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January 31, 2022

Via Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: PaPUC Docket No. M-2018-2645983
Pa. P.U.C. v. North Heidelberg Sewer Company

PaPUC Docket No. I-2018-3001161
Section 529 Investigator – North Heidelberg Sewer Company

Dear Secretary Chiavetta:

We are counsel to Aqua Pennsylvania Wastewater, Inc. concerning the above matters and are submitting, via electronic filing with this letter, Aqua's Sixteenth Status Report dated January 31, 2022. We are also filing the Sixteenth Status Report at I-2018-3001161, the Section 529 Investigation Docket. Please contact me with any questions concerning this matter.

Very truly yours,

THOMAS, NIESEN & THOMAS, LLC

By 

Thomas T. Niesen

Enclosure

cc: The Honorable Steven K. Haas (via email, w/encl.)
Carrie B. Wright, Prosecutor (via email, w/encl.)
Christine Maloni Hoover, Senior Assistant Consumer Advocate (via email, w/encl.)
Erin Fure, Assistant Small Business Advocate (via email, w/encl.)
Sean Cooper, Esq. (via email, w/encl.)
Tori L. Giesler, Esq. (via email, w/encl.)
Aaron J. Beatty, Esq. (via email, w/encl.)
Susan Simms Marsh, Esq. (via email, w/encl.)
John D. Hollenbach (via email, w/encl.)
Alexander R. Stahl, Esq. (via email, w/encl.)



SIXTEENTH STATUS REPORT
TO THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

NORTH HEIDELBERG SEWER COMPANY
AQUA PENNSYLVANIA WASTEWATER, INC., AS RECEIVER

DOCKET NO. M-2018-2645983

DOCKET NO. I-2018-3001161

Dated: January 31, 2021

A. BACKGROUND

On February 9, 2018, the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) entered an Order in Docket No. M-2018-2645983 (“February 9 Order”) naming Aqua Pennsylvania Wastewater, Inc. (“Aqua” or the “Company”) as receiver for the North Heidelberg Sewer Company (“NHSC”). Aqua was directed to assume its receivership role on March 5, 2018. Included within the PUC’s February 9 Order, the Company was directed to “[s]ubmit an initial status report with the Commission within 60 days of assuming operations and then quarterly thereafter to detail any relevant updates pursuant to duties and responsibilities assigned through receivership.”¹

Aqua submitted its initial status report on the operations of NHSC as directed by the Commission on May 4, 2018. Aqua submitted its second, third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth, thirteenth, fourteenth, and fifteenth status reports to the Commission on August 6, 2018, November 5, 2018, February 3, 2019, May 7, 2019, August 5, 2019, November 4, 2019, February 3, 2020, May 4, 2020, August 3, 2020, November 2, 2020, February 1, 2021, May 3, 2021, August 2, 2021, and November 1, 2021, respectively. Aqua now submits its sixteenth status report on the operations of NHSC to the Commission.

On September 14, 2021, Aqua submitted a Petition to Affirm and Clarify the Conditions Set Forth in Appendix A of the Opinion and Order Entered February 9, 2018, at Docket No. M-2018-2645983 (“September 2021 Petition”). The September 2021 Petition sought to clarify and ensure that the Company could expeditiously remediate and rebuild the NHSC wastewater treatment facilities that experienced extraordinary storm damage from Hurricane Ida. The Commission issued its Order Entered October 7, 2021 (“October 7 Order”), amending Appendix A to the February 9 Order requiring Aqua to identify, list, and undertake the capital investments required to fully remediate extraordinary storm damage sustained by NHSC. As part of the Commission’s October 7 Order, the Commission required, on a going forward basis beginning with the November 1, 2021 status report, that Aqua provide data regarding the estimated cost of repairs versus the estimated cost of replacement of the affected NHSC facilities, timelines for implementing those options, and the option that Aqua selects or intends to select. The Commission required this ongoing reporting until all necessary capital improvements have been completed and placed in service.

B. SIXTEENTH STATUS REPORT

1. Operations and Capital Expenditures

On March 5, 2018, Aqua assumed its role as receiver for NHSC. On September 1 and 2, 2021, the NHSC system experienced extraordinary damage from Hurricane Ida as detailed in the Company’s September 2021 Petition and its fifteenth status report.

¹ Pa. P.U.C. v. North Heidelberg Sewer Co., Docket No. M-2018-2645983, Opinion and Order Appendix A Paragraph 1.o. (Feb. 9, 2018).

Since the fifteenth status report, the NHSC system has not had any violations or other operating issues. Please refer to **Attachment A** for an updated detailed listing of repairs and replacements completed to restore operational function of the NHSC plant.

Aqua has begun assessment of alternatives to upgrading and improving the NHSC plant and has identified three alternatives: (1) rehabilitate the existing facility; (2) relocate the NHSC plant uphill from the current location and convert the existing plant to a pump station to pump wastewater to the new location; and (3) demolish the existing plant and then pump flows to another system for treatment. The preliminary assessment of the alternatives is being reviewed by Aqua along with potential alternative financing options.

As Aqua continues to make improvements to ensure quality and reliable service, Aqua will provide progress and cost updates consistent with the Commission's February 9 Order and October 7 Order. Aqua will have further information on operational issues in later reports.

2. Financial

In Aqua's fifth status report to the Commission, filed on May 7, 2019, Aqua submitted trial balances for NHSC for year-end 2017 and a balance sheet and income statement for NHSC as of March 5, 2018 which was the beginning of Aqua's receivership.

3. Acquisition of System

The Commission has requested that the ALJ issue a decision no later than June 30, 2022 regarding the NHSC 529 Proceeding. The Company will actively participate in the proceeding.

C. CONCLUSION

Aqua will continue to investigate the system's operations and financial status and will make necessary improvements to operate NHSC to ensure quality service to the NHSC customers for the period of its receivership duties during the 529 proceeding. Aqua will provide its next status report on or before May 2, 2022.

Attachment A

(A)

(B)

Incurring Costs Regarding Hurricane Ida Repairs		
	Amount	Description
(1)	\$ 4,920.50	Seed Sludge/Hauling to restore biological processes.
(2)	\$ 6,427.00	Three (3) replacement blower motors and miscellaneous electrical equipment
(3)	\$ 93.76	Miscellaneous fittings and supplies
(4)	\$ 204,031.14	Hauling costs to Pottstown and Bernville
(5)	\$ 7,590.00	Overtime labor for contract operator
(6)	\$ 21,624.00	Electrical repairs and labor and first month rental of generator
(7)	\$ 22,984.50	Engineering consulting, permitting, design, site management through 9/25/21
(8)	\$ 108,750.00	Ultraviolet disinfection and Mag Meter
(9)	\$ 241,821.40	Installation of 36-inch primary culvert and 24-inch emergency culvert
(10)	\$ 123,443.24	Equipment and Labor for site repairs, hauling, UV install, site clean up
(11)	\$ 2,410.00	2nd Month Rental of Generator & Cables
(12)	\$ 2,410.00	3rd Month Rental of Generator & Cables
(13)	\$ 2,135.00	Purchase and installation of heat trace on exterior piping from UV shed
(14)	\$ 15,428.73	Professional services from GHD rendered through 10/30/21
(15)	\$ 4,745.00	Electrical work on floats/alarm contacts, replace starter relays, HOA switches, alternator relays in EQ, start up UV
(16)	\$ 2,324.30	Replace a pump at Patricia Pump Station
(17)	\$ 3,086.16	Hach Lab Equip, DO, Turbidimeter, pH
(18)	\$ 774,224.73	TOTAL

Estimated Costs To Be Invoiced For Work Completed		
	Amount	Description
(19)	\$ 14,998.06	Hach Lab Equipment, 2 Auto samplers
(20)	\$ 14,998.06	TOTAL
(21)	\$ 789,222.79	GRAND TOTAL