

#### VIA E-FILING

August 17, 2021

Utility Code: 210104

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street Harrisburg, PA 17120

> RE: Aqua Pennsylvania, Inc. Petition of Aqua Pennsylvania, Inc. for Tariff Changes Authorizing Replacement of Customer-Owned Lead Service Lines Supplement No. 12 to Water-PA.P.U.C. No. 2 Docket No. P-2020-3021766

Dear Secretary Chiavetta:

Enclosed for filing please find Aqua Pennsylvania, Inc.'s Supplement No. 12 to Tariff Water-PA.P.U.C. No. 2 consistent with the Pennsylvania Public Utility Commission's Order, Ordering Paragraph No. 4, entered July 15, 2021 in Docket No. P-2020-3021766.

If you have any questions regarding this filing, please contact me at 610-645-1130.

Sincerely,

~ Feeney

Erin M. Feeney Manager, Rates

cc: Certificate of Service

Paul Diskin, Bureau of Technical Utility Services (via email) Daniel Searfoorce, Bureau of Technical Utility Services (via email) Erin Laudenslager, Bureau of Technical Utility Services (via email) Sean Donnelly, Bureau of Technical Utility Services (via email) Marie Intrieri, Bureau of Technical Utility Services (via email)

Enclosures

## BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Aqua Pennsylvania, Inc. for	:	
Tariff Changes Authorizing Replacement of	:	Docket No. P-2020-3021766
Customer-Owned Lead Service Lines	:	

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals and in the manner listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

#### **VIA ELECTRONIC MAIL**

Christine Maloni Hoover, Esquire Lauren Myers, Esquire Office of Consumer Advocate 555 Walnut Street Forum Place, 5<sup>th</sup> Floor Harrisburg, PA 17101-1923 choover@paoca.org Imyers@paoca.org Erin Fure, Esquire Office of Small Business Advocate 300 North Second Street – Suite 202 Harrisburg, PA 17101 efure@pa.gov

Gina Miller, Esquire Pennsylvania Public Utility Commission Bureau of Investigation and Enforcement P.O. Box 3265 Harrisburg, PA 17105-3265 ginmiller@pa.gov

Ein Feenerg

Erin M. Feeney

Dated: August 17, 2021

# AQUA PENNSYLVANIA, INC. (hereinafter referred to as the "Company")

# RATES, RULES, AND REGULATIONS

# GOVERNING THE DISTRIBUTION AND SALE OF

# WATER SERVICE

# IN PORTIONS OF

ADAMS, BERKS, BRADFORD, BUCKS, CARBON, CHESTER, CLARION, CLEARFIELD, COLUMBIA, CRAWFORD, CUMBERLAND, DELAWARE, FOREST, JUNIATA, LACKAWANNA, LAWRENCE, LEHIGH, LUZERNE, MERCER, MCKEAN, MONROE, MONTGOMERY, NORTHHAMPTON, NORTHUMBERLAND, PIKE, SCHUYLKILL, SUSQUEHANNA, SNYDER, VENANGO, WARREN, WAYNE, AND WYOMING COUNTIES

# IN THE COMMONWEALTH OF PENNSYLVANIA

EFFECTIVE: August 18, 2021

ISSUED: August 17, 2021 By: Marc Lucca, President Aqua Pennsylvania, Inc. 762 Lancaster Avenue Bryn Mawr, Pennsylvania 19010

# **NOTICE**

THIS TARIFF SUPPLEMNT DEFINES THE COMPANY REPLACEMENT OF CUSTOMER OWNED LEAD SERVICE LINES.

Changes: Supplement No. 12 to Tariff Water-PA P.U.C. No. 2 defines the Company replacement of Customer Owned Lead Service Lines ("COLSLs") on tariff page 41.1, as approved by the Pennsylvania Public Utility Commission at Docket No. P-2020-3021766. Refer to pages 1, 2, 3, 4, 41, 41.1, 41.2 and 41.3.

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#### **RULES AND REGULATIONS**

#### SERVICE CONNECTIONS

#### 19. Company's Service Lines:

Except for service connections made in accordance with Rule 65, the Company will make all connections to its mains and furnish, install and maintain the Company's service main to and including the Curb Stop, which under normal circumstances will be placed inside the curb-line. The Company's service line will be the property of the Company and under its control. The point of delivery and sale for any water service furnished to the Customer shall be at the Curb Stop.

The maximum Company investment per Company service line shall be as follows:

Size of Service	Maximum Investment
1 1/2 inch in diameter or less	\$3,000
Greater than 1 1/2 inches but not to exceed four inches	\$6,000
Greater than 4 inches	\$12,000

The cost of any Company service line in excess of the applicable maximum Company investment shall be paid by the Customer, plus all applicable taxes including income taxes occasioned by the contract. The Company may require payment of the estimated amount of such excess cost in advance of the installation and will make a partial repayment of the extent the actual cost is determined to be less than the estimate.

Whenever it is necessary to install a service line in advance of the date on which the premises are occupied and a meter is set, a deposit may be required in an amount not to exceed the estimated cost of installation, which deposit will be refunded to the depositor when the service becomes active (i.e., the meter has been set and the premises occupied), provided that event occurs within five years from the date of deposit.

(C) 20.1. Customer Service Line: The Customer's service line shall extend from the Property to the Curb Stop or curb line or such point as designated by the Company. All connections, service lines and fixtures owned by the Customer shall be maintained by the Customer in good order, and all meters and appurtenances owned by the Company and located on the Property of the Customer shall be protected properly by the Customer. All leaks in or other deteriorated condition of the Customer's service line or any other pipe or fixture in or upon the premises supplied must be repaired immediately by the owner or occupant of the premises.

a. Notwithstanding the terms and conditions set forth in Rules 20.1, 20.2, and 25, the Company is authorized to replace customer-owned lead service lines ("COLSLs") in Mercer County in accordance with the Pennsylvania Public Utility Commission Order at Docket No. P-2020-3021766 entered on July 15, 2021.

#### ORIGINAL PAGE 41.1

#### **RULES AND REGULATIONS**

#### SERVICE CONNECTIONS (cont'd)

**20.2. Customer Owned Lead Service Line Replacements:** Notwithstanding Rules 20.1, 21, and 25, the Company shall, provided the customer provides consent, replace lead Customer Owned Service Lines ("COLSLs") pursuant to the Company's Lead Service Line Replacement Program ("Replacement Program"). Pursuant to Part 1 of the Company's Replacement Program, the Company will replace COLSLs it encounters when replacing its mains, up to 200 COLSL replacements per year within a maximum budgeted amount of \$800,000 per year. Pursuant to Part 2 of the Company's Replacement Program, the Company will replace a COLSL upon a Customer's request subject to the following requirements: (i) verification that the Customer has a COLSL, (ii) the date that the Company will replace the COLSL will depend on the number of other customer requests in the same operating division, (iii) the annual cap of 200 COLSL replacements, and (iv) availability of funds in the annual budget allotment of \$800,000.

Replacements under Part 1 of the Company's Replacement Program will have priority over replacements under Part 2 of the Company's Replacement Program. For replacements under Part 2 of the Company's Replacement Program, the Company will seek to prioritize replacements for low-income customers. Any portion of the annual budgetary allotment of \$800,000 that is not spent on COLSL replacements in that year will roll over to the next subsequent year, subject to annual cap of 200 COLSL replacements per year. If the Company does not use the excess budgeted amount that carried over from the previous year, that excess budgeted amount will not carry forward into the following year. The Company may petition the Commission to modify its annual budgeted amount and/or the cap on COLSL replacements per year if, in the Company's sole discretion, the Company determines these amounts are not adequate to meet the needs of the Replacement Program. Any petition to modify the budgeted amount or maximum number of COLSLs replaced per year is subject to Commission approval. Costs incurred by the Company under the Replacement Program shall be subject to Act 120 of 2018 (P.L. 738, No. 120) and the accounting and ratemaking treatment approved by the Pennsylvania Public Utility Commission entered July 15, 2021 at Docket No. P-2020-3021766. After a COLSL is replaced by the Company or the Company's contractor, the Customer shall own and have full responsibility for the repair, replacement, and maintenance of the new Customer Service Line installed, and which, thereafter, Rules 20.1, 21, and 25 shall apply.:

a. The Customer shall enter into an Agreement for the replacement of the COLSL for either a Part 1 or Part 2 replacement, in a form provided by the Company, prior to the initiation of any work by the Company or its contractors to replace a COLSL. The Company shall provide a two-year warranty on workmanship and materials for any COLSL that the Company or its contractor replaces.

b. For Customer requests under Part 2 of the Company's Replacement Program, the Company will verify the Customer has a COLSL, and if verified, the Company will provide the Customer with testing materials within seven business days of the verification of the COLSL. The Company will notify the Customer within five business days of the results of the test. Notwithstanding Rule 20.1, a Customer who has a verified COLSL and has requested that the Company replace the COLSL, the Customer will not be responsible for repairing a leaking COLSL prior to the Company's replacement of that Customer's COLSL.

#### ORIGINAL PAGE 41.2

#### **RULES AND REGULATIONS**

#### SERVICE CONNECTIONS (cont'd)

#### 20.2. Customer Owned Lead Service Line Replacements (cont'd):

c. The Company will provide a National Sanitation Foundation approved water filter (pitcher or tap filter) to residential customers who request (or if the Customer occupies a rental property, the property-owner has made, or authorized the Customer to make, such request) that the Company replace the COLSL provided that:

1. The Company has verified that the Customer has a COLSL; and

2. The Company's testing of water from the customer's tap shows that the water has a lead level above the action level established by the Pennsylvania Department of Environmental Protection under the Environmental Protection Agency's Lead and Copper Rule.

The Company will offer a reimbursement under Part 1 of the Company's Replacement Program to a Customer or property owner (as applicable), at the lower of the Customer's or property owner's (as applicable) actual cost or what it would have cost the Company to replace the COLSL, who paid for the replacement of the COLSL if the Company commences a main replacement project that would have affected the Customer or property owner as follows:

a. 100% for work performed within one year of the commencement of a main replacement project.

b. 50% for work performed within two years of the commencement of a main replacement project.

c. 25% for work performed within three years of the commencement of a main replacement project.

The sliding scale reimbursement related to a Part 1 main replacement project will be applicable until the 3rd anniversary of the effective date of Aqua's Lead Service Line replacement program, after which customers will only be eligible for reimbursement if the customer replaced their COLSL within one year of the commencement of a main replacement project. For acquired systems the same sliding scale time period will apply from the date of closing the acquired system and will cease after the 3rd anniversary of the acquisition of the system, and thereafter customer will only be eligible for reimbursement if the customer replaced their COLSL within one year of the commencement of a main replaced their COLSL within one year of the commencement of a main replaced their COLSL within one year of the commencement of a main replaced their COLSL within one year of the commencement of a main replacement project.

#### ORIGINAL PAGE 41.3

#### **RULES AND REGULATIONS**

#### SERVICE CONNECTIONS (cont'd)

#### 20.2. Customer Owned Lead Service Line Replacements (cont'd):

The Company will also offer a reimbursement under Part 2 of the Company's Replacement Program to a Customer or property owner (as applicable), at the lower of the Customer's or property owner's (as applicable) actual cost or what the Company would have incurred to replace the COLSL, who paid for the replacement of the COLSL within one year prior to the start of Part 2 of the Company's Replacement Program. The Company will also provide a sliding scale reimbursement to customers, at the lower of the actual cost or what the Company would have incurred to replace the COLSL, as follows:

a. 100% for work performed within one year of the commencement of a main replacement project.

b. 50% for work performed within two years of the commencement of a main replacement project.

c. 25% for work performed within three years of the commencement of a main replacement project.

The reimbursement for replacements under Part 2 of the Company's Replacement Program will cease after the 3rd anniversary of the effective date of the Company's COLSL Replacement Program. For acquired systems the same sliding scale time period will apply from the date of closing the acquired system and will cease after the 3rd anniversary of the acquisition of the system.

For any reimbursement under Part 1 or Part 2, the Customer or property owner must provide the Company with a paid invoice, a certification from a certified plumber, and other documentation required by the Company, in its sole discretion, to verify the replacement. The reimbursement (or portion thereof as set forth above) will be at the lower of the customer's actual costs for the replacement of the COLSL as supported and verified by documentation sufficient for the Company or the cost the Company would have incurred to replace the customer service line with a similar size and material.

A main replacement project under Part 1 will commence on the date the Company begins physical excavation for pipe installation for a main replacement project in the project area that includes the Customer or property owner's (as applicable) premise, and a Part 2 program will begin upon the date the Commission issues an order approving the Company's petition at Docket No. P-2020-3021766.