



James C. Cagle  
Vice President – Rates and Regulatory Affairs  
461 From Road, Suite 400  
Paramus, NJ 07652  
tel 201-750-5702  
fax 201-750-5728  
email Jim.Cagle@suez-na.com

**VIA ELECTRONIC FILING AND FIRST CLASS MAIL**

August 1, 2018

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
400 North Street, 2<sup>nd</sup> Floor  
Harrisburg, PA 17120

**RE: Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. –  
Wastewater and Multiple Affiliated Corporations (Affiliated Sector Agreement) at  
Docket No. G-2018-3002448**

Dear Secretary Chiavetta:

Enclosed for filing please find responses to Data Request Set 1 from the Bureau of Technical Utility services Water/Wastewater Division in the above captioned case.

Best regards,

A handwritten signature in black ink, appearing to be "James C. Cagle", written over a circular scribble.

James C. Cagle  
Vice President – Rate and Regulatory Affairs

JC:dmv  
Enc.

cc: Tanya McCloskey, Office of Consumer Advocate (w/ enclosure)  
John Evans, Office of Small Business Advocate (w/ enclosure)  
Richard Kanaskie, PUC Bureau of Investigation and Enforcement (w/ enclosure)  
Manasi Deshpande, Bureau of Technical Utility Services (w/enclosure) *VIA EMAIL*  
David P. Zambito, Esq. – Cozen O'Connor (w/ enclosure)

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of SUEZ Water Pennsylvania Inc.'s responses to Bureau of Technical Utility Services data requests at **Docket No. G-2018-3002448**, upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

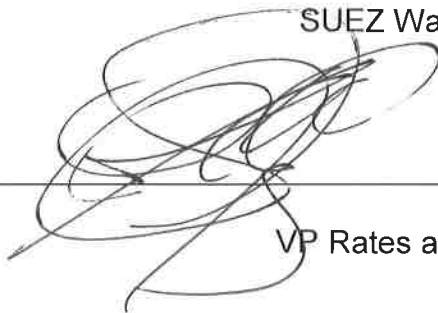
Tanya J. McCloskey, Esq.  
Office of Consumer Advocate  
Forum Place, Fifth Floor  
555 Walnut Street  
Harrisburg, PA 17101

John Evans  
Office of Small Business Advocate  
Suite 1102, Commerce Building  
300 North Second Street  
Harrisburg, PA 17101

Richard A. Kanaskie  
Bureau of Investigation and Enforcement  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
P.O. Box 3265  
Harrisburg, PA 17105-3265

*Via email:*  
Manasi Deshpande  
Bureau of Technical Utility Services  
Water/Wastewater Division  
**mdeshpande@pa.gov**

SUEZ Water Pennsylvania Inc.



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James Cagle  
VP Rates and-Regulatory Affairs


Dated: August 1, 2018

**VERIFICATION**

I, James C. Cagle, hereby state that the facts set forth above 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).

Date: \_\_\_\_\_

8/1/18

  
\_\_\_\_\_  
PRINTED NAME: James C. Cagle  
TITLE: Vice President, Rates and Regulatory Affairs  
COMPANY: SUEZ Water M&S Inc.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
and Multiple Affiliated Corporations (Affiliated Sector Agreement)

at Docket No. G-2018-3002448

Bureau of Technical Utility Services Water/Wastewater Division

Data Request Set 1

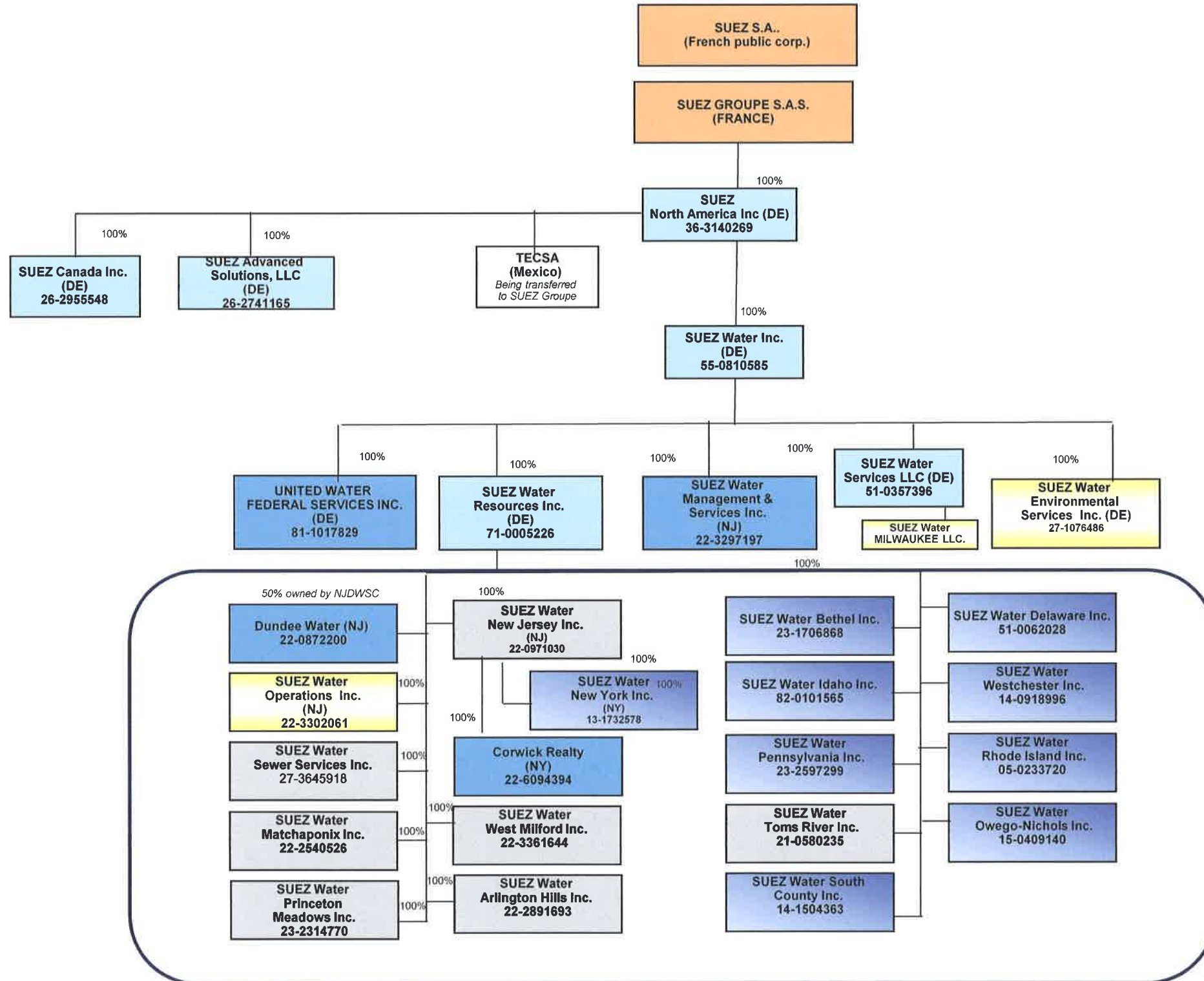
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BTS-G-1  
(Cagle)

BTS-G-1      The organization chart provided in the AIA's Appendix A is not legible. Please provide a legible copy of Appendix A.

Response:      Please see attached.

# SUEZ NORTH AMERICA (Regulated only)



Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
and Multiple Affiliated Corporations (Affiliated Sector Agreement)

at Docket No. G-2018-3002448

Bureau of Technical Utility Services Water/Wastewater Division

Data Request Set 1

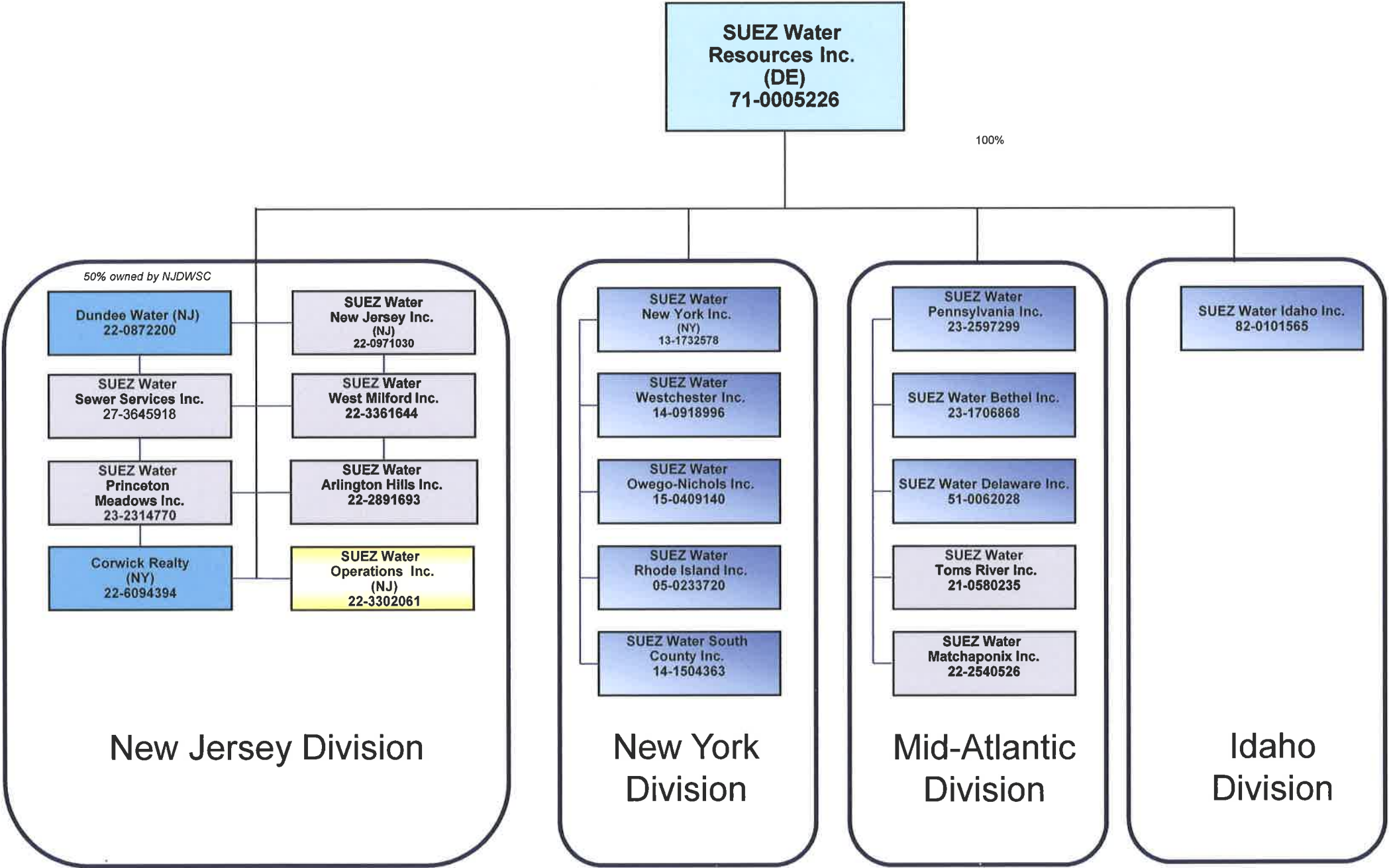
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BTS-G-2  
(Cagle)

BTS-G-2 Please provide a geographical sector organization chart for SUEZ Water Resources Inc.'s (SWR's) subsidiaries that shows how SWR's subsidiaries are organized within each sector to receive and provide the operational and management services (Services).

Response: Please see attached.

# SUEZ Water Resources Inc.



Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
and Multiple Affiliated Corporations (Affiliated Sector Agreement)

at Docket No. G-2018-3002448

Bureau of Technical Utility Services Water/Wastewater Division

Data Request Set 1

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BTS-G-3  
(Cagle)

BTS-G-3 Please state if the AIA is based on the competitive analysis. If yes, please state the other alternatives considered other than SUEZ Water Pennsylvania Inc. – Wastewater Division's (SWPA-WD's) affiliates for receiving the Services.

Response: The ASA is designed to allow for the best response to the needs of the utilities as a whole including SWPA. The ASA replaces the existing ASA and was modeled after the agreement which exists between SWBI and SUEZ Water Delaware SWDE. The ASA is attached. The Company believes it would be duplicative to have separate employees, for certain utility functions when employee time can be shared and administered through the proposed AIA. The overriding principal is that all charges are at cost.



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

REFER TO OUR FILE

MARCH 12, 1998

G-00980596

UNITED WATER BETHEL INC  
 PO BOX 6508  
 2000 FIRST STATE BLVD  
 WILMINGTON DE 19804-0508



*10/16*

Affiliated Interest Agreement between  
 United Water Delaware and  
 United Water Bethel

To Whom It May Concern:

This is to advise you that an Opinion and Order has been adopted by the Commission in Public Meeting on March 12, 1998 in the above entitled proceeding.

An Opinion and Order has been enclosed for your records.

Very truly yours,

*James J. McNulty*  
 James J. McNulty,  
 Secretary

*3/18/98*

*Bob I & Walter I  
 for your info.  
 Any questions  
 please call.*

smk  
 Encls.  
 Cert.Mail

*Thanks  
 Victor*

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA. 17105-3265

Public Meeting held March 12, 1998

Commissioners Present:

John M. Quain, Chairman  
Robert K. Bloom, Vice Chairman  
John Hanger  
Nora Mead Brownell

Affiliated Interest Agreement between  
United Water Delaware and United Water  
Bethel

Docket No.  
G-00980596

OPINION AND ORDER

BY THE COMMISSION:

On January 22, 1998, the above-captioned Affiliated Interest Agreement was filed with the Commission. Specifically, the Agreement sets forth the terms and conditions whereby United Water Delaware and United Water Bethel enter into a service agreement, known as a geographical sector agreement, where the larger utility in the sector provides certain operational and management support for smaller utilities in the sector, on an as needed basis. The 30 day statutory analysis period was extended to March 23, 1998 by Secretarial Letter.

This Affiliated Interest Agreement is filed in accordance with Section 2102(b) of the Public Utility Code, 66 C.S. §2102(b). Review and analysis of the Agreement indicate that the terms and conditions appear to be reasonable and consistent with the public interest. However, approval of this Agreement does not constitute a determination that the associated costs are reasonable or prudent for the purpose of determining just and reasonable rates; **THEREFORE,**

IT IS ORDERED:

1. That the Service Agreement between United Water Bethel and United Water Delaware, filed January 22, 1998 be, and hereby is, approved.

2. That this approval does not preclude the Commission from investigating, during any formal proceeding, the reasonableness of charges incurred under the Agreement consistent with this Opinion and Order.

BY THE COMMISSION,

*James J. McNulty*  
James J. McNulty  
Secretary

(SEAL)

ORDER ADOPTED: March 12, 1998

ORDER ENTERED: **MAR 12 1998**



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

IN REPLY PLEASE  
REFER TO OUR FILE

February 2, 1998

G-00980596

Carl H. Grossman, Corporate Counsel  
United Water Management & Services  
200 Old Hook Road  
Harrington Park, NJ 07640-1799

Re: Affiliated Interest Agreement between United Water Bethel and United Water Delaware

Dear Mr. Grossman:

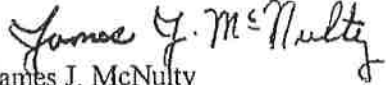
Section 2102(b) of the Public Utility Code, 66 Pa C. S. 2102(b), provides that an Affiliated Interest Agreement will be deemed approved if a written order is not entered at the end of thirty days after the filing of the Agreement, unless the Commission extends the thirty day period. In order to adequately review the instant Agreement, it is necessary that the consideration period be extended for an additional 30 days, or to March 23, 1998.

You are hereby notified that the period for consideration of the Affiliated Interest Agreement filed on January 22, 1998, between United Water Bethel and United Water Delaware has been extended for an additional 30 days or to March 23, 1998.

If you are dissatisfied with the resolution of this matter, you may, as set forth in 52 Pa. Code § 5.44, file a petition with the Commission within 10 days of the date of this letter.

Please direct any questions to Jack T. Polk, Industry Manager, Water/Wastewater Group, Bureau of Fixed Utility Services at (717) 787-1035.

BY THE COMMISSION

  
James J. McNulty  
Secretary

United Water



United Water Management & Services

200 Old Hook Road  
Harrington Park, NJ 07640-1799  
telephone 201 784 9434

January 20, 1998

Mr. James McNulty, Secretary  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

RE: United Water Bethel  
Sector Agreement

Dear Mr. McNulty:

United Water Bethel (UWB) is a subsidiary of United Waterworks Inc. (UWW). Recently UWW was reorganized based upon the geographical sector concept in which the larger utilities provide certain operational and management support for the smaller utilities in the sector, on an as needed basis.

UWB is located within the sector for which United Water Delaware (UWD) is the largest company. Therefore, UWD will render services to UWB as specified in the Sector Agreement between the two companies.

Since this Sector Agreement is an agreement between affiliated interests, pursuant to 66 Pa. C.S. @ 2101, enclosed for filing and approval is a verified copy of the Sector Agreement.

I have also enclosed a duplicate copy and would appreciate your returning it to me stamped "filed."

Thank you.

Very truly yours,

Carl H. Grossman  
Corporate Counsel

CHG:dwp  
Enclosures

cc: Victor Mercado  
Greg Wyatt

SECTOR AGREEMENT

BETWEEN

UNITED WATER DELAWARE INC.

AND

UNITED WATER BETHEL INC.

## SECTOR AGREEMENT

This Agreement, dated Dec 15, 1997, between UNITED WATER DELAWARE INC. (hereinafter "UW Delaware"), a Delaware corporation, with offices at 2000 First State Boulevard, Wilmington, Delaware 19804, and UNITED WATER BETHEL INC. (hereinafter "Utility Company"), a Delaware corporation, with offices at 2000 First State Boulevard, Wilmington, Delaware 19804.

The background of this Agreement is that:

1. Both UW Delaware and Utility Company are subsidiaries of United Waterworks Inc. (hereinafter "UWW"), a Delaware corporation, with offices at 200 Old Hook Road, Harrington Park, New Jersey 07640.

2. UWW was recently reorganized based on a geographical sector concept in which the larger utilities, such as UW Delaware, provide certain operational and management support for smaller utilities within the sector, such as Utility Company, on an as needed basis. UW Delaware maintains an organization whose officers and employees are familiar with all facets of the water utility business. Such officers and employees are qualified to render the services to be performed under this Agreement.

3. Utility Company can economically obtain valuable management and operating services of superior quality by contracting to secure the same from UW Delaware.

4. UW Delaware has entered, or proposes to enter, into agreements similar to this Agreement with other affiliated utility companies (hereinafter referred to collectively as "Utility Companies").

5. The services to be rendered under this Agreement are to be rendered at their cost to Utility Company, as hereinafter provided.

6. Both UW Delaware and Utility Company have Service Agreements with United Water Management and Services Inc., which are on file with the appropriate regulatory agencies, and which provide for a broader scope of service functions. Services rendered pursuant to this Agreement will not be duplicative of those rendered pursuant to the Service Agreements.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

#### ARTICLE I.

UW Delaware shall make qualified employees available to furnish to Utility Company, and Utility Company shall utilize, as needed, general management and operations services upon the terms and conditions hereinafter set forth: In order to render such services and to promote the efficient and economic operation of Utility Company, UW Delaware's employees shall keep themselves informed on all aspects of Utility Company's operations and shall regularly visit Utility Company's facilities. Such personnel may make recommendations for operating expenditures and additions to and improvements of property, plant and equipment. UW Delaware or Utility Company, by mutual consent, may engage a non-affiliated company or person to provide such services on its behalf.

#### ARTICLE II

In consideration for the services to be rendered by UW Delaware as hereinabove provided, Utility Company agrees to pay to UW Delaware the cost thereof, determined as provided in this Article II and in Article III.

The extent of service rendered by UW Delaware personnel for Utility Company shall be based on actual time spent by such personnel, as reflected in their daily time sheets or other mutually acceptable means of determination, and shall be charged directly to the Utility Company.

In determining the cost to be assessed by UW Delaware for the rendering of services to Utility Company as herein provided, there shall be added to the salaries of all officers and employees for whose services charges are to be made, a percentage sufficient to cover the general overhead of UW Delaware properly allocable thereto. Such percentage shall be calculated on the basis of budgeted costs and will be adjusted periodically to reflect actual costs. No general overhead of UW Delaware shall be added to costs incurred for services of non-affiliated consultants employed by UW Delaware.

The term "general overhead" shall include (a) pension and insurance premiums paid for the benefit of UW Delaware employees, (b) salaries paid during vacation, holidays, sickness and other authorized absences, and (c) payroll-related taxes.

### ARTICLE III

As soon as practicable after the last day of each month, UW Delaware shall render a bill to Utility Company for all amounts due from Utility Company for services and expenses for such month, computed pursuant to Article II. Such bills shall be in sufficient detail to show separately the charge for each class of service rendered. All amounts so billed shall be paid by Utility Company within a reasonable time after receipt of the bill therefor.

It is understood by Utility Company that UW Delaware has entered, or may enter, into similar agreements with other Utility Companies that are affiliated with UWW to which similar services are to be furnished. UW Delaware will not enter into agreements to perform similar services for other companies on terms more favorable than those provided herein.

UW Delaware agrees to keep its books and records available for inspection by representatives of Utility Company and by regulatory bodies having jurisdiction over Utility Company with respect to information pertaining to services rendered hereunder,

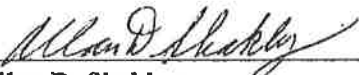
UW Delaware shall at any time, upon request of Utility Company, furnish any and all information required by Utility Company with respect to the services rendered by UW Delaware hereunder and the cost thereof.

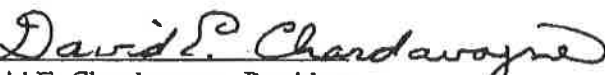
This Agreement shall be in full force and effect as of the date first mentioned above, subject to any necessary approval of governmental regulatory agencies having jurisdiction in the premises, and shall continue in full force and effect until terminated by either of the parties hereto giving the other party hereto ninety days' notice in writing; provided, however, that this Agreement shall terminate as of the date Utility Company or Delaware ceases to be an affiliate of UWW.

IN WITNESS WHEREOF, UW DELAWARE and UTILITY COMPANY have caused these presents to be signed in their respective corporate names by their respective Presidents or Vice Presidents, and attested by their respective Secretaries or Assistant Secretaries, all as of the day and year first above written.

UNITED WATER DELAWARE INC.


ATTEST:


  
Allan D. Shakley  
Secretary

By   
David E. Chardavoyne, President

UNITED WATER BETHEL INC.

ATTEST:

  
Allan D. Shakley  
Secretary

By   
Victor M. Mercado, President



Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
and Multiple Affiliated Corporations (Affiliated Sector Agreement)  
at Docket No. G-2018-3002448  
Bureau of Technical Utility Services Water/Wastewater Division  
Data Request Set 1

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BTS-G-4  
(Cagle)

BTS-G-4 Please provide a separate list of Services that SWPA-WD will receive from its regulated and non-regulated affiliates.

Response: SWPA water and waste water receives certain operational services from SUEZ Water Delaware primarily related to capital programs.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
and Multiple Affiliated Corporations (Affiliated Sector Agreement)  
at Docket No. G-2018-3002448

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BTS-G-5  
(Cagle)

**BTS-G-5** Please provide a separate list of Services that SWPA-WD will provide to its regulated and non-regulated affiliates.

**Response:** SWPA will provide certain general management/administrative services, budgeting and local financial management services and certain customer services to its SUEZ Water Delaware and to its SUEZ Water Toms River under this agreement. It is not anticipated that SWPA will consistently provide other services under this agreement. SWPA-WD is not managed separately from SWPA.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
and Multiple Affiliated Corporations (Affiliated Sector Agreement)  
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Data Request Set 1

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BTS-G-6  
(Cagle)

BTS-G-6 Please provide a breakdown of the annual estimated cost that SWPA-WD will have to pay to its regulated and non-regulated affiliates for receiving the Services.

Response: SWPA Receives certain operational services from SUEZ Water Delaware primarily related to capital programs. For 2017, the cost was approximately \$26k. SWPA-WD is not managed separately from SWPA.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
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at Docket No. G-2018-3002448

Bureau of Technical Utility Services Water/Wastewater Division

Data Request Set 1

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BTS-G-7  
(Cagle)

BTS-G-7 Please provide a breakdown of the annual estimated revenues that SWPA-WD will receive from its regulated and non-regulated affiliates for providing the Services.

Response: SWPA will provide certain general management/administrative services, budgeting and local financial management services and certain customer services to its SUEZ Water Delaware and to its SUEZ Water Toms River under this agreement. It is not anticipated that SWPA will consistently provide other services under this agreement.

Approximate amounts in 2017:

General management/administrative services - \$59.8k

Budgeting and local financial management services – \$81.2k

Customer Service - \$77.9k

SWPA-WD is not managed separately from SWPA.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
and Multiple Affiliated Corporations (Affiliated Sector Agreement)

at Docket No. G-2018-3002448

Bureau of Technical Utility Services Water/Wastewater Division

Data Request Set 1

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BTS-G-8  
(Cagle)

BTS-G-8 Please provide the annual estimated cost that SWPA-WD will have to pay SUEZ Water Management & Services Inc. (SWM&S) for SWM&S Administrative Agent Services.

Response: SUEZ Water Management and Services Inc. provides accounting services to SWPA under a separate affiliate agreement approved in Docket Nos. G-2016-2546454 (Water), G-2016-2557846 (Wastewater), G-2016-2546481 (Bethel). There are no additional M&S costs as a result of this AIA. SWPA-WD is not managed separately from SWPA.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
and Multiple Affiliated Corporations (Affiliated Sector Agreement)  
at Docket No. G-2018-3002448

Bureau of Technical Utility Services Water/Wastewater Division

Data Request Set 1

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BTS-G-9  
(Cagle)

**BTS-G-9** The AIA's Section II, No. 10 states that the Affiliate receiving the Service will pay the lower of cost or market price to the Affiliate providing the Service. Please describe the methodology SWPA-WD and its affiliates will use to determine the market price for these services.

**Response:** Such costs are regularly reviewed in the normal cost of business to determine if the receipt of such services is operationally efficient. Within this review, if such services are determined to have a reasonable alternate source that may be cost beneficial to SWPA in total, the Company would fully investigate the possibility of outsourcing such activities. SWPA-WD is not managed separately from SWPA.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
and Multiple Affiliated Corporations (Affiliated Sector Agreement)  
at Docket No. G-2018-3002448

Bureau of Technical Utility Services Water/Wastewater Division

Data Request Set 1

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BTS-G-10  
(Cagle)

BTS-G-10 Please provide a schedule of rates that SWPA-WD will have to pay to its affiliates for receiving the Services.

Response: The ASA is intended only to include direct time of employees providing services. Such cost are recorded through direct time sheets. The ASA allows for certain incidental expenses related to the employee's time to also be charged (e.g. travel related expenses) which will be a direct charge. The costs charged or received include no "mark-up". SWPA-WD is not managed separately from SWPA.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
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Data Request Set 1

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BTS-G-11  
(Cagle)

**BTS-G-11** Please provide a schedule of rates that SWPA-WD will have to pay if a non-- affiliated company provides the Services.

**Response:** As the amount charged is based upon the time spent and costs of employees providing such services, no comparison is available. SWPA-WD is not managed separately from SWPA.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
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BTS-G-12  
(Cagle)

BTS-G-12      Please estimate the percent of total service costs under the AIA that would be attributable to each affiliate.

Response:      The costs associated with the AIA are recorded to as either an reduction to or increase in costs rather than revenues. Please see the response to BTS-G- 6 and BTS-G-7 restated below:

BTS-G-6

SWPA Receives certain operational services from SUEZ Water Delaware primarily related to capital programs. For 2017, the cost was approximately \$26k.

BTS-G-7

SWPA will provide certain general management/administrative services, budgeting and local financial management services and certain customer services to its SUEZ Water Delaware and to its SUEZ Water Toms River under this agreement. It is not anticipated that SWPA will consistently provide other services under this agreement.

Approximate amounts in 2017:

General management/administrative services - \$59.8k

Budgeting and local financial management services – \$81.2k

Customer Service - \$77.9k

SWPA-WD is not managed separately from SWPA.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
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Data Request Set 1

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BTS-G-13  
(Cagle)

BTS-G-13      Please estimate the percent of total service revenues under the AIA that would be attributable to each affiliate.

Response:      The costs associated with the AIA are recorded to as either an reduction to or increase in costs rather than revenues. Please see the response to BTS-G- 6 and BTS-G-7 restated below:

**BTS-G-6**

SWPA Receives certain operational services from SUEZ Water Delaware primarily related to capital programs. For 2017, the cost was approximately \$26k.

**BTS-G-7**

SWPA will provide certain general management/administrative services, budgeting and local financial management services and certain customer services to its SUEZ Water Delaware and to its SUEZ Water Toms River under this agreement. It is not anticipated that SWPA will consistently provide other services under this agreement.

Approximate amounts in 2017:

General management/administrative services - \$59.8k

Budgeting and local financial management services – \$81.2k

Customer Service - \$77.9k

SWPA-WD is not managed separately from SWPA.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
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Bureau of Technical Utility Services Water/Wastewater Division

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BTS-G-14  
(Cagle)

BTS-G-14 Please provide a calculation of the profit margin that SWPA-WD will charge to its affiliates for providing the Services. If no profit margin will be charged, please provide a detailed explanation.

Response: No profit margin will be charged either for the provision or receipt of services. There are affiliate interest agreement that provide services to SWPA which do not include a profit margin. The Company does not believe that a profit margin should be charged to SWPA as this is not in the best interest of SWPA customers. Likewise the Company believes no profit margin should be charged by SWPA for services. Recording the cost of services as the Company proposes is intended to capture the cost of service provided and to fully compensate SWPA for both provided and received.

SWPA-WD is not managed separately from SWPA.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
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at Docket No. G-2018-3002448

Bureau of Technical Utility Services Water/Wastewater Division

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BTS-G-15  
(Cagle)

BTS-G-15 Please explain why it is reasonable and in the public interest for SWPA-WD to provide services at market rates in situations where market rates are less than cost, as opposed to having the Receiving Party obtain such services outside of the AIA.

Response: Please see Article I, paragraph 2 of the AIA stating “Each Party shall have the right, at its sole discretion, to refuse to provide or furnish any services requested pursuant to this Agreement; there shall be no exclusive right or right of first refusal associated with the provision or furnishing of such services pursuant to this Agreement; and receiving a refusal from another Party to a request under this Agreement shall not be a prerequisite for any Party to obtain from an independent third party any service which is or could be provided or furnished under this Agreement. Refusals or requests by any Party under this Agreement shall not terminate all or any portion of this Agreement.”

The intent of the agreement is to provide such services at cost and, it is anticipated that if a lower cost can be reasonably achieved by utilizing an outside entity to perform such services, such services would be obtained by a non-affiliated company.

SWPA-WD is not managed separately from SWPA.

Affiliated Interest Agreement between SUEZ Water Pennsylvania Inc. – Wastewater  
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at Docket No. G-2018-3002448

Bureau of Technical Utility Services Water/Wastewater Division

Data Request Set 1

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BTS-G-16  
(Cagle)

BTS-G-16 Please state why the AIA between SWPA-WD and its affiliates is in the best interest of SWPA-WD's ratepayers.

Response: The Company believes that the AIA allows SWPA and its affiliates to best manage costs for the benefit of its customers. Providing such services at cost, allows SWPA and its affiliates to benefit from the time and efforts of employees in the fulfillment of their job responsibilities across companies. In the alternative, the Company believes the absence of such an agreement could increase costs to SWPA. Please see the response to BTS-G-7.

SWPA-WD is not managed separately from SWPA.