

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Formal Complaint

Filing this form begins a legal proceeding and you will be a party to the case.
If you do not wish to be a party to the case, consider filing an informal complaint.

RECEIVED
2014 JUL 14 AM 11:04
PA P.U.C.
SECRETARY'S BUREAU

To complete this form, please type or print legibly in ink.

1. Customer (Complainant) Information

Provide your name, mailing address, county, telephone number(s), e-mail address and utility account number:

Name Frank D. Kitzmiller

Street/P.O. Box 1041 Preston RD Apt #

City Lancaster State PA Zip 17601

County Lancaster

Telephone Number(s) Where We Can Contact You During the Day:

(717) 569-0132 (home) () (mobile)

E-mail Address (optional):

Utility Account Number (from your bill) 269440

If your complaint involves utility service provided to a different address or in a different name than your mailing address, please list this information below.

Name

Street/P.O. Box

City State Zip

2. Name of Utility or Company (Respondent)

Provide the full name of the utility or company about which you are complaining. The name of your utility or company is on your bill.

CITY OF LANCASTER PA WATER DEPARTMENT

RECEIVED

MAY 08 2018

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

C-2014-2435367
Exhibit 1
4/18/18

3. Type of Utility Service

Check the box listing the type of utility service that is the subject of your complaint (check only one):

- | | |
|---|---|
| <input type="checkbox"/> ELECTRIC | <input type="checkbox"/> WASTEWATER/SEWER |
| <input type="checkbox"/> GAS | <input type="checkbox"/> TELEPHONE/TELECOMMUNICATIONS (local, long distance) |
| <input checked="" type="checkbox"/> WATER | <input type="checkbox"/> MOTOR CARRIER (e.g. taxi, moving company, limousine) |
| <input type="checkbox"/> STEAM HEAT | |

4. Reason for Complaint

What kind of problem are you having with the utility or company? Check all boxes below that apply and state the reason for your complaint. Explain specifically what you believe the utility or company has done wrong. Provide relevant details including dates, times and places and any other information that may be important. If the complaint is about billing, tell us the amount you believe is not correct. Use additional paper if you need more space. Your complaint may be dismissed without a hearing if you do not provide specific information.

- The utility is threatening to shut off my service or has already shut off my service.

- I would like a payment agreement.

- Incorrect charges are on my bill. Provide dates that are important and an explanation about any amounts or charges that you believe are not correct. Attach a copy of the bill(s) in question if you have it/them.

- I am having a reliability, safety or quality problem with my utility service. Explain the problem, including dates, times or places and any other relevant details that may be important.

- Other (explain).

Note: If your complaint is only about removing or modifying a municipal lien filed by the City of Philadelphia, the Public Utility Commission (PUC) cannot address it. Only local courts in Philadelphia County can address this type of complaint. The PUC can address a complaint about service or incorrect billing even if that amount is subject to a lien.

In addition, the PUC generally does not handle complaints about cell phone or Internet service, but may be able to resolve a dispute regarding voice communications over the Internet (including the inability to make voice 911/E911 emergency calls) or concerns about high-speed access to Internet service.

5. Requested Relief

How do you want your complaint to be resolved? Explain what you want the PUC to order the utility or company to do. Use additional paper if you need more space.

See Attached Statement of Facts of Complaint

Note: The PUC can decide that a customer was not billed correctly and can order billing refunds. The PUC can also fine a utility or company for not following rules and can order a utility or company to correct a problem with your service. Under state law, the PUC cannot decide whether a utility or company should pay customers for loss or damages. Damage claims may be sought in an appropriate civil court.

6. **Protection From Abuse (PFA)**

Has a court granted a "Protection From Abuse" order that is currently in effect for your personal safety or welfare? The PUC needs this information to properly process your complaint so that your identity is not made public.

Note: You must answer this question if your complaint is against a natural gas distribution utility, an electric distribution utility or a water distribution utility AND your complaint is about a problem involving billing, a request to receive service, a security deposit request, termination of service or a request for a payment agreement.

Has a court granted a "Protection From Abuse" order for your personal safety or welfare?

YES

NO

If your answer to the above question is "yes," attach a copy of the current Protection From Abuse order to this Formal Complaint form.

7. **Prior Utility Contact**

a. Is this an appeal from a decision of the PUC's Bureau of Consumer Services (BCS)?

YES

NO

Note: If you answered yes, move to Section 8. No further contact with the utility or company is required. If you answered no, answer the question in Section 7 b. and answer the question in Section 7 c. if relevant.

b. If this is not an appeal from a BCS decision, have you spoken to a utility or company representative about this complaint?

YES

NO

Note: You must contact the utility first if (1) you are a residential customer, (2) your complaint is against a natural gas distribution utility, an electric distribution utility or a water utility AND (3) your complaint is about a billing problem, a service problem, a termination of service problem, or a request for a payment agreement.

c. If you tried to speak to a utility company representative about your complaint but were not able to do so, please explain why.

Note: Even if you are not required to contact the utility or company, you should always try to speak to a utility or company representative about your problem before you file a Formal Complaint with the PUC.

8. Legal Representation

If you are filing a Formal Complaint as an individual on your own behalf, you are not required to have a lawyer. You may represent yourself at the hearing.

However, if you are interested in receiving legal representation, you may contact the Widener Harrisburg Civil Law Clinic located at 3605 Vartan Way, Harrisburg, PA 17110, by phone at 717-541-0320 or via email at lawclinichb@mail.widener.edu.

For additional information see Widener Harrisburg's Civil Law Clinic's website <http://law.widener.edu/Academics/ClinicalProgramsandProfessionalTraining/Clinics/HarrisburgCivillawClinic.aspx>. Based on your income, legal representation may be available to you at no cost or a reduced fee.

If you are already represented by a lawyer in this matter, provide your lawyer's name, address, telephone number, and e-mail address, if known. Please make sure your lawyer is aware of your complaint. If represented by a lawyer, both you and your lawyer must be present at your hearing.

Lawyer's Name _____

Street/P.O. Box _____

City _____ State _____ Zip _____

Area Code/Phone Number _____

E-mail Address (if known) _____

Note: Corporations, associations, partnerships, limited liability companies and political subdivisions are required to have a lawyer represent them at a hearing and to file any motions, answers, briefs or other legal pleadings.

9. **Verification and Signature**

You must sign your complaint. Individuals filing a Formal Complaint **must** print or type their name on the line provided in the verification paragraph below and **must** sign and date this form in **ink**. If you **do not sign** the Formal Complaint, the PUC **will not accept** it.

Verification:

I Frank D. Kitzmiller, hereby state that the facts above set forth are true and correct (or 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).

Frank D. Kitzmiller
(Signature of Complainant)

7-10-14

(Date)

Title of authorized employee or officer (only applicable to corporations, associations, partnerships, limited liability companies or political subdivisions)

Note: If the Complainant is a corporation, association, partnership, limited liability company or political subdivision, the verification **must** be signed by an authorized officer or authorized employee. If the Formal Complaint is **not signed** by one of these individuals, the PUC **will not accept** it.

10. **Two Ways to File Your Formal Complaint**

Electronically. You must create an account on the PUC's eFiling system, which may be accessed at www.puc.pa.gov/efiling/default.aspx.

Note: If you are appealing your Bureau of Consumer Services (BCS) decision, you must file your formal complaint by mail.

Mail. Mail the completed form with your original signature and any attachments, by certified mail, first class mail, or overnight delivery to this address:

Secretary
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, Pennsylvania 17120

Note: Formal Complaints sent by fax or e-mail will **not** be accepted.

If you have any questions about filling out this form, please contact the Secretary's Bureau at 717-772-7777.

Keep a copy of your Formal Complaint for your records.



CITY OF LANCASTER, PENNSYLVANIA
 39 W CHESTNUT ST., P.O. BOX 1020 LANCASTER, PA 17608-1020
 UTILITY SERVICE

FRANK D KITZMILLER
 1041 PRESTON RD
 LANCASTER PA 17601-4852

Handwritten notes:
 3.14.14
 3.14.14
 3.14.14

ACCOUNT NO	269440	CUSTOMER NO	13825
DUE DATE	JUL 7 14	AMOUNT DUE	57.71

For Service To: 1041 PRESTON RD

Cycle: 8 Bill Freq: Q

Meter # 0064679276 Typ WTE Size 1 Y 3/4 From-To Dates 2/24/14 5/29/14 Days 64 Prv Cur A A Reading Prv 391 Cur 399 Consumption Actual 8 Billed 8

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Handwritten calculations:
 49.31 + 8.46 = 57.77
 57.77 - 0.06 = 57.71
 47% ?
 57.71 ?
 9.00

Water 57.71

Previous Balance: 57.71
 Add'l Charges:
 Penalties:
 Other Adj.:
 Payment: 57.71CR
 Adjusted Balance:
 Current Bill: 57.71
 Current Balance: 57.71

Total 57.71

Our 'Annual Water Quality Report' is available on-line at:
http://cityoflanasterpa.com/sites/default/files/documents/2014_ANNUAL_DRINKING_WATER_QUALITY_REPORT.pdf

Payment of this bill will be accepted at the City Treasurer's office, 39 W Chestnut St (Rear New Police Station), Office hours 8:30 A.M. to 5:00 P.M. Monday through Friday. Checks are to be made payable to: City of Lancaster, Pa. For questions about this bill, contact customer service, 39 W Chestnut St, Lancaster, Pa. 17603 - phone (717) 735-3425. Rate schedules are available for inspection at the office of Customer Services. Finance charge of 1.5% per month added after due date. Payments received after 3:00 P.M. will be credited the next business day. Please visit us at www.cityoflanasterpa.com. Procurement & Collection / Treasury Office page for more water and sewer billing information. All checks returned to the City due to a closed account, for insufficient funds, or because a stop payment was placed on the check will be assessed a \$30.00 fee.

Check No. (Gr. 1113) Date Paid 6/23/14

If you have a water emergency, please call (717)291-4816.

Use your VISA® or MASTERCARD® credit/debit card when you make payments at the City Treasurer's Office at 39 W Chestnut St. You may make payment online using your Visa, MasterCard or Discover Debit or Credit Card by logging onto <http://billing.cl.lancaster.pa.us>. There is a small convenience fee for online payments.

ITEM # 4 - COPY OF RECENT BILL -

PENNSYLVANIA PUBLIC UTILITY COMMISSION (PUC)

FORMAL COMPLAINT FORM – CITY OF LANCASTER – BUREAU OF WATER

ITEM 5-STATEMENT OF FACTS OF COMPLAINT

COMPLAINANT FRANK D. KITZMILLER 1041 PRESTON RD. LANCASTER PA 17601

I am a resident of Manheim Township, Lancaster County, PA who was required to be connected to the Lancaster City PA water system since around 1985 and was required to pay a tapping fee to cover the costs of extending the Lancaster City water system to my residence. My residence was built in 1965 and has interior water lines of 5/8" which were then connected to a 3/4" water meter which was connected to a 1" service line (this 1" size was required by Manheim Township) from the street main.

COMPLAINT – OVERCHARGE OF CUSTOMER CHARGE CAUSED BY BILLINGS BASED ON A 1" METER INSTEAD OF THE 3/4" METER ACTUALLY USED BY CUSTOMER RESIDING IN MANHEIM TOWNSHIP

On or about 6/9/14, I received a Notice Of Proposed Rate Changes dated 6/6/14 from the City of Lancaster PA which provided information on a proposed rate increase of 42.1% for residential customers having a meter size of 5/8" (or 3/4") and using 13,000 gallons of water per quarter.

The Notice dated 6/6/14 provided a phone number (717-735-3425) if I wanted to find my customer class and how the requested increase may affect my water bill. Because I had access to the internet, the Lancaster City Water Department representative directed me to the City of Lancaster PA website which should provide me with all of the information that I would need. The website provided a link to "Supplement No. 43 to Tariff Water-PA PUC No. 6 24th Revised Page No. 4 cancelling 23rd Revised Page No. 4" which was issued on 5/6/14 and was to be effective on 8/5/14.

Supplement No. 43 showed the schedule of the present and the proposed rates which consisted of 2 different charges: Customer Charges and Consumption Charges.

Customer Charges were based on the "required size of the meter to render adequate service" and were presented for 11 different meter size categories, the first 2 of which were:

5/8" or 3/4" which had monthly/quarterly rates and present/proposed rates of \$3.50/\$7.00 per month and \$10.50/\$21.00 per quarter reflecting a 100% rate increase.

1" which had monthly /quarterly rates and present/proposed rates of \$9.30/\$18.60 per month and \$27.90/\$56.80 per quarter reflecting a 100% rate increase.

Consumption Charges were based on the amount of water consumed measured in units of 1,000 gallons. The category which applied to me was for up to 25,000 gallons a month or 75,000 gallons per

quarter whose rate increased to \$4.828 per 1,000 gallons from \$3.726 which resulted in a 29.6% increase.

The combined increase for a customer with a 5/8" meter (or a 3/4" meter) and consumption of 13,000 gallons per quarter would be 42.1% per the 6/6/14 Notice.

I attempted to use this water rate information to calculate my future quarterly bill for my average 8,000 gallons consumption and my 3/4" meter and could not arrive at a reasonable comparison. I called the Lancaster City PA Water Department who informed me that although I had been required to use a 3/4" meter for my 5/8" interior water lines, I was billed as if I had a 1" meter because my customer pipe line from the street main was 1" (rather than the 3/4" which would have rendered adequate service) as required by Manheim Township who was the owner of the water system mains located in Manheim Township. Using the rates for a 1" meter, I calculated that my total rate increase would be approximately 65% compared to the modest 42.1% as calculated by the Lancaster City water department. As a general rule it appears that the 42.1% average increase would be higher than that from actual consumption in excess of 13,000 gallons per quarter and lower than that from actual consumption less than 13,000 gallons per quarter.

It appears that the amount of the one-time tapping fee or connection fee charged to connect to the Lancaster City water system should include an amount for the additional cost of the 1" customer line (compared to a 3/4" line) required by Manheim Township and after this one-time payment no additional charges should be made. Alternatively if the tapping fee does not include the additional cost of the 1" customer line (compared to a 3/4" line), a separate charge should be made and disclosed to the customer which will continue to be made until the additional costs have been paid by the customer and then eliminated. Under either method of payment of these additional costs, Lancaster City water customers located in Manheim Township should have paid off any obligation for additional costs incurred over 25 years ago.

In addition to the overbilling for a 1" meter instead of the 3/4" meter that I have, the increased water pressure in the 1" customer line required me to have a 1" pressure reducing valve installed on 12/3/04 to reduce the pressure to a level that was appropriate for my household use which was under 80 PSI. The cost of this pressure reducing valve which also required a new valve at the street main connection was \$422.00.

A calculation on the attached Exhibit 1 covering the period from 1985 to December 31, 2014 indicates that I will have paid Customer Charges based on a 1" meter which amounted to \$2,016.00 more than would have been charged if they were based on a 3/4" meter. For this calculation I assumed that Customer Charges prior to 7/21/11 were equal to the charges at 7/20/11, the earliest rate that I could locate. This Exhibit 1 also indicates that if 1,000 Manheim Township customers are in my situation the combined excess meter charge would amount to \$2,016,000.00 and \$10,080,000.00 if 5,000 Manheim Township customers are in my situation. Note that the table of contents with the apparently erroneous heading of "City of Bethlehem" (Page iii or 19 of 1766 total pages) indicates that a Schedule 8 on page 33 "Application of Present rates and Proposed Rates to Consumption Analysis Year Ended December 31,

2013" – Outside The City shows that 20,940 quarterly bills were made in 2013 for residential customers with a 1" meter included in the Customer Charge. This appears to indicate that there were about 5,122 residential customers in this 1" meter category ($20,490/4 = 5,122$). Making similar calculations for the 5/8" meters and the 3/4" meters categories indicated that 19,066 residential customers (70%) had 5/8" meters and 3,107 residential customers (11%) had 3/4" meters compared to 5,122 residential customers (19%) billed as having 1" meters or being billed as having 1" meters. Also the similar schedule for Inside The City customers indicates that there was only 144 residential customers being billed for 1" meters. These schedules referred to above are page 52 of 1766 total pages for Outside The City and page 49 of 1766 total pages for Inside The City customers.

Exhibit 1 also indicates the effect of the proposed increase to the Customer Charge on future water bills for the first 1 year, 5 year and 10 year periods (not considering any additional proposed increases which could be made outside of the 2 year intervals between rate increases. A customer having a 3/4 " meter who is billed at the 1 " meter rate would incur additional charges of \$139 for the first year, \$696 for the first 5 years and \$1,392 for the first 10 years. For 5000 customers the amounts are \$696,000 for the first year, \$3,480,000 for the first 5 years and \$6,960,000 for the first 10 years. These amounts are before including an interest expense factor.

It is not known if the Lancaster City Water Department obtained all of the benefit from charging the Manheim Township customers with the 1" meter rate instead of the 3/4" meter rate for about 30 years. Possibly the Lancaster City water department had to charge those rates to cover the amount of lease payments made to Manheim Township who apparently owned the water distribution system infrastructure in Manheim Township.

An examination of the legal documents between the City of Lancaster and Manheim Township may provide information relating to the choice of 1" customer service pipe line, the ownership of the water distribution system infrastructure in Manheim Township, the terms of the lease between the City of Lancaster and Manheim Township, the number of Manheim Township customers connected to the water system and the size of the customer pipe line and meter, tapping fee calculations and other relevant information.

It appears that the information may be available, but only through a request pursuant to the Right-To-Know law, 65 P.S.67.101 et seq.(RTK). It has been my experience that the only way to obtain Manheim Township information is through the use of an RTK request. However the requested items may not be available until after 60 days following the initial request due to the normal 30 day period to respond plus another 30 day extension period due to staff work overload. After 60 days Manheim Township will indicate what requested information will be available and the person to contact to set up a meeting to inspect the information. Such a request now in early July 2014 would not yield documents until early September 2014.

By coincidence, a search of the internet (via Google "manheim township hookup with Lancaster city water" located a "Final Determination" of a PA Office of Open Records appeal by Edward Robson (who appears to be an attorney based in Conshohocken PA) against Manheim Township who failed to timely

PENNSYLVANIA PUBLIC UTILITY COMMISSION

FORMAL COMPLAINT FORM - CITY OF LANCASTER - BUREAU OF WATER

ITEM 5 - STATEMENT OF FACTS OF COMPLAINT - COMPLAINANT FRANK D. KITZMILLER, 1041 PRESTON RD. LANCASTER PA 17601

COMPLAINT - OVERCHARGE OF CUSTOMER SERVICE CHARGE

EXHIBIT 1

EFFECT OF OVERCHARGE OF 3/4 " METER DUE TO HAVING 1 " SERVICE PIPE

PERIOD	CUSTOMER SERVICE CHARGE MONTHLY RATE (\$)			NUMBER OF MONTHS IN PERIOD	CUMULATIVE DIFFERENCE
	3/4 "	1 "	DIFFERENCE		
1985 - 7/20/11(EST)	\$3.40	\$9.10	\$5.70	307	\$1,749.90
7/21/11 TO 2/29/12	\$3.40	\$9.10	\$5.70	7	\$39.90
3/1/12 TO 8/4/14	\$3.50	\$9.30	\$5.80	29	\$168.20
8/5/14 TO 12/31/14	\$7.00	\$18.60	\$11.60	5	\$58.00
TOTAL					<u>\$2,016.00</u>
OVERCHARGE AMOUNT				AMOUNT	ESTIMATED INTEREST@6% NO COMPOUND
1 CUSTOMER				\$2,016	\$1,865
1000 CUSTOMERS				\$2,016,000	\$1,864,560
5000 CUSTOMERS				\$10,080,000	\$9,322,800

EFFECT OF PROPOSED RATE OF CUSTOMER CHARGE ON OVERCHARGE IN FUTURE PERIODS

DIFFERENCE (OVERCHARGE) IN MONTHLY RATE CUSTOMER CHARGE

3/4 " METER	1 " METER	MONTHLY DIFFERENCE	CUSTOMERS		
			1	1000	5000
			CUSTOMER	CUSTOMERS	CUSTOMERS
		\$7.00			
		<u>\$18.60</u>			
		<u>\$11.60</u>			
FIRST 12 MONTHS (1 YEAR)			\$139	\$139,200	\$696,000
FIRST 5 YEARS			\$696	\$696,000	\$3,480,000
FIRST 10 YEARS			\$1,392	\$1,392,000	\$6,960,000

NOTE: These amounts are based solely on the proposed rate to be effective on 8/5/14. It does not include future proposed rates which can be made at 2 year intervals for reasons similar to those which applied to the current rate increase.

NOTE: In 1985 when Manheim Township residents were required to connect with the Lancaster City water service, certain older residences including those in older communities such as Grandview and Glen Moore which were located close to City of Lancaster were not required to have a customer service pipe of 1 " but probably were required to have a 5/8 " or 3/4 " meter. The 5000 customers being billed for a 1 " meter was based on information on Sch 8, page 4 of 7 (Page 52 of the 1,766 total pages of the rate case application) related to out of city customers. There were only 144 residents in the city having a 1 " meter per Sch. 8, page 1 of 7 (Page 49 of the 1,766 total pages of the rate case).

① THE NAME OF THE CITY SHOULD BE LANCASTER

CITY OF BETHLEHEM^① - BUREAU OF WATER

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CITY OF LANCASTER - BUREAU OF WATER
OUTSIDE THE CITY

APPLICATION OF PRESENT RATES AND PROPOSED RATES TO CONSUMPTION ANALYSIS
YEAR ENDED DECEMBER 31, 2013

Rate Block 1000 Gallons (1)	Number Of Bills (2)	Present Consumption (3)	Present Rate (4)	Revenue (5)	Proposed Consumption (6)	Proposed Rate (7)	Proposed Revenue (8)
<u>Residential - Quarterly</u>							
Service Charge							
5/8"	75,262	-	\$ 10.50	\$ 800,751	-	\$ 21.00	\$ 1,601,502
3/4"	12,430	-	10.50	130,515	-	21.00	261,030
1"	20,480	-	27.90	571,671	-	55.80	1,143,342
1 1/2"	180	-	43.80	7,358	-	87.60	14,717
2"	60	-	68.40	4,651	-	138.60	9,302
3"	3	-	135.30	408	-	270.60	812
Total - Service Charge	109,422			1,515,953			3,030,705
First 75	-	1,423,005	\$ 3.7260	\$ 5,302,117	1,423,005	\$ 4.8280	\$ 6,870,268
Next 825 or 1,725	-	12,375	3.4240	42,372	12,375	4.1478	51,329
Over 1,000 or 1,800	-	-	2.2400	-	-	3.7170	-
		1,435,380		5,344,489	1,435,380		6,921,597
Subtotal	109,421	1,435,380		\$ 6,859,841	1,435,380		\$ 9,952,302

<u>Commercial - Quarterly</u>							
Service Charge							
5/8"	1,316	-	\$ 10.50	\$ 13,816	-	\$ 21.00	\$ 27,638
3/4"	634	-	10.50	6,657	-	21.00	13,314
1"	1,504	-	27.90	42,073	-	55.80	84,148
1 1/2"	601	-	43.80	26,324	-	87.60	52,648
2"	1,071	-	68.40	73,256	-	138.60	146,513
3"	43	-	135.30	5,818	-	270.60	11,838
4"	40	-	211.20	8,448	-	422.40	16,896
6"	84	-	420.00	28,880	-	840.00	53,780
8"	8	-	685.10	5,321	-	1,330.20	10,642
10"	-	-	879.80	-	-	1,759.80	-
Total - Service Charge	5,285			\$ 208,595			\$ 417,190
First 75	-	124,565	\$ 3.7260	\$ 464,133	124,565	\$ 4.8280	\$ 601,405
Next 825 or 1,725	-	58,905	3.4240	194,843	84,373	4.1478	287,008
Over 1,000 or 1,800	-	14,985	2.2400	33,589	7,527	3.7170	27,878
		198,468		692,564	198,468		696,389
Subtotal	5,285	198,468		\$ 901,160	198,468		\$ 1,313,579

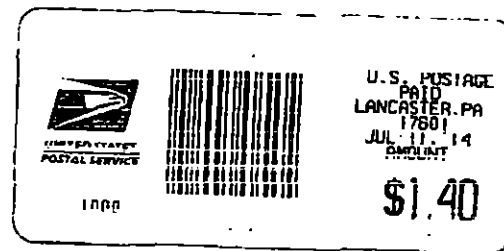
CITY OF LANCASTER - BUREAU OF WATER
INSIDE THE CITY

APPLICATION OF PRESENT RATES AND PROPOSED RATES TO CONSUMPTION ANALYSIS
YEAR ENDED DECEMBER 31, 2013

Rate Block 1000 Gallons (1)	Number Of Ell's (2)	Present Consumption (3)	Present Rate (4)	Revenue (5)	Proposed Consumption (6)	Proposed Rate (7)	Proposed Revenue (8)
<u>Residential - Quarterly</u>							
Service Charge							
5/8"	54,013	-	\$ 10.50	567,137	-	\$ 21.00	1,134,273
3/4"	3,819	-	10.50	40,100	-	21.00	80,199
1"	574	-	27.90	16,015	-	55.80	32,029
1 1/2"	52	-	43.80	2,278	-	87.60	4,555
2"	12	-	68.40	821	-	136.80	1,642
Total - Service Charge	58,470	-		628,349	-		1,252,698
First 75	-	783,820	\$ 3.3403	2,560,720	783,820	\$ 3.6440	2,782,831
Next 925 or 1,725	-	7,127	3.0696	21,877	7,127	3.3820	24,104
Over 1,000 or 1,800	-	-	2.0082	-	-	2.7390	0
		770,747		2,572,597	770,747		2,806,735
Total Residential	58,470	770,747		\$ 3,198,946	770,747		\$ 4,059,433
<u>Commercial - Quarterly</u>							
Service Charge							
5/8"	3,032	-	\$ 10.50	\$ 31,836	-	\$ 21.00	\$ 63,672
3/4"	1,534	-	10.50	16,107	-	21.00	32,214
1"	1,091	-	27.90	30,439	-	55.80	60,878
1 1/2"	498	-	43.80	21,812	-	87.60	43,625
2"	457	-	68.40	31,259	-	136.80	62,518
3"	19	-	135.30	2,571	-	270.60	5,141
4"	21	-	211.20	4,435	-	422.40	8,870
6"	11	-	420.00	4,620	-	840.00	9,240
Total - Service Charge	6,653	-		143,079	-		288,158
First 75	-	164,896	\$ 3.3403	550,802	164,896	\$ 3.6440	600,881
Next 925 or 1,725	-	22,779	3.0696	69,922	25,193	3.3820	85,203
Over 1,000 or 1,800	-	7,497	2.0082	15,055	5,083	2.7390	13,922
		195,172		635,780	195,172		700,006
Subtotal:	6,653	195,172		778,859	195,172		988,164

FRANK D. KITZMILLER
1041 PRESTON RD
LANCASTER PA 17601

RECEIVED
2014 JUL 14 AM 11:04
P.A.P.U.C.
SECRETARY'S BUREAU



SECRETARY
PENNSYLVANIA PUBLIC UTILITY COMMISSION
400 NORTH STREET
HARRISBURG, PA 17120

FIRST CLASS MAIL

LANCASTER
CROSS EX NO 2

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Formal Complaint to Proposed Rate Increase

RECEIVED
2014 JUL 14 AM 11:05
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SECRETARY'S BUREAU

Filing this form will make you a party to a legal proceeding or case.
If you do not wish to be a party to the case, consider filing a Comment to Proposed Rate Increase.

To complete this form, please type or print legibly in ink.

1. Customer (Complainant) Information

Provide your name, mailing address, county, telephone number(s), e-mail address and utility account number.

Name Frank D. Kitzmiller _____

Street/P.O. Box 1041 Preston RD Apt # _____

City Lancaster State PA Zip 17601 _____

County Lancaster _____

Telephone Number(s) Where We Can Contact You During the Day:

(717) 569-0132 (home) ()
(mobile)

E-mail Address (optional): _____

Utility Account Number (from your bill):
269440

If your complaint involves utility service provided to a different address or in a different name than your mailing address, please list this information below.

Name _____

Street/P.O. Box _____

City _____ State _____ Zip _____

2. Name of Utility

Provide the full name of the utility who filed the proposed rate increase about which you are complaining. The name of your utility is on your bill.

City of Lancaster PA Water Department

2018 MAY - 8 AM 10:18

RECEIVED

C-2014-2435567
Exhibit 2
4/18/18

3. PUC Case Docket Number

Provide the Public Utility Commission case docket number (if known). It begins with the letter "R" and contains the year of filing and a 7-digit code, such as R-2012-1234567.

R-2014-2418872

4. Type of Utility Service

Check the box listing the type of utility service that is the subject of your complaint (check only one):

ELECTRIC

WASTEWATER/SEWER

GAS

TELEPHONE/TELECOMMUNICATIONS (local, long distance)

WATER

MOTOR CARRIER (e.g. taxi, moving company, limousine)

STEAM HEAT

5. Reason for Complaint

Explain why you oppose the company's proposed rate increase. Use additional paper if you need more space.

See Attached Statement of Facts of Complaint

6. Requested Relief

How do you want your complaint to be resolved? Use additional paper if you need more space.

Include the amount of the suggested adjustments to reduce the amount of the proposed rate increase.

7. Protection from Abuse

Has a court granted a "Protection from Abuse" order that is currently in effect for your personal safety or welfare? The PUC needs this information to properly process your complaint so that your identity is not made public.

Has a court granted a "Protection from Abuse" order for your personal safety or welfare?

YES

NO

If your answer to the above question is "yes," attach a copy of the current Protection for Abuse order to this Formal Complaint to Proposed Rate Increase.

8. Legal Representation

If you are filing a Formal Complaint to Proposed Rate Increase as an individual on your own behalf, you are not required to have a lawyer. You may represent yourself at the hearing.

If you are represented by a lawyer in this matter, provide your lawyer's name, address, telephone number, and e-mail address, if known. Please make sure your lawyer is aware of your complaint. If represented by a lawyer, both you and your lawyer must be present at your hearing.

Lawyer's Name _____

Street/P.O. Box _____

City _____ State _____ Zip _____

Area Code/Phone Number _____

E-mail Address (if known) _____

Note: Corporations, associations, partnerships, limited liability companies and political subdivisions are required to have a lawyer represent them at a hearing and to file any motions, answers, briefs or other legal pleadings.

9. Verification and Signature

You must sign your complaint. Individuals filing a Formal Complaint to Proposed Rate Increase must print or type their name on the line provided in the verification paragraph below and must sign and date this form in ink. If you do not sign the Formal Complaint to Proposed Rate Increase, the PUC will not accept it. By filing this Formal Complaint to Proposed Rate Increase, you will be a party to the case.

Verification:

I Frank D. Kitzmiller, hereby state that the facts above set forth are true and correct (or 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).

Frank D. Kitzmiller
(Signature of Complainant)

7-10-14
(Date)

Title of authorized employee or officer (only applicable to corporations, associations, partnerships, limited liability companies or political subdivisions)

Note: If the Complainant is a corporation, association, partnership, limited liability company or political subdivision, the verification must be signed by an authorized officer or authorized employee. If the Formal Complaint to Proposed Rate Increase is not signed by one of these individuals, the PUC will not accept it.

10. Filing

You may electronically file your Formal Complaint to Proposed Rate Increase with the PUC. To do so, you need to establish an account on the PUC's eFiling system, which may be accessed at <http://www.puc.pa.gov/efiling/default.aspx>.

If you do not electronically file your Formal Complaint to Proposed Rate Increase, mail the completed form (along with any attachments) to one of the addresses listed below:

If using U.S. Postal Service:

If using overnight delivery service:

Secretary Pennsylvania Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3265	Secretary Pennsylvania Public Utility Commission 400 North Street Commonwealth Keystone Building, 2 nd Floor Harrisburg, Pennsylvania 17120
---	--

Note: Formal Complaints sent by fax or e-mail will not be accepted.

If you have any questions about filling out this form, please contact the Secretary's Bureau at 717-772-7777.

Keep a copy of your Formal Complaint to Proposed Rate Increase for your records.

PENNSYLVANIA PUBLIC UTILITY COMMISSION (PUC)

FORMAL COMPLAINT FORM – CITY OF LANCASTER – BUREAU OF WATER R-2014-2418872

ITEM 5-STATEMENT OF FACTS OF COMPLAINT

COMPLAINANT FRANK D. KITZMILLER 1041 PRESTON RD. LANCASTER PA 17601

I am a resident of Manheim Township, Lancaster County, PA who was required to be connected to the Lancaster City PA water system since around 1985 and was required to pay a tapping fee to cover the costs of extending the Lancaster City water system to my residence. My residence was built in 1965 and has interior water lines of 5/8" which were then connected to a 3/4" water meter which was connected to a 1" service line (this 1" size was required by Manheim Township) from the street main.

COMPLAINT - MISCALCULATION OF PROPOSED RATE INCREASE DUE TO OMISSION OF ACTUAL EXPENSE REDUCTIONS TO REFLECT UNACCOUNTED-FOR WATER IN EXCESS OF 20% OF WATER PRODUCED, OMISSION OF REVENUES APPLICABLE TO UNBILLED WATER PROVIDED TO THE CITY OF LANCASTER FOR ITS NON WATER PRODUCING OPERATIONS AND ADJUSTMENT OF FUTURE REVENUES FOR THE EFFECT OF CHANGES IN THE CALCULATION OF CUSTOMER CHARGES BASED ON A 3/4 " AND NOT A 1 " METER AS DISCUSSED IN FORMAL COMPLAINT WHICH WAS FILED SEPARATELY, WITH A COPY ENCLOSED WITH THIS FORMAL COMPLAINT TO PROPOSED RATE INCREASE.

In connection with the proposed rate increase, documents attached as Exhibit D IX-6 located on pages 794 and 795 of the total of 1,766 pages of documents provide information that indicates that the amount of unaccounted for water for 2013 exceeded 20% of the total water produced by the City of Lancaster Water Department. At a Public Meeting of the Pennsylvania Public Utility Commission (PUC) held on 9/11/08, the PUC in a tentative opinion and order indicated that as part of the rate case review process expenses for power and chemicals may be disallowed when levels of unaccounted-for water (UFW) exceed 20%. It is assumed that the disallowance would be based on the total UFW percentage and not the percentage above the 20% and not 100% of such power and chemicals expense.

Exhibit D IX-6 and attachment are confusing to me in that the number of actual gallons produced are not shown and the UFW and the UFW percentage is based solely on the lower "High Service" calculation compared to the higher "Low Service" calculations.

A calculation of the amount of expense reduction, amounting to \$737,723, is made on the attached EXHIBIT 2.

It appears that this adjustment reducing power electric and chemical expense would be reported on Schedule 3 as an "Historic Test Year Pro Forma Adjustment (Column 5) reducing the Pro forma amounts

for 2013 and 2/29/16 by \$737,723 to result in Total Operating and Maintenance Expense on Schedule 3 ,page 6 of 6, of \$12,274,448 and \$12,681,590, respectively. These reduced expense amounts would flow to Schedule 1 and result in "Net Operating Income Available for Return" and "Rate of Return" of \$5,687,255/4.0% for Pro Forma present rates for 2013, \$4,691,073/2.54% for Pro Forma present rates for 2/29/16 and \$12,805,146/6.95% Pro Forma proposed rates for 2/29/16. If the presently proposed rate of return is to remain the same, this adjustment will reduce the amount of the proposed rate increase. It appears that adjustments would also be made to other present schedules affected by this adjustment reducing variable expenses consisting of power electric and chemicals related to unaccounted-for water.

In addition to the proposed adjustment to the power electric and chemical operating expenses related to the unaccounted-for water, it appears that the City of Lancaster Water Department has not included adjustments for unbilled revenues in the calculation of the proposed rate increase from Lancaster City non water producing operations using its water. Only such unbilled revenues related to water supplied to residential and other properties owned by Lancaster City have been included. Unreported unbilled revenues related to Lancaster City government non water producing operations such as the Mayor's Office, Sewer Department, etc appear to have not been included and should be included in amounts representing the retail price of the water supplied to these departments.

This adjustment, if needed, would result in increased Pro Forma Operating Income and a higher reported overall Rate of Return or, if the presently proposed rate of return is to remain the same, this adjustment will reduce the amount of the proposed rate increase.

Any adjustment of future revenues for the effect of the changes in the calculation of Customer Charges based on a 3/4 " meter and not a 1 " meter as discussed in the separately filed Formal Complaint would result in a decreased Pro Forma Operating Income and a lower reported overall Rate of Return or, if the presently proposed Rate of Return is to remain the same, this adjustment will increase the amount of the proposed rate increase. A copy of this separately filed Formal Complaint is attached to this Formal Complaint to Proposed Rate Increase.

PENNSYLVANIA PUBLIC UTILITY COMMISSION

FORMAL COMPLAINT OF PROPOSED RATE INCREASE FORM - CITY OF LANCASTER - BUREAU OF WATER- R-2014-2418872

ITEM 5 - STATEMENT OF FACTS OF COMPLAINT - COMPLAINANT FRANK D. KITZMILLER, 1041 PRESTON RD. LANCASTER PA 17601

COMPLAINT - MISCALCULATION OF PROPOSED RATE INCREASE DUE TO OMISSION OF ACTUAL EXPENSE REDUCTIONS TO REFLECT UNACCOUNTED-FOR WATER IN EXCESS OF 20% OF WATER PRODUCED.

EXHIBIT 2

INFORMATION ON WATER PRODUCTION AND UNACCOUNTED - FOR WATER PER EXHIBIT D IX-6 ATTACHMENT

AMOUNT OF WATER PRODUCED	TOTAL GALLONS PRODUCED	UNACCOUNTED-FOR WATER GALLONS	%
HIGH SERVICE	7,347,161,000	2,268,206,000	30.87%
LOW SERVICE	8,016,315,000	2,937,360,000	36.64%
TOTAL	15,363,476,000	5,205,566,000	33.88%
ASSUME AVERAGE EQUALS TOTAL PRODUCTION	7,681,738,000	2,602,783,000	33.88%

VARIABLE EXPENSES RELATED TO WATER PRODUCTION AND UNACCOUNTED - FOR WATER PER BOOKS FOR Y/E 12/31/13

	SUSQ PLANT	CONESTOGA PLANT			
POWER ELECTRIC	\$765,127	\$545,298			
CHEMICALS	\$450,947	\$416,088			
TOTAL POWER & CHEMICALS	\$1,216,074	\$961,386	\$2,177,460	\$737,783	33.88%

**CITY OF LANCASTER
WATER UTILITIES**

***RESPONSES TO QUALITY OF SERVICE
FILING REQUIREMENTS***

6. Provide a summary report demonstrating the company's efforts in water conservation, since the last rate proceeding, pursuant to 52 Pa. Code, § 65.20.

RESPONSE

Spreadsheets showing the unaccounted for water are attached.

Unaccounted for water was calculated by using both the low service and high service sendout amount from both plants, and dividing the amount of water that was billed and the temporary water that the City has on record. The rest of the water was unaccounted for.

In 2011, the amount of unaccounted for water from high service was 2,155 million gallons or approximately 28.92% of the sendout from the treatment plants.

In 2012, the amount of unaccounted for water from high service was 2,550 million gallons or approximately 32.30% of the sendout from the treatment plants.

In 2013, the amount of unaccounted for water from high service was 2,268 million gallons or approximately 30.87% of the sendout from the treatment plants.

The City has several programs to help reduce the amount of unaccounted for water. For example, City has approximately 40 miles of waterline that is cast iron which is over 100 years old. Periodically, the City is taking out this water main and replacing it with brand new Ductile Iron Cement Lined Class 52 pipe. In addition, the City is in the beginning stages of implementing a radio read system that has a leak detection feature built into the units.

R. 2014-241872
 EXHIBIT D IX-6

CITY OF LANCASTER - CALCULATION OF UNACCOUNTED FOR WATER

2013	
Total	46,005 5,295,760,000
2012	
All Water Customers	
Accounts	Consumption
Total	44,393 5,345,969,000
2011	
All Water Customers	
	Consumption
Total	5,078,955,000

Amount of water produced			
HS 2011	7,450,879,000	LS 2011	8,132,589,000
HS 2012	7,896,387,000	LS 2012	8,401,150,000
HS 2013	7,347,161,000	LS 2013	8,016,315,000

	Amount of Unaccounted Water From High Service	Percentage of Unaccounted Water From High Service	Amount of Unaccounted Water From Low Service	Percentage of Unaccounted Water From Low Service
2011	2,155,119,000	28.92%	2,836,829,000	34.88%
2012	2,550,418,000	32.30%	3,055,181,000	36.37%
2013	2,268,206,000	30.87%	2,937,360,000	36.64%

R-2014-2418872

CITY OF LANCASTER - WATER FUND

STATEMENT OF PRO FORMA OPERATING EXPENSES FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2013 AND FEBRUARY 29, 2016

Pursuant To Subsection 53.53 Exhibit D III (2) of Tariff Regulations

Line No.	Account	Account Title	Per Books,	Historic Test Year		Pro Forma,	Fully Projected		Pro Forma,
			12 Months Ended 31-Dec-13	Pro Forma Adjustments			Future Test Year Pro Forma Adjustments		
	(1)	(2)	(3)	Appn. B (4)	Amount (5)	31-Dec-13 (6)	Appn. B (7)	Amount (8)	(9)
170		GROUNDS MAINTENANCE							
172	601.8	SALARY BUREAU CHIEF	3,956			3,956			3,956
173	801.8	SALARIED PERSONNEL	344,818	E-1	30,210	374,827	E-9	21,583	396,411
174	601.8	SALARY TEMPORARY	8,315			8,315			8,315
175	801.8	OVERTIME	16,310	E-2	(3,775)	12,535	E-10	699	13,234
176									
177		GROUNDS MAINT. - SALARY/BENEFITS	373,169			399,634			421,916
178									
179	642.8	RENTALS OF UNIFORMS	1,256			1,256			1,256
180	820.8	MAINT. EQUIPMENT	850			850			850
181	850.8	MAINT. VEHICLES	3,038			3,038			3,038
182	820.8	OPERATING SUPPLIES	139			139			139
183	820.8	GASOLINE	7,474			7,474			7,474
184									
185		GROUNDS MAINT. - OPERATING EXPENSES	12,757			12,757			12,757
186									
187	820.8	MINOR EQUIPMENT	7,080			7,080			7,080
188									
189		GROUNDS MAINT. - CAPITAL EXPENSE	7,080			7,080			7,080
190									
191		TOTAL GROUNDS MAINTENANCE	393,038			419,471			441,753
192									
193		TOTAL OPERATING AND MAINTENANCE	\$ 20,213,457		\$ (7,201,285)	\$ 13,012,171		\$ 407,142	\$ 13,419,313

AFTER \$737,123 adjustment

12277446

12681516

- 11 -

R-2014-2418872

CITY OF LANCASTER - WATER FUND

STATEMENT OF PRO FORMA OPERATING EXPENSES FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2013 AND FEBRUARY 29, 2016

Pursuant To Subsection 53.53 Exhibit D III (2) of Tariff Regulations

Line No.	Account (1)	Account Title (2)	Per Books,	Historic Test Year		Pro Forma,	Fully Projected		Pro Forma,
			12 Months Ended 31-Dec-13 (3)	Pro Forma Adjustments (4) (5)			Future Test Year Pro Forma Adjustments (7) (8)		
1		OPERATION AND MAINTENANCE EXPENSES							
2									
3		WATER TREATMENT							
4									
5		SUSQUEHANNA TREATMENT PLANT							
6	601.3	SALARIED PERSONNEL	\$ 703,360	E-1	\$ 68,202	\$ 769,562	E-9	\$ 42,808	\$ 812,470
7	601.3	OVERTIME	63,400	E-2	9,626	73,316	E-10	4,367	82,683
8									
9		SUSQUEHANNA - SALARY/BENEFITS	771,850			847,878			895,153
10									
11	620.3	MAINTENANCE -BUILDING	45,670			45,670			45,670
12	620.3	MAINTENANCE-COMMUNIC.	1,066			1,066			1,066
13	620.3	MAINTENANCE-EQUIPMENT	134,045			134,045			134,045
14	620.3	MAINTENANCE-VEHICLES	14,330			14,330			14,330
15	610.3	WATER UTILITY EXPENSE	9,091			9,091			9,091
16		SLUDGE	49,572			49,572			49,572
17	615.3	POWER ELECTRIC	785,127			785,127	E-13	(49,895)	715,232
18	620.8	OPERATING SUPPLIES	6,839			6,839			6,839
19	618.3	CHEMICALS	450,947	E-3	(36,349)	414,598			414,598
20	616.3	GASOLINE	13,322			13,322			13,322
21	650.3	FUEL	40,775			40,775			40,775
22									
23		SUSQUEHANNA - OPERATING EXPENSES	1,530,784			1,494,435			1,444,540
24									
25	620.8	MINOR EQUIPMENT	5,142			5,142			5,142
26									
27		SUSQUEHANNA-CAPITAL EXPENSE	5,142			5,142			5,142
28									
29		TOTAL SUSQUEHANNA	2,307,776			2,347,458			2,344,855

Before adjustment to Power electric and chemicals

25 -9-

CITY OF LANCASTER - WATER FUND

STATEMENT OF PRO FORMA OPERATING EXPENSES FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2013 AND FEBRUARY 29, 2016

Pursuant To Subsection 53.53 Exhibit D III (2) of Tariff Regulations

Line No.	Account (1)	Account Title (2)	Per Books,	Historic Test Year		Pro Forma,	Fully Projected		Pro Forma,
			12 Months Ended 31-Dec-13 (3)	Pro Forma Adjustments (4) (5)			Future Test Year Pro Forma Adjustments (7) (8)		
30									
31		<u>CONESTOGA TREATMENT PLANT</u>							
32	801.3	SALARIED PERSONNEL	675,622	E-1	102,245	795,870	E-9	43,535	824,400
33	601.3	OVERTIME	74,353	E-2	41,198	115,548	E-10	6,443	121,991
34									
35		CONESTOGA - SALARY/BENEFITS	752,975			896,418			946,399
36									
37	620.3	MAINTENANCE-BUILDING	34,710			34,710			34,710
38	620.3	MAINTENANCE-EQUIPMENT	121,212			121,212			121,212
39	620.3	MAINTENANCE-VEHICLES	26,375			26,375			26,375
40	636.3	SLUDGE	192,595			192,595			192,595
41	815.3	POWER ELECTRIC	545,298			645,298	E-13	(35,560)	509,739
42	620.3	OPERATING SUPPLIES	3,798			3,798			3,798
43	618.3	CHEMICALS	416,088	E-3	(2,330)	413,759			413,759
44	616.3	GASOLINE	18,770			18,770			18,770
45	650.3	HEATING OIL	48,698			48,698			48,698
46									
47		CONESTOGA - OPERATING EXPENSES	1,407,545			1,405,215			1,369,656
48									
49		CAPITAL OUTLAY	82,246			82,246			82,246
50									
51		CONESTOGA-CAPITAL EXPENSE	82,246			82,246			82,246
52									
53		TOTAL CONESTOGA	2,242,766			2,383,880			2,398,301
54									
55		<u>LABORATORY</u>							
56	601.3	SALARIED PERSONNEL	190,340	E-1	7,952	198,292	E-9	11,056	209,348
57	601.3	SALARY TEMPORARY	8,172	E-1	(8,172)				
58	601.3	OVERTIME	77			77			77
59									
60		LABORATORY - SALARY/BENEFITS	198,590			198,369			209,425
61									
62	635.3	CONTRACT SERVICES	25,470			25,470			25,470
63	620.3	LABORATORY - SUPPLIES	38,528			38,528			38,528
64									
65		LABORATORY - OPERATING EXPENSE	63,998			63,998			63,998
66									
67									
68		TOTAL LABORATORY	262,588			262,367			273,423

BEFORE adjustment to power electric and chemicals

27 - 7 -

R - 2014 - 2-118872

CITY OF LANCASTER - WATER FUND

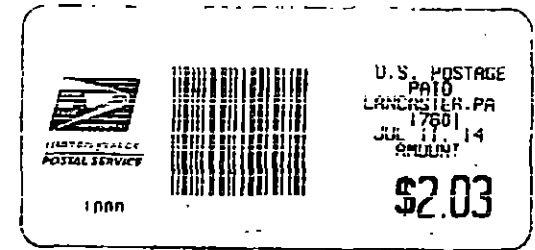
STATEMENT OF THE CALCULATION OF THE RATE OF RETURN UNDER PRESENT RATES FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2013 AND FEBRUARY 29, 2016, AND THE ANTICIPATED RATE OF RETURN UNDER PROPOSED RATES FOR INSIDE-CITY AND OUTSIDE-CITY CUSTOMERS

Pursuant To Subsection 53.53 Exhibit D 1 (2-4) of Tariff Regulations

Line No.	Description	12 Months Ended 31-Dec-13 (2)	Pro Forma Historic Test Year Adjustments		Pro Forma Present Rates, 31-Dec-13 (5)	Pro Forma Future Test Year Adjustments		Pro Forma Present Rates, 29-Feb-16 (8)	Under Proposed Rates, Supplement No. 43 to Tariff Water Pa-PUC No. 6	
			Ref. (3)	Amount (4)		Ref. (6)	Amount (7)		Increase (9)	Pro Forma 29-Feb-16 (10)
1	Operating Revenue	\$ 20,945,148	Sch. 2	\$ 76,014	\$ 21,021,162	Sch. 2	\$ 205,055	\$ 21,226,217	\$ 8,114,073	\$ 29,340,290
2										
3	Operating Revenue Deductions:									
4	Operation and Maintenance				12,214,448 ^①			12,621,590 ^①		12,621,590 ^①
5	Expenses	20,213,457	Sch. 3	(7,201,286)	13,012,171	Sch. 3	407,142	13,419,313	-	13,419,313
6	Depreciation	3,542,853	Sch. 6	(483,394)	3,059,459	Sch. 6	784,095	3,853,554	-	3,853,554
7										
8	Total Operating				15,373,907 ^①			16,535,144 ^①		16,535,144 ^①
9	Revenue Deductions	23,756,310		(7,684,680)	16,071,630		1,201,237	17,272,867	-	17,272,867
10										
11										
12	Net Operating Income				5,687,255 ^①			4,691,013 ^①		12,805,146 ^①
13	Available for Return	\$ (2,811,162)		\$ 7,760,694	\$ 4,949,532		\$ (998,182)	\$ 3,953,349	\$ 8,114,073	\$ 12,087,422
14										
15										
16	Original Cost Measure of Value	\$ 141,984,735		\$.	\$ 141,984,735		\$ 42,392,134	\$ 184,356,869		\$ 184,356,869
17										
18	Rate of Return	-1.88%			4.00% ^① 3.49%			2.54% ^① 2.14%		6.55% ^① 6.55%

① After adjustment for \$ 737,723 expense reduction

FRANK D. KITZMILLER
1041 PRESTON RD
LANCASTER PA 17601



REC...
2014 JUL 14 4:11:05
PA P
SECRETARY'S BUREAU

SECRETARY
PENNSYLVANIA PUBLIC UTILITY COMMISSION
PO BOX 3265
HARRISBURG PA 17105-3265