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| PUC logo | PENNSYLVANIA PUBLIC UTILITY COMMISSIONCOMMONWEALTH KEYSTONE BUILDING400 NORTH STREET, HARRISBURG, PA 17120 | **IN REPLY PLEASE REFER TO OUR FILE** |

December 19, 2019

**Mr. David Lewis, Vice President and General Manager**

**Columbia Water Company**

**220 Locust Street**

**Columbia, Pennsylvania 17512**

Re: Management Efficiency Investigation (MEI) – Columbia Water Company, D-2019-3011328

Dear Mr. Lewis:

 The Commission appreciates the cooperation extended by the officers and employees of Columbia Water Company (CWC) to our audit staff during the recent Management Efficiency Investigation. We seek CWC’s further cooperation in implementing the recommendations cited in the MEI audit report.

 At its Public Meeting of December 19, 2019, the Commission acknowledged receipt of CWC’s Implementation Plan submitted on November 26, 2019 and released it to the public, along with the Audit Staff’s MEI report. The Commission notes that the Company’s Implementation Plan indicates acceptance of all six recommendations. Receipt of the Implementation Plan does not constitute acceptance by the Commission of the actions already taken, those to be taken, or the explanations and analysis provided. The Company’s implementation actions, together with any explanations and cost/benefit analyses, may be reviewed by the Commission at a later date. This review would be made to determine if the Company has effectively implemented the recommendation.

 Accordingly, the Commission directs CWC to proceed with the November 26, 2019 Implementation Plan. The Commission’s direction to proceed with the Implementation Plan should not be construed as approval of the plan. In addition, the Commission hereby waives the requirement for CWC to file additional Progress Reports as originally directed by the Commission’s May 3, 2018 Secretarial Letter.

**** Sincerely,

 Rosemary Chiavetta

 Secretary

Contact Person: John Clista

 (717) 772-0317