

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Application of Pennsylvania-American Water :
Company under Section 1102(a) of the Pennsylvania :
Public Utility Code, 66 Pa C.S. § 1102(a), for approval of :
(1) the transfer, by sale, to Pennsylvania-American Water : Docket No. A-2021-3024681 *et al.*
Company, of substantially all of the assets, properties and :
rights related to the wastewater collection and treatment :
system owned by the York City Sewer Authority and :
operated by the City of York, (2) the rights of :
Pennsylvania-American Water Company to begin to offer :
or furnish wastewater service to the public in the City of :
York, Pennsylvania, and to three bulk service :
interconnection points located in North York Borough, :
Manchester Township and York Township, York :
County, Pennsylvania, and (3) the rights of Pennsylvania- :
American Water Company to begin to offer and furnish :
Industrial Pretreatment Program to qualifying industrial :
customers in Manchester Township, Spring Garden :
Township and West Manchester Township, York County, :
Pennsylvania :

**DIRECT TESTIMONY OF
MICHAEL J. GUNTRUM, P.E. ON BEHALF OF
PENNSYLVANIA-AMERICAN WATER COMPANY**

Date: July 1, 2021

PAWC Statement No. 2

**DIRECT TESTIMONY OF
MICHAEL J. GUNTRUM, P.E.**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS FOR THE RECORD.**

2 **A.** Michael J. Guntrum, 852 Wesley Drive, Mechanicsburg, PA 17055.

3

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 **A.** I am employed by Pennsylvania-American Water Company (“PAWC” or the “Company”)
6 as a Senior Project Engineer.

7

8 **Q. WHAT ARE YOUR RESPONSIBILITIES AS A SENIOR PROJECT ENGINEER?**

9 **A.** As a Senior Project Engineer for PAWC, I am responsible for the performance of due
10 diligence activities related to potential water and wastewater acquisitions in the
11 Commonwealth of Pennsylvania.

12

13 **Q. PLEASE DESCRIBE YOUR PROFESSIONAL EDUCATION AND EXPERIENCE.**

14 **A.** I received my Bachelor of Science (B.S.) degree in civil engineering in 1994 and a Master
15 of Engineering degree (M.E.) in Environmental Engineering in 1995 from the University
16 of Idaho. In 2010, I received my Master in Business Administration (MBA) from Lebanon
17 Valley College. I have worked in various engineering roles and have over 24 years of
18 experience in environmental engineering related to municipal and industrial water and
19 wastewater treatment. I have worked at PAWC since 2003 in roles related to the
20 acquisition of water and wastewater facilities. I am a registered Professional Engineer in

1 Pennsylvania and a hold a Project Management Professional (PMP) certification from the
2 Project Management Institute (PMI).

3
4 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE PENNSYLVANIA**
5 **PUBLIC UTILITY COMMISSION?**

6 **A.** Yes. I have testified before the Pennsylvania Public Utility Commission (“Commission”)
7 on several occasions, including both water and wastewater proceedings.

8
9 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

10 **A.** My testimony will describe the wastewater collection and treatment system (“System”)
11 currently owned by the York City Sewer Authority (the "Authority") and operated by the
12 City of York (the “City”) (collectively referred to as “York”) that PAWC has agreed to
13 acquire (the “Transaction”). I will also explain how the acquired System will be integrated
14 into PAWC’s existing operations, describe PAWC’ s technical fitness to run the System,
15 and discuss the benefits of the Transaction.

16
17 **Q. CAN YOU PLEASE DESCRIBE THE SYSTEM?**

18 **A.** York discharges under NPDES Permit PA0026263 which was effective September 1, 2017
19 and expires August 31, 2022. The wastewater treatment plant is in Manchester Township.
20 The current permitted hydraulic capacity of the wastewater treatment plant is 26 million
21 gallons per day (MGD), and the permitted organic capacity is 82,450 pounds per day.
22 Based on information that PAWC received from York, as well as my personal knowledge
23 of the System resulting from independent due diligence, the System is comprised of a

1 treatment plant consisting of raw sewage screening, grit removal, and primary clarification,
2 biological treatment, final settling, and UV disinfection. Treated effluent is discharged to
3 the Codorus Creek. Under the proposed Transaction, PAWC will acquire and operate the
4 System and assume responsibilities for operation and maintenance as the holder of the
5 NPDES Permit.

6
7 **Q. CAN YOU PLEASE DESCRIBE THE SERVICE AREA?**

8 **A.** The York System provides service to the City. Through the years as communities
9 surrounding York developed, the municipalities encompassing those communities signed
10 bulk service agreements with the City for sewerage conveyance and treatment. The
11 collection systems in seven neighboring municipalities are connected to York's collection
12 system in order to convey flow to the wastewater treatment plant. Bulk service to
13 Manchester Township, West Manchester Township, York Township, North York
14 Borough, The York Water Company (owner of the West York Borough collection system)
15 and Spring Garden Township is provided via bulk service connections. As the systems
16 have relied on York for wastewater treatment, they have not designed, built and operated
17 separate treatment facility nor have they developed separate treatment capability or
18 capacity. Thus, there is no immediate alternative for bulk wastewater service for the seven
19 neighboring municipalities. The separate development of additional treatment works
20 would go against the Pennsylvania Department of Environmental Protection's ("DEP's")
21 agenda toward regionalization of wastewater treatment and thereby may have low
22 probability of success.

1 Sewage from Springettsbury Township flows via a pump station that is owned by
2 Springettsbury Township. Flows from Springettsbury Township also include sewage from
3 five additional municipalities with which York does not have agreements, but
4 Springettsbury Township does have agreements with these municipalities (Dallastown
5 Borough, Red Lion Borough, Windsor Township, Windsor Borough, and Yoe Borough).
6

7 **Q. YOU STATED THAT THE COLLECTION SYSTEMS LOCATED IN THE**
8 **SURROUNDING MUNICIPALITIES DO NOT HAVE AN IMMEDIATE**
9 **ALTERNATIVE FOR BULK WASTEWATER SERVICE. PLEASE**
10 **ELABORATE.**

11 **A.** As described above, wastewater from the surrounding municipalities is conveyed and
12 treated by the York System. The surrounding communities have relied on the York System
13 for many years. The development of new treatment works would require significant
14 redesign of the current collection systems to reroute flow to a new location(s). Rerouting
15 piping and developing new treatment works would be extremely costly to the communities
16 and their customers. As mentioned above, the development of additional treatment works
17 in the area would go against DEP's desired regionalization of wastewater treatment and
18 therefore may face significant permitting challenges. The existing collection, conveyance,
19 treatment, and discharge systems have Act 537 planning approval and are permitted by
20 DEP for their present use. There are no other regional treatment plants in the area that
21 could immediately accept the wastewater from the surrounding municipalities. Any
22 change to these existing systems would require revisions to the Act 537 Plans that is subject
23 to municipal adoption and approval by DEP. As mentioned, that approval would be

1 difficult to achieve as it would go against the regionalization agenda of DEP. Each of the
2 surrounding systems have contributed to the historic capacity expansion of the York
3 wastewater treatment plant. Abandoning those investments to build their own treatment
4 works would not be fiscally responsible.

5
6 **Q. WHAT IS AN “MS4” SYSTEM?**

7 **A.** An MS4 system is a “municipal separate storm sewer system.”
8

9 **Q. IS PAWC ACQUIRING AN MS4 SYSTEM?**

10 **A.** No. PAWC will not be acquiring the MS4 system of York.
11

12 **Q. IS THE YORK SYSTEM A COMBINED SEWER SYSTEM?**

13 **A.** No. The York System is not a combined sewer system.
14

15 **Q. DOES THE SYSTEM HAVE AN INDUSTRIAL PRETREATMENT PROGRAM?**

16 **A.** York has an Industrial Pretreatment Program (“IPP”) that currently serves 22 industrial
17 customers. Eleven of these customers are in the City, five are in West Manchester
18 Township, four are in Manchester Township, and two are in Spring Garden Township.
19 York provides the technical and administrative activities for the implementation of the IPP.
20 These activities include, among others: (a) issuing industrial waste discharge permits,
21 (b) providing technical services, such as sampling, processing of chemical analyses and
22 enforcement; and (c) imposing fees upon IPP participants were permitted under the IPP.
23 York prepares the customer’s invoice for IPP-related charges and provides it to the

1 municipality, who sends the customer two invoices – one for wastewater usage and one for
2 IPP-related charges. York provides a detailed accounting of such assessed costs to the
3 municipality. After the Closing, IPP customers outside the City will continue to receive
4 wastewater service from their respective municipalities. PAWC will assume York’s
5 responsibility to provide IPP service to all 22 of York’s current IPP customers -- including
6 the 11 located outside the municipal boundaries of the City. In order to provide IPP service
7 to IPP customers located outside PAWC’s certificated wastewater service territory in the
8 City, PAWC will include in its applied-for service territory an IPP service territory that
9 includes each current IPP customer location outside the City’s boundaries. PAWC’s
10 certificated public utility rights for those identified IPP service territories would be limited
11 to administering the IPP; the municipalities would otherwise continue to provide
12 wastewater service. PAWC will, in the future, file applications for certificates of public
13 convenience for the addition of service territory to provide IPP service to additional IPP
14 customers. Likewise, if an IPP customer no longer receives IPP service, PAWC will file
15 an application for a certificate of public convenience to abandon IPP service to such
16 customer.

17
18 **Q. PLEASE DESCRIBE PAWC’S APPLIED-FOR CERTIFICATED SERVICE**
19 **TERRITORY AS IT RELATES TO PAWC’S ABILITY TO PROVIDE SERVICE**
20 **AND THE AUTHORITY’S MOST RECENT ACT 537 PLAN.**

21 **A.** In the Authority’s most recent Act 537 Plan update, as attached in **Appendix A-20-b**, the
22 service area mapping shows the City of York and the surrounding municipalities. As
23 PAWC is not acquiring the collection system assets of the surrounding municipalities,

1 PAWC does not have the ability to serve customers in these surrounding municipalities.
2 PAWC has created an applied-for certificated service territory map that encompasses the
3 City of York. The service territory encompasses three parcels where the wastewater
4 treatment plant is located in Manchester Township. The bulk sewer service connections
5 for North York Borough, Manchester Township and York Township are located outside
6 the service areas. PAWC will include in its applied-for service territory areas the three
7 bulk service interconnection points located in the aforementioned municipalities. In
8 addition, PAWC will include in its applied-for service territory areas served in the
9 surrounding municipalities where PAWC will be providing IPP service to industrial
10 customers. This applied for certificated service territory map will be part of PAWC's Act
11 537 Plan update which will be municipally adopted by all effected municipalities and
12 approved by DEP prior to Closing. This way, the service area map in the latest Act 537
13 Plan update will match PAWC's certificated territory at Closing.

14
15 **Q. PLEASE DESCRIBE PIPE SIZES AND MATERIALS USED FOR THE**
16 **CONSTRUCTION OF THE COLLECTION SYSTEM.**

17 **A.** Based on the mapping that was available and provided by York, the collection system is
18 constructed from a mix of vitrified clay, reinforced concrete, and ductile iron, with newer
19 portions constructed with PVC piping. The approximate sizes and lengths are listed in the
20 table below.

Pipe Diameter	Length
6	2,010
8	409,340
10	34,046
12	22,444
14	207
15	14,771
16	1,451
18	9,591
20	908
21	3,156
22	914
24	10,542
27	4,953
30	8,776
36	7,577
42	4,265
48	6,144
54	1,878
60	44
72	5,174
Total Footage	548,193

1

2

3

Q. PLEASE STATE WHETHER THE SYSTEM CAN PROVIDE ADEQUATE CONVEYANCE, TREATMENT, AND DISPOSAL CAPACITY TO MEET PRESENT AND FUTURE CUSTOMER DEMANDS.

4

5

6

A. Based on the population projections and demand projections as provided-for in York's latest Chapter 94 Report included in **Appendix A-20**, the conveyance, treatment, and disposal capacity is adequate to meet present and future customer demands.

7

8

1 **Q. PLEASE STATE THE ELEVATIONS OF THE MAJOR FACILITIES AND**
2 **SERVICE AREA.**

3 **A.** Please see **Appendix A-16-f (CONFIDENTIAL)** for a map showing the approximate
4 elevations of the existing facilities.

5
6 **Q. DOES PAWC PROVIDE WATER SERVICE TO THE CITY OF YORK OR**
7 **SURROUNDING MUNICIPALITIES?**

8 **A.** No, PAWC does not provide water service in the City of York or surrounding
9 municipalities.

10
11 **Q. PLEASE PROVIDE AN OVERVIEW OF THE EXISTING WATER OPERATIONS**
12 **FACILITIES IN THE CITY OF YORK AREA.**

13 **A.** The York Water Company provides water service to the City of York and surrounding
14 municipalities.

15
16 **Q. PLEASE DESCRIBE HOW PAWC WILL MANAGE THE DAY-TO-DAY**
17 **OPERATIONS OF THE SYSTEM ONCE IT IS ACQUIRED?**

18 **A.** The System will be managed as a separate wastewater department within PAWC's
19 Southcentral Area operations. The Southcentral Area provides a range of shared support
20 services -- including purchasing, environmental compliance, health, and safety, meter
21 reading, customer service work and PA One Call.

1 **Q. ARE OTHER PAWC EMPLOYEES AVAILABLE TO ASSIST WITH**
2 **WASTEWATER OPERATIONS, AS NEEDED?**

3 **A.** Yes. Current PAWC employees in this area and York employees, who will be hired upon
4 Closing, will be under the same area management and supported by a shared support team
5 supporting common functions such as payroll, purchasing, environmental compliance,
6 health, and safety. Employees in both the water and wastewater departments will support
7 each other when appropriate and necessary, particularly in emergency situations. As
8 mentioned above, all operations and employees within PAWC and within the broader
9 American Water Works Company, Inc. (“American Water”) footprint have access to each
10 other when circumstances require or when a very specialized skill or experience is required
11 to support all local issues.

12
13 **Q. WILL THERE BE ANY UNNECESSARY DUPLICATION OF OPERATIONS**
14 **FACILITIES FOLLOWING THE ACQUISITION?**

15 **A.** No, the System will be operated as a stand-alone system. It will, however, have the support
16 of PAWC’s surrounding operations as well as PAWC’s operations throughout the
17 Commonwealth and American Water’s nationwide resources.

18
19 **Q. DOES PAWC PLAN TO INTERCONNECT THE SYSTEM TO ANOTHER PAWC**
20 **WASTEWATER SYSTEM?**

21 **A.** No, PAWC does not plan to interconnect the System to another PAWC wastewater system.

1 **Q. WHAT ARE THE ESTIMATED CAPITAL COSTS FOR THE SYSTEM?**

2 **A.** The 5-year capital plan for the System is shown on **PAWC Exhibit MJG-1.**

3

4 **Q. IS YORK A REGIONAL SEWAGE SERVICE PROVIDER AND IF SO, WHAT**
5 **ARE THE BENEFITS OF CENTRALIZED SEWAGE TREATMENT VERSUS**
6 **DECENTRALIZED SEWAGE TREATMENT?**

7 **A.** The York System is a regional sewage service provider, providing sewage treatment for
8 twelve municipalities. This includes the seven municipalities directly connected and the
9 five municipalities indirectly connected to the York System. Regionalization provides
10 many benefits, including lower cost of treatment due to economies of scale and ability to
11 apply advanced treatment technology more effectively. The York System is in the
12 Susquehanna River Basin and subject to stringent nutrient removal requirements. A larger
13 regional system gains the benefit of having a lower cost per gallon to treat the more
14 stringent limits. Additional benefits include reduced regulatory and operational costs due
15 to having only one discharge permit to manage and one treatment plant to operate as
16 opposed to many.

17

18 **Q. DOES THE YORK SYSTEM CURRENTLY FACE ENVIRONMENTAL**
19 **COMPLIANCE CHALLENGES?**

20 **A.** Yes. On April 2, 2020, the City received a Request for Information under Section 308 of
21 the federal Clean Water Act issued by the U.S. Environmental Protection Agency (“EPA”).
22 The City responded to the Request for Information on May 22, 2020. On December 10,
23 2020, the City received a Notice of Potential Violations and Opportunity to Confer

1 (“Notice”) regarding NPDES Permit No. PA0026263. Attached as **Appendix A-20-f**. A
2 draft Administrative Order for Compliance on Consent (“AOCC”) was attached to EPA's
3 December 10, 2020 correspondence. The Notice was the result of a continuing
4 investigation relative to compliance with PA NPDES Permit No. PA0026263. According
5 to the Notice, there is a possible violation of the Clean Water Act and its regulations.
6 Section 6.13 of the APA requires the Authority, the City and PAWC to use reasonable best
7 efforts to negotiate a Consent Order and Agreement with EPA to be effective at the Closing
8 that meets certain conditions and addresses the violations alleged by the EPA.

9 On April 13, 2021, DEP issued a Notice of Violation for the March 27, 2021
10 discharge of sewage sludge from the wastewater treatment plant to the facility stormwater
11 collection and conveyance system and to Lightner Creek, waters of the Commonwealth.
12 The discharge was not authorized by permit or regulations and thereby constitutes
13 violations of NPDES Permit No. PA0026263 and The Clean Streams Law, attached as
14 **Appendix A-20-f**.

15
16 **Q. WHAT IS THE STATUS OF THE OPPORTUNITY TO CONFER BETWEEN EPA**
17 **AND THE AUTHORITY?**

18 **A.** The Authority is currently in negotiations with EPA and DEP regarding the terms of a
19 Consent Order and Agreement between EPA and the Authority to address the
20 environmental issues outlined in the Notice. PAWC is part of these negotiations and
21 anticipates being assigned this agreement at Closing.

1 **Q. IN YOUR OPINION, IS PAWC BETTER EQUIPPED THAN YORK TO**
2 **MAINTAIN ENVIRONMENTAL COMPLIANCE FOR THE SYSTEM? WHY?**

3 **A.** Yes. PAWC can draw upon a much broader range of engineering and operational
4 experience, as well as deeper financial resources, to address the environmental compliance
5 challenges of the System. In addition, given PAWC's existing platform in relation to the
6 operation of water and wastewater systems in nearby communities, we believe that PAWC
7 is best positioned to provide those services on a cost-effective basis.

8 PAWC is the Commonwealth's largest investor-owned provider of water and
9 wastewater services. As a leading wastewater provider in Pennsylvania, PAWC brings
10 industry leading expertise and has extensive technical experience in upgrading, operating
11 and maintaining sewer facilities. PAWC is a recognized leader in providing communities
12 in the Commonwealth with well-maintained and reliable water and wastewater services
13 and has extensive local knowledge due to PAWC's decades of experience providing water
14 service to neighboring communities.

15 PAWC currently employs approximately 1,100 professionals with expertise in all
16 areas of water and wastewater utility operations including engineering, regulatory
17 compliance, water and wastewater treatment plant operation and maintenance, distribution
18 and collection system operation and maintenance, material management, risk management,
19 human resources, legal, accounting, and customer service. As a subsidiary of American
20 Water, PAWC has available to it additional resources of highly trained professionals who
21 have expertise in various specialized areas. American Water currently owns or operates
22 approximately 200 wastewater operations through its subsidiaries in a number of states.
23 American Water's experience includes the full breadth of treatment processes, from

1 facultative ponds to membrane biological reactors in every climate zone across the U.S.
2 More-advanced technologies allow a number of American Water's plants to utilize effluent
3 for reuse applications, eliminating discharge to receiving streams. These diverse facilities
4 have provided American Water operators and process experts with deep experience in the
5 operation and maintenance of every possible type of wastewater treatment technology, as
6 well as the experience available to support PAWC's operations staff and facilities. A 50-
7 person team of American Water corporate engineers has handled a wide variety of system
8 evaluations, selecting treatment processes and establishing critical design criteria for water
9 and wastewater treatment systems in order to improve operations and prioritize capital
10 improvements.

11 PAWC has an established track record of successfully managing large capital
12 investment projects in order to provide reliable service to the communities it serves.
13 PAWC has an ongoing program of capital investment focused on systematically replacing
14 and adding new pipes, treatment and pumping facilities, and other water and wastewater
15 infrastructure; thereby minimizing customer disruption caused by infrastructure failure.
16 PAWC has funded in excess of \$1 billion in capital construction over the past five years
17 with expenditures expected to total \$275 million to \$300 million per year for the next five
18 years. Capital planning is performed by in-house engineering staff and operations to
19 establish capacity needs, regulatory impacts, service adequacy and reliability for PAWC's
20 wastewater systems. Project costs, alternatives and risks are also determined.
21 Comprehensive periodic oversight of water and wastewater assets gives PAWC a clear and
22 objective view of needs and potential capital project solutions.

1 **Q. PLEASE DESCRIBE PAWC'S TECHNICAL FITNESS TO PROVIDE**
2 **WASTEWATER SERVICE TO YORK'S CUSTOMERS.**

3 **A.** PAWC has approximately 79,028 wastewater customers across the Commonwealth, with
4 customers in Adams, Allegheny, Beaver, Berks, Chester, Clarion, Cumberland,
5 Lackawanna, McKean, Monroe, Montgomery, Northumberland, Pike, Washington, and
6 York counties. A map of PAWC's current service territories is attached to my testimony
7 as **PAWC Exhibit MJG-2**. PAWC has had no material issues in complying with the
8 Pennsylvania Public Utility Code ("Code"), the Clean Streams Law, or other regulatory
9 requirements. Moreover, PAWC has the resources, skills and expertise to respond to ever-
10 increasing environmental standards for the treatment of wastewater and to manage the
11 long-term infrastructure issues inherent in wastewater systems.

12
13 **Q. DOES PAWC MAINTAIN CYBER SECURITY, PHYSICAL SECURITY,**
14 **BUSINESS CONTINUITY, AND EMERGENCY PLANS?**

15 **A.** Yes. Cyber and physical security plans are maintained and monitored by American Water
16 for each of its subsidiaries. PAWC maintains emergency response plans and Operations
17 and Maintenance ("O&M") Manuals, both of which have operational business continuity
18 included within the plans and are updated each year. These plans are tested each year
19 through emergency response tabletop exercises. Each plan is overseen and managed by
20 various groups and individuals to provide overarching support to PAWC. These groups
21 are responsible for testing, reviewing, and updating their respective plan(s).

22 The departments assigned to Physical Security, Emergency Response, Business
23 Continuity, and Cyber Security plans are as follows:

- 1 • Physical Security Plan - Operational Risk Management Security (American
2 Water Works Service Company, Inc. (“AWWSC”))
3
- 4 • Cyber Security Plan - Operational Risk Management Security (AWWSC)
5
- 6 • Emergency Response Plan - Operations (PAWC)
7
- 8 • Business Continuity Plan - Operational Risk Management (PAWC) and
9 Operations (PAWC)
10

11 To constantly protect physical and cyber resources, the designated groups have developed
12 procedures to ensure that PAWC operates in a safe, secure, and reliable environment. A
13 major commitment in assuring plans are kept current is performing various testing on an
14 annual basis. Types of testing performed by AWWSC and PAWC include vulnerability
15 assessments, system operational testing, full scale exercises, media backups, and real-life
16 events.
17

18 **Q. PLEASE DESCRIBE PAWC’S RELATIONSHIPS WITH COMMISSION
19 EMERGENCY RESPONSE STAFF, PENNSYLVANIA EMERGENCY
20 MANAGEMENT AGENCY STAFF, AND LOCAL FIRST RESPONDERS.**

21 **A.** PAWC has a strong working relationship with the Commission’s Emergency Response
22 Staff. PAWC provides the Commission with emergency response numbers for all PAWC
23 operating areas each year. The Commission provides emergency numbers for its staff,
24 which PAWC distributes to all of PAWC’s operating areas for inclusion in the PAWC
25 Emergency Response Plans. For those emergencies that warrant communication to the
26 Commission’s Emergency Preparedness Liaison Officer (“EPLO”), PAWC has contacted
27 Commission staff in the past to advise of situations and actions taken by PAWC. Each
28 year PAWC conducts emergency response tabletop exercises to test responses to

1 emergency situations, including weather emergencies, contamination of supply, damage to
2 facilities, cyber-attack, and other perils. The Commission's emergency response staff has
3 participated in those exercises each year since 2006. We also invite local first responders
4 to participate, such as fire departments, police departments, hazmat responders, local prison
5 personnel, as well as DEP, and the Governor's Office of Homeland Security personnel.
6 PAWC has participated in Pennsylvania Water/Wastewater Agency Response Network
7 ("PaWARN") and Pennsylvania Emergency Management Agency ("PEMA") sponsored
8 exercises over the years. Our current relationship with PEMA is through the Commission
9 EPLO and PaWARN.

10
11 **Q. PLEASE DESCRIBE PAWC'S PARTICIPATION IN PENNSYLVANIA'S "ONE**
12 **CALL" SYSTEM AND THE RESOURCES THAT PAWC DEDICATES TO THE**
13 **PROGRAM.**

14 **A.** All of PAWC's 37 districts are members of Pennsylvania One Call System Inc. and
15 complete excavator requested mark outs on a daily basis. Each district has a minimum of
16 one person dedicated to completing dig notifications utilizing a third party internet-based
17 One Call ticket management system, known as Korweb, that is accessible via vehicle
18 mounted computers for real time response to any PA One Call dig notification.

19
20 **Q. DOES PAWC HAVE AN EMPLOYEE SAFETY PROGRAM?**

21 **A.** Yes. American Water and PAWC have made safety a value and not just a goal. It is very
22 important to us that every employee and contractor return home safely every day. We
23 make safety a value instead of a goal because goals change, but values do not change.

1 Safety performance is fundamental to our Company's culture and key to its success.
2 Employees are expected to conduct themselves in a safe manner, in accordance with our
3 Health and Safety Policy and with the Health and Safety Procedures and Practices Manual.
4 PAWC establishes, implements, promotes and manages safety programs, activities and
5 training that enable continued safety improvement, injury reduction and compliance with
6 applicable Federal, State and local requirements. Safety programs are developed and
7 implemented in accordance with Company policy and applicable practices and include:

- 8 • Supporting practices that are developed, reviewed and updated to provide
9 guidance on safe performance of activities in the workplace and are reflective
10 of changes in organizational, operational and regulatory needs;
11
- 12 • Strategic and priority development and implementation of safety
13 improvements based on risk analysis of workplaces, work tasks and related
14 potential injuries and incidents;
15
- 16 • Development of, and measurement against, specific Company and external
17 safety performance targets and safety accountabilities for all employees;
18
- 19 • Ongoing assessment and review of safety processes, activities and supporting
20 programs (including those related to other Company policies, such as the
21 Workplace Conduct and Behavior Policy) to gauge effectiveness, identify
22 program gaps and pinpoint opportunities for continued improvement;
23
- 24 • Consistency of implementation and compliance with Company and
25 regulatory requirements across the enterprise; and,
26
- 27 • Defined and monitored contractor qualifications and requirements for safety
28 performance in accordance with approved contract documents, applicable
29 laws and regulations.
30

31 **Q. WHAT EFFORTS, IF ANY, WILL PAWC UNDERTAKE TO EDUCATE YORK'S**
32 **CUSTOMERS REGARDING PAWC OWNERSHIP OF THE SYSTEM?**

33 **A.** As the Transaction is nearing closing, PAWC plans to produce bill inserts or onserts and/or
34 letters to customers to explain the transition, billing, payment options and other items

1 associated with the change in ownership. PAWC's website will also add content to help
2 educate customers and to address frequently asked questions.

3
4 **Q. WHAT, IF ANY, CUSTOMER ENHANCEMENTS CAN YORK'S CUSTOMERS
5 EXPECT AS A RESULT OF THE TRANSACTION?**

6 **A.** PAWC prides itself on providing superior customer service. As part of its commitment to
7 customer service, PAWC offers its customers a number of enhanced services, including
8 extended call center hours, additional bill payment options, enhanced customer information
9 and education programs, and access to PAWC's customer assistance program.

10
11 **Q. CAN YOU PLEASE PROVIDE ADDITIONAL DETAIL ON EACH OF THESE
12 CUSTOMER SERVICE ENHANCEMENTS?**

13 **A.** Yes. *Customer Service.* Our call center is available from 7:00 a.m. to 7:00 p.m., Monday
14 through Friday. Customers can also reach a customer service representative via email at
15 infopa@amwater.com. In addition, our customers have the ability to manage their account
16 via PAWC's "My H20" online portal. Finally, PAWC offers emergency support 24 hours
17 a day, seven days a week. All of this means that we are very responsive to our customers
18 and any issues they may have and will provide the same responsive approach to York's
19 customers once PAWC acquires the System.

20 *Bill Payment Options.* PAWC offers a number of bill payment options. Customers
21 have the option to receive paper bills through the mail or go paperless and receive their
22 bills electronically via the "My H20" on-line portal. Either way, customers can pay their
23 bill by mail, online, or over the phone with a debit or credit card. They can also pay by e-

1 check or an electronic funds transfer (which can be set up at the “My H20” online portal)
2 or pay in-person at multiple authorized payment locations across the state.

3 ***Customer Information and Education Programs.*** PAWC provides extensive
4 customer information and education programs that will be available to the City's current
5 customers through brochures, bill inserts, and educational videos posted on PAWC’s
6 website. Our customers always have full access to a wide range of topics, including
7 information on preventing sewer overflows, preventing frozen pipes, beneficially re-using
8 residuals from water treatment plants for community gardens, detecting and fixing silent
9 toilet leaks, properly disposing of unused pharmaceuticals to keep them out of the
10 wastewater system, conserving water, installing expansion tanks, obtaining Fire
11 Department Grants, and protecting customers from utility imposters.

12 ***Customer Assistance Programs.*** Finally, as new PAWC customers, York’s
13 customers will have access to PAWC’s customer assistance program called the “H20 Help
14 to Others Program.” For wastewater customers, this program offers two main services: (1)
15 grants of up to \$500 per year and (2) a 30% discount on total wastewater charges.
16 Additionally, PAWC offers payment arrangements and budget billing to residential
17 customers who qualify for the programs.

18
19 **Q. DOES PAWC HAVE A PROGRAM TO PROTECT ITS CUSTOMERS AGAINST**
20 **UTILITY EMPLOYEE IMPOSTERS?**

21 **A.** Yes, PAWC has developed communications tools and programs to regularly educate
22 customers about the tactics used by utility employee imposters and what homeowners need
23 to know to protect themselves. The communications vehicles include bill inserts, news

1 releases, social media posts and website information about imposter-related crimes and
2 precautions that customers can take. In addition, PAWC helped form the Keystone
3 Alliance to Stop Utility Imposters, a coalition of water, gas and electric utilities, along with
4 the Commission, Pennsylvania District Attorneys Association and Pennsylvania Chiefs of
5 Police Association, to launch a public awareness campaign using public service
6 announcements, print materials, posters and community presentations.

7
8 **Q. PLEASE DESCRIBE PAWC'S CUSTOMER DISPUTE RESOLUTION**
9 **PROCEDURE.**

10 **A.** PAWC is governed by Chapter 14 of the Code, Responsible Utility Customer Protection
11 Act, 66 Pa. C.S. § 1401 *et seq.*, and the Commission's regulations commonly known as
12 Chapter 56, 52 Pa. Code § 56.1 *et seq.* This law and Commission regulations provide the
13 process and procedures for customer billing, collections, payment arrangements, medical
14 certifications, Protection from Abuse Orders, termination of service, reconnection of
15 service, and customer dispute resolution procedures. PAWC is also complying with the
16 Commission's directives regarding payment plans for customers who encountered
17 financial problems as a result of the COVID-19 Pandemic.

18 PAWC has a customer compliance team located in the Mechanicsburg office
19 responsible for ensuring that customer disputes and complaints are resolved in compliance
20 with the Commission's regulations. Additionally, the Company has a customer advocacy
21 team located in the Mechanicsburg office responsible for addressing any customer disputes
22 and escalated concerns.

1 **Q. TO THE BEST OF YOUR KNOWLEDGE, DO YORK'S CUSTOMERS**
2 **CURRENTLY HAVE A PUBLIC OMBUDSMAN TO REPRESENT THEIR**
3 **INTERESTS?**

4 **A.** No.

5
6 **Q. DO PAWC'S CUSTOMERS HAVE A PUBLIC OMBUDSMAN TO REPRESENT**
7 **THEIR INTERESTS?**

8 **A.** Yes. The Office of Consumer Advocate ("OCA") represents residential customers of
9 public utilities; the Office of Small Business Advocate ("OSBA") represents small
10 commercial customers of public utilities; and the Commission's Bureau of Investigation &
11 Enforcement ("I&E") represents the general public interest. Moreover, the Commission,
12 an independent regulatory agency, has regulatory oversight of matters involving public
13 utilities. The Commission and all of the public advocates are funded by regulatory
14 assessments on public utilities.

15

16 **CONCLUSION**

17

18 **Q. DO YOU BELIEVE PAWC HAS THE ABILITY TO PROVIDE SAFE,**
19 **ADEQUATE, AND RELIABLE WASTEWATER SERVICE TO YORK'S**
20 **CUSTOMERS?**

21 **A.** Yes.

1 **Q. DO YOU BELIEVE THAT THE PROPOSED TRANSACTION WOULD RESULT**
2 **IN AN AFFIRMATIVE PUBLIC BENEFIT OF A SUBSTANTIAL NATURE?**

3 **A.** Yes. PAWC, as the largest investor-owned water and wastewater company in the
4 Commonwealth, will be able to provide an enhanced level of operational expertise and
5 customer service.

6

7 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

8 **A.** Yes. However, I reserve the right to supplement my testimony as additional issues and
9 facts arise during the course of the proceeding. Thank you.

Exhibit MJG-1

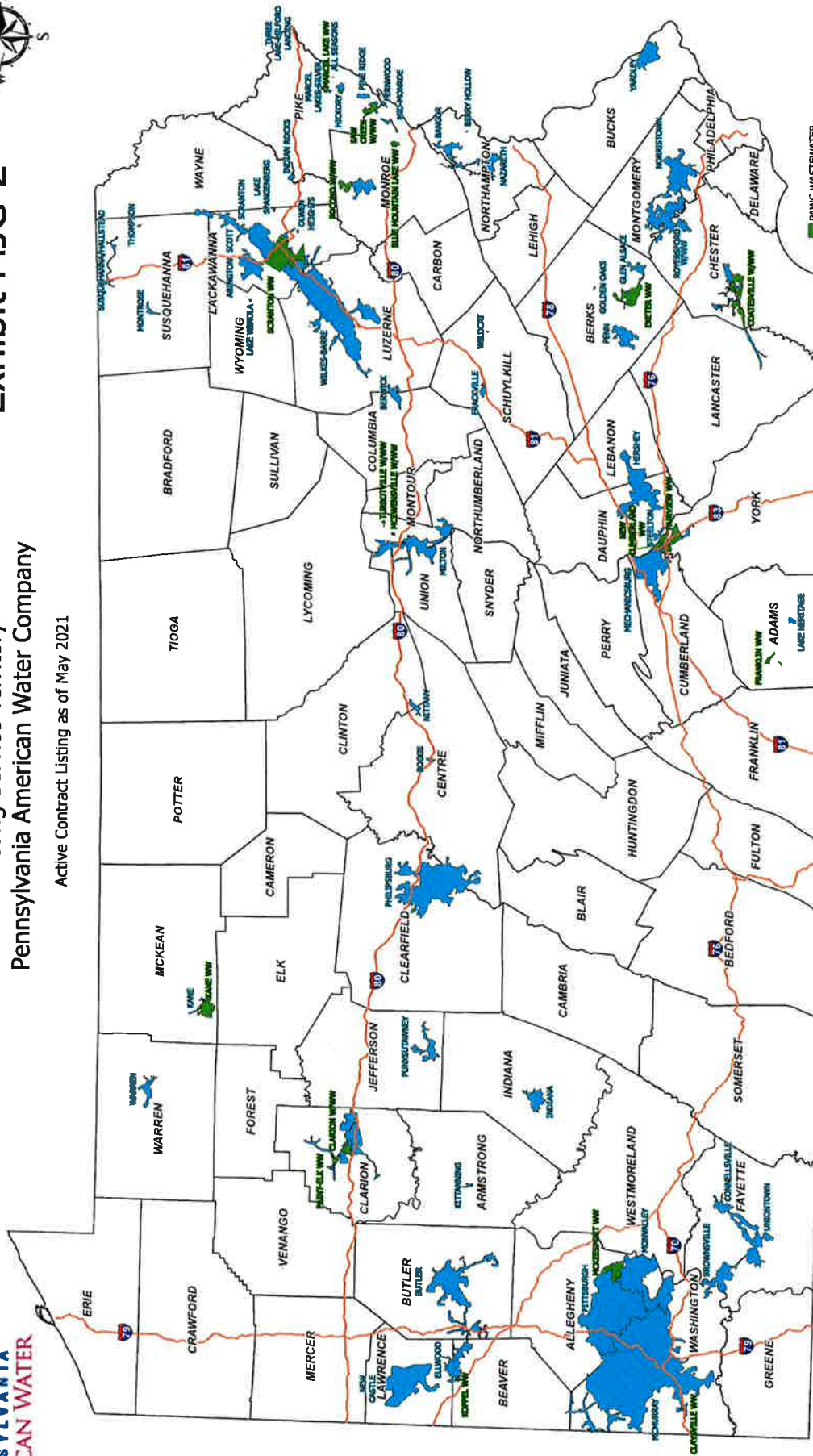
York Capital Plan

Year after closing		1	2	3	4	5
Identified projects						
GIS Survey Condition based assessment		\$ 333,333	\$ 333,333	\$ 333,333		
Targeted I/I improvements (1%/year)			\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Safety		\$ 200,000	\$ 200,000	\$ 100,000		
Security		\$ 120,000	\$ 170,000			
SCADA		\$ 100,000	\$ 500,000	\$ 200,000		
Electrical/Arc Flash study and upgrade		\$ 150,000	\$ 50,000			
Treatment plant improvements		\$ -	\$ 1,000,000	\$ 1,350,000	\$ 400,000	\$ -
Reoccurring investment projects		\$ 2,805,000	\$ 1,625,000	\$ 1,225,000	\$ 1,225,000	\$ 1,175,000
TOTAL		\$ 3,708,333	\$ 4,878,333	\$ 4,208,333	\$ 2,625,000	\$ 2,175,000
GRAND TOTAL						\$ 17,595,000

Existing Service Territory
Pennsylvania American Water Company

Active Contract Listing as of May 2021

Exhibit MJG-2



PAWC WASTEWATER
PAWC WATER

1 INCH = 9 MILES
0 0.5 1 1.5 2 Miles

*Municipal Lake WW added to service in 2018

County	PAWC Wastewater	PAWC Water
Adams	1	1
Allegheny	1	1
Armstrong	1	1
Beaver	1	1
Butler	1	1
Clarion	1	1
Clearfield	1	1
Clinton	1	1
Crawford	1	1
Cumberland	1	1
Dauphin	1	1
Delaware	1	1
Franklin	1	1
Fulton	1	1
Huntingdon	1	1
Juniata	1	1
Lancaster	1	1
Lebanon	1	1
Lehigh	1	1
Luzerne	1	1
Mechanicburg	1	1
Mifflin	1	1
Monroe	1	1
Montgomery	1	1
Northampton	1	1
Northumberland	1	1
Perry	1	1
Philadelphia	1	1
Pike	1	1
Potter	1	1
Snyder	1	1
Somerset	1	1
Schuylkill	1	1
Susquehanna	1	1
Tioga	1	1
Union	1	1
Washington	1	1
Westmoreland	1	1
York	1	1
York	1	1

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York	1	1