 MT. PLEASANT RD Apt # \_\_\_\_\_

City QUARRYVILLE State PA Zip 17566

County LANCASTER

Area Code/HOME Phone 717-786-4951

Area Code/WORK Phone N/A

Utility Account Number 24-1275607-0  
(from your bill)

SECRETARY'S BUREAU  
2006 MAR -2 AM 9:03

If your complaint involves utility service provided to a different address than your mailing address, please list this information below.

Name N/A

Street/P.O. Box \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

2. UTILITY NAME (RESPONDENT)

Name of utility company your complaint concerns: PENNSYLVANIA AMERICAN WATER

3. TYPE OF UTILITY (check one)

ELECTRIC

STEAM HEAT

GAS

WASTE WATER

WATER

MOTOR CARRIER

(taxi, moving company, limousine)

TELEPHONE  
(local, long distance)

31

4. COMPLAINT (check one)

A. In general, what is your complaint?

- I want to oppose the company's proposed rate increase.
- There are incorrect charges on my bill.
- There is a reliability, safety or quality problem with my utility service.
- I received a notice that my utility service is being terminated.
- I would like a payment agreement.

Other. \*SEE ATTACHED LETTER  
(explain)

B. State the facts of your complaint.

Include any specific dates, times or places that are important. If the complaint is about a bill, tell us about any charges that you believe are not correct. Use additional paper if you need more space. Provide copies of all relevant documents you believe will support your complaint.

\*SEE ATTACHED LETTERS

5. RELIEF

What do you want the Public Utility Commission to do about your complaint? Use additional paper if you need more space.

CORRECT THEIR WATER QUALITY PROBLEM  
WITHOUT SHIFTING THE DISPOSAL REQUIREMENTS OF  
THEIR SYSTEM ONTO ME AND MY PRIVATE  
SEWER DRAIN FIELD.

OR INSTALL A DIFFERENT TYPE OF SYSTEM  
THAT DOES NOT REQUIRE BACKFLUSHING

\*SEE ATTACHED LETTER

6. PROTECTION FROM ABUSE

Answer the following question if your complaint is against a natural gas distribution company, an electric distribution company or a water company AND your complaint is about a billing problem, an application for service problem, a termination of service problem or a request for a payment agreement.

Has a court granted a "Protection from Abuse" order for your personal safety?

YES  N/A  
NO

7. PRIOR UTILITY CONTACT

Answer the following question only if you are a residential customer and your complaint is against an electric distribution utility, natural gas distribution utility or a water distribution utility.

Have you spoken to a utility company representative about this complaint?

YES NUMEROUS TIMES DURING THE  LAST YEAR.  
(includes appeals of BCS determinations)  
NO

If you tried to, but could not speak to a utility company representative about your complaint, please explain why.

8. VERIFICATION AND SIGNATURE

You must print or type your name below on the line provided for the verification paragraph, and you must sign and date (in ink) this form on the lines provided.

Verification: I BARRY J. WALLACE, hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Barry J Wallace (Signature) 2/27/06 (Date)

9. **LEGAL REPRESENTATION (IF ANY)**

If you are represented by a lawyer in this matter you must provide your lawyer's name, address and telephone number.

Lawyer's Name \_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Area Code/Phone Number \_\_\_\_\_

10. **FILING**

Please return the completed form to one of the addresses listed below:

If using U.S. Postal Service:

If using overnight delivery service:

Secretary Pennsylvania Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105	Secretary Pennsylvania Public Utility Commission 400 North Street Commonwealth Keystone Building, 2 <sup>nd</sup> Floor Harrisburg, Pennsylvania 17120
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Facsimiles and/or electronic filings of the complaint form will not be accepted.

If you have any questions about filling out this form, please contact the Secretary's Bureau at 717-772-7777.

**Keep a copy of your complaint for your records.**

This issue started over a year by water quality issues we were experiencing and reported to our water supplier, Pennsylvania American Water (PAW). After contacting the company, I was informed by them that they were having a lot of problems with e-coli, nitrate or nitrite counts at one of their reservoirs. (I forget which one they said)

The company indicated that the problem they were having with their water quality was due to "Churning." They said they were sending water back and forth through their pipes pulling from other non-contaminated sources and this was causing the rust and sediment problems experienced by me and some other local residences.

PAW indicated that this may be a continuous issue and indicated they would install a "system" to take care of the problem at their expense that would supply safe, clean, potable water to my residence. They said this would be the cheapest way to fix the water problem. They gave me a deduction allowance on my water bill, supplied me with a chemical to help remove rust stains from my clothes washer and clothes, they indicated it may not be a bad idea to have my heating boiler flushed to get rid of any rust or sediment, and they supplied some clean water in gallon containers. They acted sincerely concerned about the water quality issue at first, prior to starting to install the system.

PAW brought to my residence an agreement for me to sign (copy attached) letting them install their "system" to correct their water quality problem. **The agreement indicated that the equipment would remain their property and that they would maintain the "system".** The "system" traps and holds the rust, sediment and other debris from their supply pipes caused by the "Churning." Then water flows backward through this trap and washes the rust and sediment way in a self cleaning action on the filter unit part of the "System". ( this was explained to me by the employee of Martins Water Conditioning (717) 786-7231) the company PAW contracted with to install their system. They informed me that approx. 55 gallons would be back washed through this filter for every 700 gallons of water used by my residence, which I would not be charged for. I signed the agreement letting them install "Their system" to clean the water at my residence. **Nowhere on that agreement did it say that "their system" was going to use my private drain field as the disposal point for the rust, sediment and debris and 55 gallon of water used to clean their filters. There by turning "their" problem into "my" problem.** ( At our annual water use this system would backflow approx. 66 times during the year-resulting in an additional 3630 gallons of water, rust and sediment into my drainfield.)

I came home the day that the filtering equipment was being installed and about to be connected to my private drain field. I told them not to use my drain field, as their disposal point. **My drain field can accommodate only the current volume, as we are required to get it pumped twice yearly to keep in operating properly.** It would not handle the extra flood of water from the PAW system and the rust and sediment certainly wouldn't help improve its condition.

I informed PAW if their system needed a place to actually discharge all that contaminated water, rust, sediment and debris **they could install** a drain field for it that they would be responsible for on my property as part of their total system. I also indicated **they could install a different type** of filtering system (replaceable filters or other type)

that didn't require a disposal / wastewater area. I tried to be as reasonable as I could but I was told that other options would be more of a cost, (like routinely replacing filters) and they want the original system installed and did not want to go that route.

PAW continues to **demand** that I let them to tie it into my private drain field and said by signing that agreement I agreed to it. (Which I never did or would have) I certainly do not feel its right to require me to address their disposal requirements of their installed system.

Pennsylvania American Water wants no responsibilities in regards to the final backwash water or associated problems that may occur from it.

It is obvious that their "SYSTEM" cannot operate without an outlet point to receive the contaminated back wash water, rust and sediment it collects. If the Installed filtration system is installed without one it can not work (as it currently isn't).

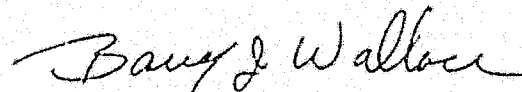
**If Pennsylvania Water Insists on using my private on sight drain field for the disposal part of the total system, I feel my drain field at the very least now becomes an integral part of their "System" and they should be required to maintain and repair and keep it operating properly it as stated in number two of their agreement they had me sign. I know that's not going to happen and I really don't want that. I'd prefer my drain field to stay my concern under my control.**

If they indicate that my private drain field will become a part of their "System" installed to correct "Their" problem of non-potable water being supplied to my residence and agree to accept the maintenance as per paragraph two of the signed agreement, I guess I'd have no choice, but they don't. They want it both ways. Use it for their systems disposal site, but not call it part of their system...even when their system will not operate without such a point.

In the meantime I have continued paying full price for less than first quality water for the last year while continuing to get this resolved, and only receiving letters like the one from Mr. McGinty (enclosed)

PS. My family began feeling electrical shocks while touching water handles, and shower knobs. I paid \$75.00 to an electrician to find the problem. He couldn't and recommended I call PP&L. They came out and said that when the water filtering equipment was installed they cut the copper water supply pipe and placed plastic pipe between the gaps that eliminated the "ground". They told me to just run a copper wire from the copper pipe end to the other copper pipe end to bypass the plastic and restore the ground. I did and it has eliminated the shocking. That's what Mr. McGinty is referring to in his letter. Other than costing me a little money, that problem has been solved.

Thank you for hearing my side.



Barry J. Wallace  
912 Mt. Pleasant Rd.  
Quarryville, Pa. 17566  
(717)786-4951

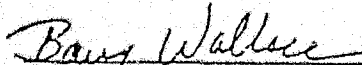
FEB - 7 2005

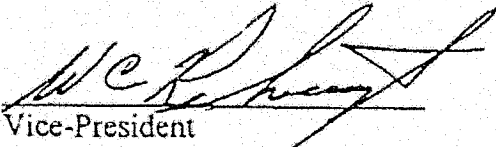
AGREEMENT

THIS AGREEMENT, made and entered into this 25 day of January, 2005, by and between Pennsylvania-American Water ("PAW") and Barry Wallace residing at 412 Mt. Pleasant Rd. Quakertown, PA 17566 ("Residence"). The parties agree to be bound by the provisions of this agreement on the following terms:

1. At its expense, PAW shall purchase and have installed a residential treatment system ("System") and booster pump at 412 Mt. Pleasant Rd. Quakertown, PA 17566. The system includes K2060F - Twin Tank Non-Electric Automatic Backwashing Filter - W/Ceramic Media and Blue Filter Housing. Martin Water Conditioning will perform the installation. The installed System all times shall remain the property of PAW.
2. PAW shall be responsible, after installation, for payment of all future repair, operating, maintenance, or replacement costs relating to the installed System while said System is located in the residence.
3. PAW shall have the right to enter upon the premises of a Party in order to inspect an installed System in the same manner that it may do so under its duly filed Pennsylvania Public Utility Commission ("PUC") Tariff Rule 16.2 which provides: "All service pipes, meters and fixtures, including any and all fixtures within the premises receiving the supply of water, shall, at all reasonable hours, be subject to inspection by an duly authorized employee of the Company."
4. The terms and conditions of the agreement will not be considered legal precedent applicable to any water quality and pressure cases or issues which may arise now or in the future.
5. This agreement is made without any admission against or prejudice to any position, which PAW or any Party might adopt during litigation of a formal complaint or any other proceeding.
6. The terms and conditions of the agreement will not be considered legal precedent applicable to any water pressure case or issues which may arise now or in the future.
7. The terms and conditions of this agreement are confidential.
8. This agreement shall become effective on the date above.
9. This writing constitutes the entire agreement among the parties, and there are no other representations or agreements, verbal or written, other than those contained herein. No amendments or modifications to this agreement shall be effective unless they are set forth in a writing executed by all parties.

10. This agreement may be executed in any number of counterparts and by the different parties on separate counterparts. Each such counterpart shall be deemed to be original, but all such counterparts shall together constitute one and the same agreement. This agreement shall be deemed to have been executed when counterparts have been executed by all parties listed on the signature lines below.

  
\_\_\_\_\_  
Barry Wallace

  
\_\_\_\_\_  
Vice-President  
Pennsylvania-American Water

February 6, 2006  
Barry Wallace  
912 Mount Pleasant Rd.  
Quarryville, PA 17566

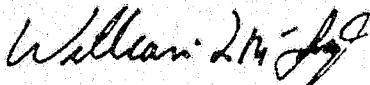
### Individual Home Filtering Unit

This letter is to highlight our conversations on Thursday January 12, 2006, Friday 13, 2006 and Friday 20, 2006 concerning the installation of an in home filtering unit at the residence above. American Water has set forth an agreement with you on the installation of a filtering unit to be installed by Martin Water Conditioning to assist in the autistics of the water delivered to your home. As you are aware you halted the completion of the installation of the unit due to your previous knowledge about condition of your septic/drain field. American Water has agreed to do the following.

- 1) Fulfill the agreement as stated between both parties:  
American Water will have Martins Water Conditioning complete the installation of the unit in your home as agreed to in part 1 of the agreement.
- 2) American Water will follow the agreement and its wording on the maintance of the unit.
- 3) Pursuant to the Account Activation Reminder, American Water will continue to bill you for the water you consume at the residence.
- 4) American Water finds that the installation of the Filtering System is not the cause or effect of your stray current in your home, it will be your responsibility to determine the electrical device that is defective in home, as a reminder nothing should be grounded to the plumbing of you home

Thank you for you time.

Sincerely,



William McGinty  
Water Quality Supervisor

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

DATE SERVED: March 6, 2006

DOCUMENT  
FOLDER

BARRY J. WALLACE  
Complainant

v.

PENNSYLVANIA AMERICAN WATER COMPANY  
Respondent

Complaint Docket  
No: C-20065953

**DOCKETED**

MAR 6 2006

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FORMAL COMPLAINT NOTICE TO RESPONDENT TO ANSWER OR SATISFY

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TO: PENNSYLVANIA AMERICAN WATER COMPANY

TAKE NOTICE:

That a complaint in the above entitled matter, of which the attached is a true and correct copy, has been presented and filed of record with the Pennsylvania Public Utility Commission. Section 702 of the Public Utility Code, 66 Pa. C.S. Section 702, requires the Commission to serve on each party named in a complaint a copy of the complaint and notice calling upon each party to satisfy the complaint, or to answer the same in writing within a specified time; THEREFORE,

1. You have twenty (20) days from the date on which this complaint is served to either satisfy this complaint or to file with the **Secretary of the Pennsylvania Public Utility Commission, P. O. Box 3265, Harrisburg, PA 17105-3265**, an answer (original and three copies), in writing, under oath, which, as required by Section 5.61 of the Commission's Rules of Practice and Procedure, 52 Pa. Code Section 5.61, either affirms or specifically denies the allegations in this complaint. You must also serve a copy of the answer upon the complainant. The date of service is the mailing date as indicated by the date at the top of this Notice. Section 1.56(a) of the Commission's Rules of Practice and Procedure, 52 Pa. Code Section 1.56(a).

2. If you fail to either satisfy this complaint or to file answer or other responsive pleading within twenty (20) days, you will be deemed to have admitted all the allegations in this complaint in accordance with Section 5.61 of the Commission's Rules of Administrative Practice and Procedure, 52 Pa. Code Section 5.61. In that event, the Commission may, without hearing, enter an order which either revokes or suspends any certificate or permit held by you or which imposes a fine or any other appropriate penalty or remedy authorized by the Public Utility Code, 66 Pa. C.S. Section 101, et seq.; and, if

you are a customer of a utility, an order may be entered which prescribes a payment schedule or which authorizes termination of utility services. The Commission is not limited to the relief sought by the complainant in paragraph 4 of the attached complaint.

3. If you elect to satisfy this complaint you must file, within twenty (20) days from the date on which this complaint is served, affidavits executed by each complainant that this complaint has been satisfied. Such affidavits must describe the basis on which this complaint was satisfied; any settlement agreement between the parties must be reduced to writing and attached to the affidavit. Such affidavits are to be filed with the Secretary of the Commission at the address set forth in paragraph 1. Upon receipt of affidavits of satisfaction from all complainants, this complaint may be dismissed by the Commission in accordance with Section 703(a) of the Public Utility Code, 66 Pa. C.S. Section 703(a), unless the Commission determines that such dismissal would be contrary to the public interest, in which event the Commission may direct that hearings be held upon the complaint.

4. If you file an answer which admits the allegations in this complaint, or which fails to specifically deny the allegations in this complaint, the Commission may, without hearing, enter an order which either revokes or suspends any certificate held by you or which imposes a fine or any other appropriate penalty or remedy authorized by the Public Utility Code, 66 Pa. C. S. Section 101, et seq.; and, if you are a customer of a utility, an order may be entered which prescribes a payment schedule or which authorizes termination of utility services. The Commission is not limited to the relief sought by the complainant in paragraph 4 of the attached complaint.

5. If you file a timely answer which specifically denies the allegations in this complaint, or which raises material questions of law or fact, this matter shall be referred to the Office of Administrative Law Judge for hearing and decision. If, after hearing on the issues raised by that answer, you are found to have committed any of the violations alleged in the complaint, the Administrative Law Judge may render a decision which either revokes or suspends any certificate or permit held by you or which imposes a fine or any other appropriate penalty or remedy authorized by the Public Utility Code, 66 Pa. C. S. Section 101, et seq.; and, if you are a customer of a utility, an order may be entered which prescribes a payment schedule or which authorizes termination of utility services. In the imposition of a penalty after a hearing the Administrative Law Judge is not bound by the relief sought by the complainant in paragraph 4 of the attached complaint.

James J. McNulty  
Secretary

(SEAL)

Certified Mail  
Return Receipt Requested



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE  
REFER TO OUR FILE

DATE SERVED: March 6, 2006

C-20065953

PENNSYLVANIA AMERICAN  
WATER COMPANY  
DANIEL WARNOCK  
800 W HERSHEY PARK DR  
HERSHEY PA 17033

DOCUMENT  
FOLDER

Dear Mr. Ross:

A complaint has been filed against you before the Pennsylvania Public Utility Commission by BARRY J. WALLACE. To defend yourself against the claims stated in the following pages, you must act within twenty (20) days by filing in writing with the Commission, either personally or through your attorney, your defenses or objections to the claims stated against you. Or, you may satisfy the complaint by settling the matter with the Complainant and submitting proof of settlement to the Commission within twenty (20) days.

IF YOU FAIL TO RESPOND WITHIN TWENTY (20) DAYS, THE CASE MAY GO FORWARD IN YOUR ABSENCE AND A JUDGEMENT MAY BE ENTERED AGAINST YOU BY THE COMMISSION WITHOUT FURTHER NOTICE.

CUSTOMER OF A UTILITY

A payment schedule may be prescribed or a termination of utility services may be authorized. You may lose money or property or other rights important to you.

COMPANY/UTILITY

An Administrative Law Judge may revoke or suspend any certificate or permit held by you, or impose a fine, or any other appropriate penalty or remedy authorized by the Public Utility Code. You may lose money or property or other rights important to you.

Detailed instructions on how to proceed are contained in the attached pages. You are advised to read them carefully.

March 6, 2006

Unless you are a corporation or other organization, you may proceed without a lawyer. However, if you want a lawyer and do not have one or cannot afford one, the office listed below can tell you where you can get legal help:

Pennsylvania Lawyer Referral Service  
Pennsylvania Bar Association  
P.O. Box 186  
Harrisburg, PA 17108  
(800) 692-7375

Very truly yours,

James J. McNulty  
Secretary

ane

# ORIGINAL



March 22, 2006

RECEIVED

MAR 22 2006

**VIA OVERNIGHT MAIL**

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, Pennsylvania 17120

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Re: Barry J. Wallace v. Pennsylvania-American Water Company  
Docket No. C-20065953

Dear Secretary McNulty:

On behalf of Pennsylvania American Water, I enclose an original and three copies of its Answer and New Matter to the Formal Complaint of Barry J. Wallace, an 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 stamped self-addressed envelope.

Respectfully submitted,

A handwritten signature in black ink that reads "Seth A. Mendelsohn".

Seth A. Mendelsohn

Enclosures

c: Barry J. Wallace  
Judy Jordan

DOCUMENT  
FOLDER

Pennsylvania American Water

Seth A. Mendelsohn  
Corporate Counsel  
800 West Hersheypark Drive  
Hershey, PA 17033 USA  
T 717-533-5000  
F 717-531-3252  
E [seth.mendelsohn@amwater.com](mailto:seth.mendelsohn@amwater.com)  
I [www.pawc.com](http://www.pawc.com)

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In the matter of:

Re: Barry J. Wallace v. Pennsylvania-American Water Company  
Docket No. C-20065953

NOTICE OF APPEARANCE

Please enter my appearance in the above-designated matter on behalf of Respondent, Pennsylvania American Water. 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.

**DOCKETED**  
APR 03 2006

*Seth A. Mendelsohn*  
\_\_\_\_\_  
Seth A. Mendelsohn  
800 West Hershey Park Drive  
Hershey, Pennsylvania 17033  
(717) 533-5000

**DOCUMENT  
FOLDER**

Dated: March 22, 2006

**RECEIVED**

MAR 22 2006

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

RECEIVED

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

MAR 22 2006

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

BARRY J. WALLACE,  
Complainant

v.

PENNSYLVANIA-AMERICAN WATER  
COMPANY,  
Respondent

DOCKET NO. C-20065953

DOCUMENT  
FOLDER

ANSWER TO FORMAL COMPLAINT OF BARRY J. WALLACE

NOW COMES the Respondent, Pennsylvania-American Water Company (the "Company"), by its attorney, and answers the Formal Complaint of Barry J. Wallace as follows:

1. Admitted.

2. Admitted.

3. Admitted.

4. A. No response is required. To the extent a response is required, it is

Denied that the Company has violated any legal or tariff provisions.

4. B. Admitted in part; Denied in part. It is Admitted that the Company and

Mr. Wallace entered into an agreement to address alleged water quality issues at his property (hereinafter the "Agreement"). Mr. Wallace's allegations regarding the Agreement are Denied.

By way of further explanation, the Agreement, attached herein as Attachment "A" speaks for itself. It is Denied that the Company's plan of action to implement the Agreement is wrongful.

It is Denied that the electrical issues cited in the PS Section of the Complaint are caused by, or are the responsibility of the Company's. It is Admitted that Mr. Wallace has not followed the terms of the Agreement that were negotiated and approved by the parties.

5. Paragraph No. 5 of the Complaint is a prayer for relief to which no

**DOCKETED**  
APR 03 2006

response is required. To the extent that any of the remaining averments in Paragraph No. 5 are construed as allegations for which a response is required, the Company denies any and all such allegations.

6. This is a statement to which no response is required.
7. Admitted.
8. This is a statement to which no response is required.

**NEW MATTER**

9. The averments contained in Paragraphs 1 through 8 are hereby incorporated by reference.
10. The Complaint fails to state a cause of action for which relief may be granted.

WHEREFORE, Pennsylvania American Water requests your Honorable Commission to dismiss, without hearing, the Formal Complaint of Barry J. Wallace at Docket No. C-20065953.

Respectfully submitted,



Seth A. Mendelsohn  
Corporate Counsel  
Pennsylvania American Water  
800 West Hershey Park Drive  
Hershey, Pennsylvania 17033

Dated: March 22, 2006

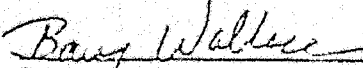
FEB - 7 2005

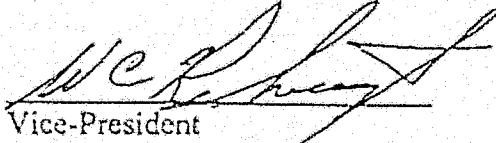
AGREEMENT

THIS AGREEMENT, made and entered into this 25 day of January, 2005, by and between Pennsylvania-American Water ("PAW") and Berry Willette residing at 412 Mt Pleasant Rd Chambersburg, PA 17566 ("Residence"). The parties agree to be bound by the provisions of this agreement on the following terms:

1. At its expense, PAW shall purchase and have installed a residential treatment system ("System") and booster pump at 412 Mt. Pleasant Rd Chambersburg, PA 17566. The system includes K2060F - Twin Tank Non-Electric Automatic Backwashing Filter - W/Ceramic Media and Blue Filter Housing. Martin Water Conditioning will perform the installation. The installed System all times shall remain the property of PAW.
2. PAW shall be responsible, after installation, for payment of all future repair, operating, maintenance, or replacement costs relating to the installed System while said System is located in the residence.
3. PAW shall have the right to enter upon the premises of a Party in order to inspect an installed System in the same manner that it may do so under its duly filed Pennsylvania Public Utility Commission ("PUC") Tariff Rule 16.2 which provides: "All service pipes, meters and fixtures, including any and all fixtures within the premises receiving the supply of water, shall, at all reasonable hours, be subject to inspection by an duly authorized employee of the Company."
4. The terms and conditions of the agreement will not be considered legal precedent applicable to any water quality and pressure cases or issues which may arise now or in the future.
5. This agreement is made without any admission against or prejudice to any position, which PAW or any Party might adopt during litigation of a formal complaint or any other proceeding.
6. The terms and conditions of the agreement will not be considered legal precedent applicable to any water pressure case or issues which may arise now or in the future.
7. The terms and conditions of this agreement are confidential.
8. This agreement shall become effective on the date above.
9. This writing constitutes the entire agreement among the parties, and there are no other representations or agreements, verbal or written, other than those contained herein. No amendments or modifications to this agreement shall be effective unless they are set forth in a writing executed by all parties.

10. This agreement may be executed in any number of counterparts and by the different parties on separate counterparts. Each such counterpart shall be deemed to be original, but all such counterparts shall together constitute one and the same agreement. This agreement shall be deemed to have been executed when counterparts have been executed by all parties listed on the signature lines below.

  
\_\_\_\_\_  
Barry Wallace

  
\_\_\_\_\_  
Vice-President  
Pennsylvania-American Water

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

BARRY J. WALLACE,  
Complainant

v.

PENNSYLVANIA-AMERICAN WATER  
COMPANY,  
Respondent

DOCKET NO. C-20065953

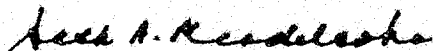
**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing document, Pennsylvania American Water's Answer and New Matter to the Formal Complaint, upon the participants listed below, in accordance with the requirements of §1.54:

**VIA OVERNIGHT MAIL**

Barry J. Wallace  
912 Mt. Pleasant Rd.  
Quarryville, PA 17566

Dated this 22<sup>nd</sup> day of March, 2006.



Seth A. Mendelsohn  
Pennsylvania American Water  
800 West Hershey Park Drive  
Hershey, Pennsylvania 17033  
(717) 533-5000

