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|  | COMMONWEALTH OF PENNSYLVANIA  PENNSYLVANIA PUBLIC UTILITY COMMISSION  400 NORTH STREET, HARRISBURG, PA 17120 | **IN REPLY PLEASE REFER TO OUR FILE** |

January 4, 2022

Docket No. A-2021-3027134

Utility Code 210540

WHITNEY E SNYDER ESQUIRE

HAWKE MCKENON & SNISCAK LLP

100 NORTH TENTH STREET

HARRISBURG PA 17101

[WESNYDER@HMSLEGAL.COM](mailto:WESNYDER@HMSLEGAL.COM)

RE: Application of Columbia Water Company for approval of the right to: (1) acquire, by sale, substantially all the water systems assets of East Donegal Township Municipal Authority; and (2) begin to offer, render, furnish and supply water service to the public in portions of East Donegal Township, Lancaster County, Pennsylvania

Dear Attorney Snyder:

On July 7, 2021, Columbia Water Company (Columbia Water) filed the above referenced document with the Public Utility Commission. For the Commission to complete its analysis of the filing, please respond with the information requested in the attached document.

Please forward the information to the Secretary of the Commission at the address listed below **within ten (10) business days** from the date of this letter. All documents requiring notary stamps must have original signatures. The Commission strongly encourages submission through efiling with the Secretary of the Commission by opening an efiling account through the Commission website and accepting eservice at <https://efiling.puc.pa.gov>. The Commission is accepting all public documents through our efiling system at this time.

If your filing contains confidential material, you are required to either file by overnight delivery or submit to the Secretary’s Share Point File system to ensure the timely filing of your submission. Filers should contact the Secretary’s Bureau in advance to gain access to the Share Point File system. Make sure to reference the Docket Number listed above when filing your response. The overnight address for hard-copy or confidential responses is:

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|  | Rosemary Chiavetta, Secretary |
|  | Pennsylvania Public Utility Commission |
|  | 400 North Street |
|  | Harrisburg, PA 17120 |

**Please note your answers must be verified per 52 Pa Code § 1.36.** Accordingly, you must provide the following statement with your responses:

*I,* [print name of appropriate company representative], *hereby state that the facts above set forth 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).*

Signature \_\_\_\_\_\_\_\_

Title \_\_\_\_\_\_\_\_\_\_\_\_

Date \_\_\_\_\_\_\_\_\_\_\_\_

Please contact the below staff person if any problems should arise that prevent a full response within ten business days or if any clarification of these data requests is needed. Please mark the materials “CONFIDENTIAL” in bold or highlighted manner if any of the requested information is deemed to be of a confidential nature.

In addition, to expedite completion of the review, please send a copy of the response to Matthew T. Lamb, P.E. in the Water/Wastewater Section of the Bureau of Technical Utility Services via e-mail at [mlamb@pa.gov](mailto:mlamb@pa.gov). Please also direct any questions to Matthew Lamb at telephone number (717) 783-1001. Thank you in advance for your cooperation.

A picture containing shape

Description automatically generatedSincerely,

Rosemary Chiavetta

Secretary

Enclosure: TUS Data Request Set 2

cc: Christine Hoover, Office of Consumer Advocate (w/ enclosure), [choover@paoca.org](mailto:choover@paoca.org)

Teresa Wagner, Office of Small Business Advocate (w/ enclosure), [tereswagne@pa.gov](mailto:tereswagne@pa.gov)

Richard Kanaskie, Bureau of Investigation & Enforcement (w/ enclosure), [rkanaskie@pa.gov](mailto:rkanaskie@pa.gov)

Note: Please restate the data request prior to providing a response. In addition, provide the name and title of the person(s) providing the response and/or information for each data request.

1. The Application’s Paragraph IV, Other Regulatory Approvals, indicated Columbia Water will seek any necessary approvals to transfer permits or rights from the Pennsylvania Department of Environmental Protection. Please clarify whether Columbia Water will seek approvals to transfer permits or rights from the Susquehanna River Basin Commission.
2. Please specify the number of public fire protection customers served by EDTMA, the number of fire hydrants that would be subject to Columbia Water’s proposed “Fire Hydrant Fee” rate for public fire protection customers upon closing of the transaction, and the number of service lines that would be subject to Columbia Water’s proposed “Fire Service Fee” rate for public fire protection customers upon closing of the transaction.
3. Please clarify whether EDTMA serves any customers that would be considered private fire protection customers under Columbia Water’s current effective tariff. If so, please provide responses for each of the following:
   1. Specify the number of private fire protection customers that would be served by Columbia Water after closing;
   2. Provide an amended pro forma tariff supplement that includes Columbia Water’s proposed rates for private fire protection service;
   3. Specify the number of fire hydrants that would be subject to Columbia Water’s proposed private fire protection service rates upon closing of the transaction; and
   4. Specify the number of service lines that would be subject to Columbia Water’s proposed private fire protection service rates upon closing of the transaction.
4. Under the APA’s Section 2(e), EDTMA is entitled to billed and unbilled revenues for water service provided by EDTMA prior to the day of closing, where unbilled revenue is determined by EDTMA and Columbia Water using a ratio of the number of days prior to the day of closing to the number of days in the unbilled quarter. Columbia Water is authorized to act as EDTMA’s collection agent for any of EDTMA’s accounts receivable, although Columbia Water will not attempt to collect EDTMA accounts receivable that are greater than 90 days old on the closing date. Regarding this arrangement, please confirm whether the following apply, or explain why the following do not apply:
   1. Pursuant to 52 Pa. Code § 56.13, any EDTMA charges that may be billed by Columbia Water will appear after charges for basic services rendered by Columbia Water and will appear in a separate and distinct manner;
   2. Pursuant to 52 Pa. Code § 56.23, payments received by Columbia Water without written instructions that they be applied to EDTMA’s charges and which are insufficient to pay the balance due will be applied to Columbia Water’s charges before being applied to EDTMA’s charges;
   3. Pursuant to 52 Pa. Code § 56.83(3), Columbia Water will not terminate service due to unpaid EDTMA charges; and
   4. Since EDTMA charges are not charges for services rendered by Columbia Water, Columbia Water will not charge its late fees for unpaid EDTMA charges.
5. Columbia Water’s response to Data Request A-12 indicated that Columbia Water intends to exempt EDTMA customers from its PVS. However, Columbia Water’s pro forma tariff supplement, provided in response to Data Request A-10, does not include language describing applicable modifications that Columbia Water will make to individual components of its PVS calculation. These modifications may include changes to EDU’s to exclude those EDU’s associated with the transaction. Please provide an amended pro forma tariff supplement that describes modifications that Columbia Water will make to the components of the PVS calculation after closing on the proposed transaction.
6. Columbia Water’s response to Data Request A-13 indicated that Columbia Water will not include capital improvements to the EDTMA system in its DSIC and that the transaction will not impact quarterly revenues from the DSIC for this period. However, Columbia Water’s pro forma tariff supplement, provided in response to Data Request A-10, does not include language describing applicable modifications that Columbia Water will make to individual components of its DSIC calculation. These modifications may include changes to PQR to exclude certain revenues and to PTRR to exclude certain financing associated with the transaction (i.e., the EDTMA Loan) or related capital improvements. Please provide an amended pro forma tariff supplement that describes any modifications that Columbia Water will make to the components of its DSIC calculation after closing on the proposed transaction.
7. Please provide either of the following: (1) a verified statement that Columbia Water will not consider capital improvements made to the EDTMA system to be DSIC-eligible property until both the EDTMA system has been incorporated into a Commission-approved LTIIP and EDTMA customers are subject to Columbia Water’s DSIC; or (2) an amended pro forma tariff supplement that describes applicable modifications that Columbia Water will make to individual components of its DSIC calculation, which may include modifications Columbia Water may make to DSIC to exclude the original cost and accumulated depreciation of EDTMA system capital investments and to “dep” to exclude depreciation associated with EDTMA system capital investments.
8. Columbia Water’s pro forma tariff supplement, provided in response to Data Request A-10, specifies residential customer rates of $48 per quarter, which includes the first 9,000 gallons of water used per quarter, plus $2.10 for each additional 1,000 gallons of water used. However, the pro forma tariff supplement does not specify monthly rates for residential customers. Pursuant to 52 Pa. Code § 56.2, residential customers must be permitted to receive bills monthly. Please provide an amended pro forma tariff supplement that includes tariff language that describes the monthly rates that Columbia Water will charge to EDTMA District residential customers that receive bills monthly and the default billing period (i.e., quarterly or monthly) that will apply if a residential customer does not elect a different billing period.
9. Columbia Water’s pro forma tariff supplement, provided in response to Data Request A-10, specified a rate of $8 per quarter for “Late Payment Charge”. However, pursuant to 52 Pa. Code § 56.22(a), public utilities may not levy or assess a late charge or penalty on any overdue public utility bill in an amount which exceeds 1.5% interest per month on the overdue balance of the bill. Also, the pro forma tariff supplement does not specify the late payment charge for customers that are billed monthly. Please provide an amended pro forma tariff supplement that includes tariff language describing the late charge or penalty rate that Columbia Water will charge to EDTMA District customers that receive bills monthly and that limits the amount of Columbia Water’s proposed late charge or penalty to an amount which does not exceed 1.5% interest per month on the overdue balance of the bill.