



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
400 NORTH STREET, HARRISBURG, PA 17120

IN REPLY PLEASE  
REFER TO OUR FILE

March 14, 2022

Docket No. A-2021-3028676

Utility Code 230073

TERESA K HARROLD ESQUIRE  
PENNSYLVANIA-AMERICAN WATER COMPANY  
852 WESLEY DRIVE  
MECHANICSBURG PA 17055  
[TERESA.HARROLD@AMWATER.COM](mailto:TERESA.HARROLD@AMWATER.COM)

RE: Application of Pennsylvania-American Water Company-Wastewater Division for approval of the right to: (1) acquire, by purchase, certain wastewater system assets of Foster Township; and (2) begin to offer, render, furnish and supply wastewater service to the public in portions of Foster Township, Luzerne County, Pennsylvania

Dear Attorney Marsh:

On September 22, 2021, Pennsylvania-American Water Company-Wastewater Division (PAWC-WD) 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 efilings with the Secretary of the Commission by opening an efilings account through the Commission website and accepting eservice at <https://efiling.puc.pa.gov>. The Commission is accepting all public documents through our efilings 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:

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:

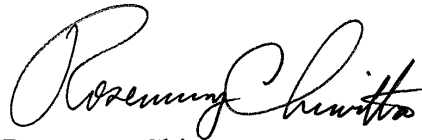
*I, [print name of appropriate company representative], hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made 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.

Sincerely,



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)

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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.

A-33. PAWC-WD's response to Data Request A-4 noted "There are no known stormwater facilities connected to the West End Sanitary Sewer System." as verified by the contract Municipal Engineer for Foster Township. Please respond to the following:

- a. Explain why Section 1.7, Stormwater Facilities, was included in the APA if there are no stormwater facilities connected to the West End System; and
- b. If later it is determined there are stormwater connections to the West End System, explain how it is the best interest of existing PAWC-WD ratepayers to be subject to the perpetual obligation of the financial, managerial, and legal risks related to constructing municipal separate storm sewer system (MS4) facilities for dedication at no cost to Foster Township.

A-34. PAWC-WD's response to Data Request A-11 indicated PAWC-WD intends to adopt the EDU allocations used by Foster Township for all existing customers and, when new customers connect to the system, PAWC-WD will determine new EDU allocations pursuant to Page 21 of its Commission approved tariff. PAWC-WD also provided a copy of Foster Township's EDU allocation schedules (Foster Township's EDU Schedules) in Pages 2 through 5 of TUS-A-11-a Attachment 1, provided in PAWC-WD's response to Data Request A-11. Please provide a revised *pro forma* tariff supplement that includes additional clarifying tariff language that is consistent with PAWC-WD's response to Data Request A-11. This revised *pro forma* tariff supplement must include each of the following:

- a. Foster Township's EDU Schedules;
- b. Definitions for the terms "Existing Customers" and "New Customers", including whether these terms are based on whether the customer is receiving service at a property that was connected to Foster Township's wastewater system at closing of the proposed transaction;
- c. A statement that existing customers will be charged for an EDU amount that is determined according to Foster Township's EDU Schedules; and
- d. A statement that new customers will be charged for an EDU amount that is determined according to PAWC-WD's definition for the term EDU.

A-35. Data Request A-11.d. asked that PAWC-WD explain any differences in how Foster Township determines charges for service rendered to Citterio compared with how PAWC-WD will determine charges for service rendered to Citterio. PAWC-WD's

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response to Data Request A-11 indicated PAWC-WD intends to engage in discussions with Citterio and its water providers to develop a plan for obtaining water consumption data. This response does not explain any differences in how Foster determines charges for service rendered to Citterio compared with how PAWC-WD will determine charges for service rendered to Citterio. Further, the Application's Appendix A, Assets Purchase Agreement (APA), Schedule 4.1(b) notes Citterio will be billed at \$85/EDU/Month based upon water consumption provided by Freeland Authority and divided by 260 GPD/EDU despite that PAWC-WD's revised *pro forma* tariff supplement does not include rates for metered existing customers. Please provide responses for each of the following:

- a. Explain any differences in how Foster Township determines charges for service rendered to Citterio compared with how PAWC-WD will determine charges for service rendered to Citterio, including whether Foster Township charges Citterio for one EDU per 60,000 gallons or portion thereof of water consumed or wastewater discharged annually as indicated in Page 21 of TUS-A-20\_Attachment 2 (i.e., Foster Township's Metered Rate Basis billing method);
  - b. Identify the provisions of PAWC-WD's tariff and *pro forma* tariff supplement that allow PAWC-WD to define an EDU for Citterio as 260 GPD of metered or estimated water consumption; and
  - c. Provide a revised *pro forma* tariff supplement that includes metered rates for eligible Existing Customers.
- A-36. PAWC-WD's response to Data Request A-15 provided a copy of the Pennsylvania Department of Environmental Protection's (DEP's) letter approving the Joint Official Sewage Facilities Plan Update Revision for Freeland Borough and Foster Township, Revised December 2013 (Act 537 Plan Update) as TUS-A-15 Attachment 1. The DEP letter approving the Act 537 Plan Update recognized the existence of the Foster Township-owned Wyoming Street Pump Station in the configuration described in the Plan. However, DEP, for sewage planning purposes, did not recognize a rated capacity for the pump station. Further, DEP noted the Act 537 Plan Update called for the preparation of a Special Study, as a revision to Official Sewage Facilities Plans of Freeland Borough and Foster Township, to be completed to thoroughly investigate the technical adequacy of the existing Wyoming Street Pump Station. Please provide copies of the following:
- a. The DEP-approved Special Study required in the Act 537 Plan Update;
  - b. The DEP letter approving the Special Study along with any conditions; and

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- c. Any DEP approved addendums or modifications to Foster Township's DEP Water Quality Management Permit No. 4006404, issued October 23, 2006, or other DEP approved permits that address Foster Township's Wyoming Street Pump Station.
- A-37. The Application's Appendix A, Assets Purchase Agreement (APA), Section 2.1(a)(iv) and (viii) referenced a Schedule 1.5. However, the APA's Schedule 1.5 appears not to be included in the Application. Please provide a copy of the APA's Schedule 1.5.
- A-38. The Application's Appendix B, Treatment Agreement between the Borough of Freeland Municipal Authority (Freeland Authority), Freeland and Foster Township, dated December 8, 1999, (1999 Agreement), Section 13.(I) referenced Exhibit A that indicated approximately seventeen (17) properties located in Freeland Borough (Freeland Borough Properties) are connected to Foster Township's wastewater system, but shall continue to be billed by Freeland Authority at Freeland Authority's residents' rate. Please provide responses for each of the following:
- a. Clarify whether the points of connection to Freeland Properties are included within PAWC-WD's requested service territory as depicted in the Application's Appendix R;
  - b. Indicate whether Foster currently receives any cost recovery from the Freeland Authority for providing wastewater collection and conveyance services to Freeland Properties and whether the flows from the Freeland Properties reduce or are counted as part of the Foster Township's reserved Maximum Average Daily Flow currently equal to 390,000 gallons per day;
  - c. Indicate how PAWC-WD plans to bill either the Freeland Authority or Freeland Properties customers, as applicable, for wastewater collection and conveyance service post-acquisition, including whether the Freeland Authority will act as PAWC-WD's agent to bill Freeland Properties at PAWC's rates;
  - d. If Freeland Properties will remain customers of Freeland Authority, provide a copy of a *pro forma* agreement between PAWC-WD and Freeland Authority detailing how these customers will be included in a bulk wastewater service agreement along with the associated rates; and
  - e. If Freeland Properties are in PAWC-WD's requested service territory, provide a copy of a revised *pro forma* tariff supplement that includes the appropriate existing rates for these customers.