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August 26, 2022

VIA ELECTRONIC FILING

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

RE: Petition of Columbia Water Company for approval of a Second Long-Term Infrastructure Improvement Plan; Docket No. P-2022-_____

Dear Secretary Chiavetta:

Enclosed for filing in the above-captioned proceeding is the Petition of Columbia Water Company for approval of a Second Long-Term Infrastructure Improvement Plan. Copies of this document have been served in accordance with the attached Certificate of Service.

Thank you for your attention to this matter. If you have any questions, please contact me.

Very truly yours,

/s/ Whitney E. Snyder

Thomas J. Sniscak
Whitney E. Snyder

Counsel to the Columbia Water Company

Enclosure

cc: Per Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Columbia Water Company for approval of a Long-Term Infrastructure Improvement Plan	: : :	Docket No. P-2022-_____

PETITION OF COLUMBIA WATER COMPANY FOR APPROVAL OF ITS SECOND LONG-TERM INFRASTRUCTURE IMPROVEMENT PLAN

Pursuant to 66 Pa. C.S. § 1352 and 52 Pa. Code § 121.5, Columbia Water Company[1] ("Company," or "Columbia Water"), submits this Petition for Approval of its Second Long-Term Infrastructure Improvement Plan ("LTIIP" or "Plan"). The Company's current LTIIP will expire on December 31, 2022. Therefore, the Company files this second LTIIP, which covers the five-year period of 2023 through 2027.

Columbia Water's LTIIP includes all the elements required by 66 Pa. C.S. § 1352(a)(1)-(7). The Company requests that the Commission approve its proposed LTIIP, which is attached to this Petition as **Appendix A**.

[1] Prior to Commission approval of the Company's last rate filing on March 1, 2018 at Docket No. R-2017-2598203, the Company operated two districts known as the Columbia District and the Marietta District. For purposes of the DSIC, the March 1, 2018 Commission Order combined the rate districts and made the Marietta Rate District DSIC eligible. Prior to the March 1, 2018 Commission Order, only the Columbia Rate District was DSIC eligible. This LTIIP is for the Columbia and Marietta rate districts. It does not include the East Donegal rate district.

I. Introduction and Background

1. Columbia Water is a certificated water distribution public utility. Its Columbia Division provides public water service pursuant to Columbia Water's tariff to approximately 10,400 residential, commercial, public and industrial customers in Columbia, Marietta and Mountville Boroughs, West Hempfield, Manor, and East Donegal Townships, Lancaster County and Hellam Township, York County, Pennsylvania. In particular, the Columbia Division or its predecessor has provided water service since 1823, and like many public water systems, faces the ongoing task of modernizing its infrastructure.

2. Columbia Water, on August 30, 2002, filed a Petition for Approval to Institute a Distribution System Improvement Charge ("DSIC") to be implemented through proposed Supplement No. 9 to its Tariff Water – Pa. P.U.C. No. 7 effective on November 1, 2002. The proceeding was docketed at P-00021979. The DSIC filing was to apply to what now is the Company's Columbia Division.

3. By Order entered April 17, 2003, the Commission approved the DSIC filing and tariff supplement.

4. On February 14, 2012, Governor Corbett signed into law, Act 11 of 2012 ("Act 11"), which, *among other things*, amended Chapter 13 of the Code by incorporating a new Subchapter B, Sections 1350 through 1360, 66 Pa. C.S. §§ 1350-1360, which required each water utility with a DSIC to establish a Long-Term Infrastructure Improvement Plan or "LTIIP."

5. After a rulemaking process undertaken by the Commission, final Commission regulations providing guidance for meeting the Commission's LTIIP standards became effective on December 20, 2014.[2]

[2] 52 Pa. Code §§ 121.1 *et seq.*

6. On September 21, 2016, the Commission entered its Final Supplemental Implementation Order.[3] The Commission concluded that to ensure that all utilities with a Commission-approved DSIC were following uniform rules and procedures, it was now time for water companies to file an LTIIP with the Commission consistent with the provisions of Section 1352 of the Code and Section 121.3 of the Commission's regulations. The Final Supplemental Implementation Order also required all jurisdictional utilities with a Commission-approved DSIC mechanism to file a tariff in compliance with the Model Tariff attached as Appendix A to the Order.

7. The Company filed, and the Commission approved Columbia Water's DSIC tariff, Supplement No. 82, by Secretarial Letter dated January 3, 2017 at Dkt. No. R-2016-2581794.

8. The Company filed its original LTIIP on February 21, 2017, and the Commission approved Columbia's LTIIP by Order entered on June 14, 2017 at Dkt. No. P-2017-2590193.

9. On August 21, 2018, Columbia Water filed a petition for Modification of its Long-Term Infrastructure Improvement Plan (Modified LTIIP), to incorporate the Marietta rate district and adjust future spending projections to account for changes in available capital and the regulatory environment and extended the LTIIP for one year to include 2022. The Modified LTIIP was approved by the Commission by Order entered on December 8, 2018 at Dkt. No. P-2017-2590193.

10. Section 121.5 of the Commission's regulation require: "A utility seeking to continue its DSIC mechanism after expiration of its LTIIP shall file a new LTIIP with the Commission at least 120 days prior to the expiration of a currently-effective LTIIP. The new

[3] *Implementation of Act 11 of 2012;* Docket No. M-2012-2293611 (Order Entered September 21, 2016)("Final Supplemental Implementation Order")

LTIIP must contain the elements in § 121.3(a) and is subject to the review under § 121.4 (relating to filing and Commission review procedures)." 52 Pa. Code § 121.5.

11. Section 1352(a) of the Code and Section 121.3 of the Commission's regulations require the LTIIP to include the following elements:

> (1) Identification of types and age of eligible property owned and operated by the utility for which it is seeking DSIC recovery.
>
> (2) An initial schedule for planned repair and replacement of eligible property.
>
> (3) A general description of location of eligible property.
>
> (4) A reasonable estimate of quantity of eligible property to be improved or repaired.
>
> (5) Projected annual expenditures and means to finance the expenditures.
>
> (6) A description of the manner in which infrastructure replacement will be accelerated and how repair, improvement or replacement will ensure and maintain adequate, efficient, safe, reliable and reasonable service to customers.
>
> (7) A workforce management and training program designed to ensure that the utility will have access to a qualified workforce to perform work in a cost-effective, safe and reliable manner.
>
> (8) A description of a utility's outreach and coordination activities with other utilities, Department of Transportation and local governments regarding the planned maintenance/construction projects and roadways that may be impacted by the LTIIP.

12. Accordingly, Columbia Water is filing its Second LTIIP, which is attached to this Petition as **Appendix A.** As explained more fully below and in **Appendix A**, the Company's LTIIP fully complies with each of these elements and will allow the Company to continue to provide safe and reasonable service to its customers.

II. Overview of Columbia Water's Long-Term Infrastructure Improvement Plan

13. Columbia Water's LTIIP explains how the Company will use the DSIC to replace aging infrastructure at an accelerated pace. This LTIIP will identify the types and ages of infrastructure eligible for DSIC recovery; schedule for the planned replacements; location of the eligible property; estimates of the quantity to be replaced; projected annual expenditures; manner in which the replacement will be accelerated; workforce management plan to ensure work is completed safely and cost effectively; and description of outreach to other utilities to minimize disruption to customers; as well as the benefit to customers of accelerated infrastructure rehabilitation and replacement.

14. Pursuant to its DSIC, Columbia Water has been identifying and replacing its distribution infrastructure for the past 19 years. Columbia Water has replaced over 27,400 feet of pipe. This represents about 3.8% of its distribution system pipe that has been renewed through the DSIC program. In addition to pipe, Columbia Water has replaced 940 service lines which is approximately 9% of the total service lines and 5,330 old age meters which is over 51% of the Company's meters. This has allowed Columbia Water to continue to provide safe and reliable service to its customers. In addition, the DSIC has allowed the Company to manage infrastructure replacement costs in an effective manner by directly targeting those costs without the need for additional rate case filings, the reasonable costs of which are borne by the ratepayers.

III. Company Response to Each Required LTIIP Element.

a. Types and age of eligible property

15. Columbia Water has described its types and age of eligible property, as defined in 66 Pa. C.S. § 1351(3), in Section 1 of its LTIIP at pages 5 to 6.

16. Columbia Water developed and integrated a Geographic Information Systems (GIS) to map and manage its water system assets. The water system assets such as water mains, valves, hydrants, tanks, and service lines are spatially located and attributed with information about the distribution system. This information is supplemented with paper mapping and files as necessary. This process provides the means for Columbia Water to document data and provides the Company with an efficient means to identify DSIC eligible facilities for replacement. These efficiencies translate into direct savings to the customers by specifically targeting the appropriate facilities to be replaced.

17. Columbia Water's distribution system ranges in age from 1875[4] to 2021. Columbia Water owns approximately 722,890 LF of water mains. The material type of the water main generally depends on the installation date and the installing party. Newer mains are normally ductile iron cement lined (DICL) pipe with the older mains being mainly unlined cast iron pipe. Very limited pockets of polyvinyl chloride (PVC) exist within the system.

18. In addition, Columbia Water also replaces Company-owned service lines. Water gets delivered from the water main to the customer's curb stop through a Company-owned, pressurized service line. The Company owns the service line between the water main and the curb stop ("Company-owned service line"). The service line from the curb stop to the customer's building ("Customer-owned service line") is owned by the customer and any

[4] Less than 1% of all existing water mains were installed prior to 1900.

replacement of the customer's portion of the service line is the responsibility of the customer and thus Customer-owned service lines are not included in this LTIIP. The Company-owned service lines vary in size from 6-inch down to ¾-inch with a majority of Columbia Water's service lines being constructed of copper. Only copper is used when Company-owned service lines are replaced.

19. The Company also installs new valves, hydrants and meters as part of its distribution replacement program. Table 1 of **Appendix A** provides a breakdown of eligible property by type. Table 2 of **Appendix A** provides a breakdown of water mains by size.

b. Schedule for planned replacement of eligible property.

20. Columbia Water has described its schedule for planned replacement of eligible property in Section 2 of its LTIIP at pages 6 to 7 and provides an overview of the planning process for replacement of its aging infrastructure.

21. Many components must be evaluated and weighed when determining which infrastructure to replace in a given year. In general, the following components in order of priority are used to select infrastructure to replace each year: planned state highway improvements; planned municipal street improvements; planned large-scale improvements by other utilities; water main break frequency; age; material quality; and installation quality.

22. The Company understands the significant benefits to the customers and municipalities when infrastructure is replaced and/or improved concurrently with other public infrastructure work; therefore, the Company meets at least annually with the municipalities in which it serves public water to coordinate the replacement of water system infrastructure with planned street upgrades.

23. Regarding water main replacement, work normally entails full replacement of the water main (as opposed to repair) since this option eliminates long-term structural and integrity deficiencies that remain when a water main is simply repaired or relined. Further, this option is also considerably less disruptive to the customer since the new main can be installed, tested and placed into service before moving service lines from the old main to the new main.

24. Regarding valve and hydrant replacement, work normally involves the full replacement of the valve and hydrant. Occasionally a relatively new valve or hydrant will be rebuilt and/or reused but only in those situations where the reliability and integrity are well known. Valves and hydrants normally get replaced at the same time a water main is being replaced or rehabilitated. There are times when critical valves and hydrants are replaced independently of a full-scale water replacement project. Properly operating valves greatly benefit the customers since it minimizes the geographic area impacted by a main repair and minimizes the amount of time needed to make a repair. A schedule of valve and hydrant replacements is provided in Table 3 of the Company's LTIIP.

25. With regard to replacement of Company-owned service lines, work normally involves the full replacement of the company-owned service line between the water main and the curb stop. The work will include replacement of the curb stop and curb box. Company-owned service lines get replaced during full scale water replacement projects or if the Company determines they otherwise need replaced due to conditions including but not limited to leaks or malfunction.

26. With regard to meter replacement or repair, residential and commercial meters normally involve full replacement. Some commercial and industrial meters can be rehabilitated. Meter replacement is typically based upon meter age. Columbia Water replaces its meters in

compliance with the schedule in the Commission's regulation at 52 Pa. Code § 65.8. Accelerated replacement of meters will benefit customers directly through more accurate meter readings.

c. Location of eligible property.

27. Columbia Water has described its location of eligible property in Section 3 of its LTIIP at page 8.

28. All the Company's eligible property is located in Lancaster and York Counties, Pennsylvania. More specifically, the property is in the boroughs of Columbia, Marietta and Mountville and in portions of the townships of West Hempfield, East Donegal, Hellam and Manor. Figure 1 in **Appendix A** is a map showing the Company's Columbia Division service territory.

d. Estimate of the quantity of eligible property to be replaced.

29. Columbia Water has described its estimate of the quantity of eligible property to be replaced in Section 4 of its LTIIP at page 8.

30. Table 3 in **Appendix A** identifies eligible property that is projected to be replaced in the next five years. These quantities were prepared based upon the best available information (planned municipal and utility projects, main break data, pipe age, etc.) at the time this plan was prepared. Actual quantities may vary depending on conditions that could change in the distribution system or changes made by the municipalities to their street projects.

e. Projected annual expenditures.

31. Columbia Water has described its projected annual expenditures of eligible property to be replaced in Section 5 of its LTIIP at pages 8 to 9.

32. Table 4 in **Appendix A** contains Columbia Water's projected budget for DSIC eligible property for the next 5 years, 2023 through 2027 and Table 5 in **Appendix A** contains the Company's projected expenditures by category.

33. These figures are based upon the quantities listed in Table 3 and recent construction costs. For all projects, the most prudent, cost-effective methods will be used to complete the project. Almost all eligible property is abandoned in place after the replacement infrastructure is installed and therefore is not salvageable. Meters can be salvaged and are sold at local salvage yards.

f. Acceleration of infrastructure replacement.

34. Columbia Water's plan for acceleration of infrastructure replacement of eligible property is detailed in Section 6 of its LTIIP at pages 9 to 10.

35. Columbia Water has a track record of investing in its infrastructure to maintain safe and reliable service to all its customers, including infrastructure not eligible for DSIC. Over the past 5 years considerable investment has occurred in major upgrades of its water system including a system-wide security system, four (4) emergency generators, repainted two tanks, and installing a new intake in the Susquehanna River. In addition, Columbia Water purchased an adjacent water system, East Donegal, that was being operated by part-time contractors.

36. In addition to these capital expenditures, Columbia Water, through use of its DSIC, continued to replace water mains, Company-owned service lines, valves, hydrants and meters. As shown in Figure 2 in **Appendix A,** Columbia Water has averaged around $200,000 a year in DSIC replacement expenditures over the last five (5) years. As a result of the major capital projects described above being completed, the Company projects accelerated spending on DSIC-related infrastructure replacement to increase to approximately $280,000 per year over the

next five (5) years. The projected DSIC eligible expenditures will accelerate the replacement of infrastructure by approximately 80 percent.

g. Workforce management plan and training.

37. Columbia Water explains its workforce management plan and training in Section 7 of its LTIIP at page 10.

38. To ensure system reliability, public safety, quality installation and cost-effectiveness, all DSIC eligible projects will be constructed by qualified personnel. The Company uses a competitive bidding process for the purchase of piping, valves and hydrants. A list of materials is prepared for the project and sent to the four (4) major pipe suppliers for price quotes. Columbia Water utilizes its own staff and equipment for the installation of water mains, company-owned service lines, valves, hydrants and meters. Company employees utilized for this type of work have extensive training in the use of heavy equipment, pipe laying procedures, disinfection procedures and safety training. For water mains greater than 12-inches in diameter, stream crossings or expedited PennDOT projects, the Company uses qualified local contractors for water main, valves and hydrant installations. These local contractors are prequalified based upon experience with similar projects, safety record, and qualifications of personnel. All project sites are inspected regularly throughout the construction process by Company personnel.

h. Outreach and coordination with other utilities.

39. Columbia Water explains its outreach and coordination with other utilities in Section 8 of its LTIIP at pages 10 to 11.

40. Columbia Water understands the significant benefit to its customers and municipalities when infrastructure is replaced and/or improved concurrently with other public infrastructure work. Columbia Water meets at least annually, and often times more frequently,

with the municipalities where it provides public water service to coordinate the replacement of water main with the reconstruction and/or repaving of streets and roadways. These meetings often times include the other utilities serving the same areas. Columbia Water coordinates its replacement projects to coincide with other planned roadway and utility work. PennDOT is very effective at notifying utilities well ahead of planned state highway projects making coordination of the work an easy process. In each of the municipalities where the Company provides public water service, public officials have a strong record of planning street projects far enough in advance to allow each of the major utilities to upgrade facilities as necessary. This directly reduces the cost to the Company and thus, to customers, by providing for less construction work and expense to replace these lines.

41. For each project, Columbia Water coordinates all work with the state or local municipality through planning meetings and the permitting process. In addition, the Company utilizes the PA One Call system to minimize utility conflicts and notifies customers of proposed work with door hangers throughout the construction process.

WHEREFORE, Columbia Water Company requests the Commission approve its Second Long-Term Infrastructure Improvement Plan without modification.

Respectfully submitted,

/s/ Whitney E. Snyder

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DATED: August 26, 2022

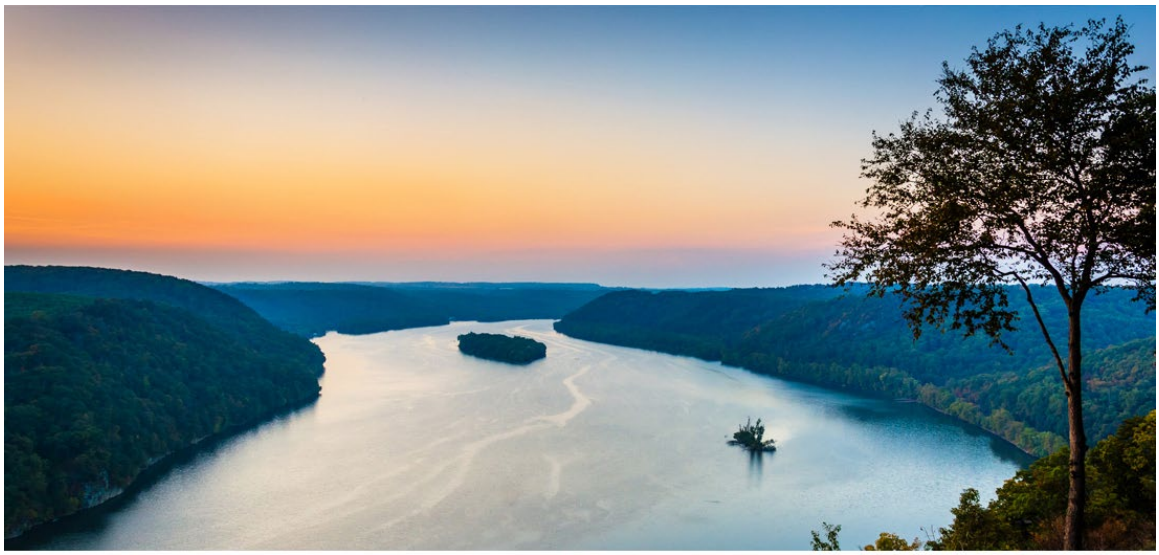
Counsel for The Columbia Water Company

APPENDIX A

COLUMBIA WATER COMPANY

LONG-TERM INFRASTRUCTURE IMPROVEMENT PLAN

2023-2027



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Introduction

In accordance with the requirements of 66 Pa. C.S. §§ 1350 - 1360 and the Public Utility Commission's Final Order for the Implementation of Act 11 of 2012 (Public Meeting of August 2, 2012, Docket No. M-2012-2293611), Columbia Water Company (CWC) is submitting this Long-Term Infrastructure Improvement Plan (LTIIP). CWC's LTIIP addresses infrastructure investment through its long-established and cost-effective Distribution System Improvement Charge (DSIC)[1,2]. This LTIIP incorporates the Marietta rate district and adjusts future spending projections to account for changes in available capital and the regulatory environment.

Since its establishment of a DSIC in April of 2003, CWC has replaced over 27,400 feet of pipe. This represents about 3.8% of its distribution system pipe that has been renewed through the DSIC program. In addition to pipe, CWC has replaced 940 service lines which is approximately 9% of the total service lines and 5,330 old age meters which is over 51% of the Company's meters. This has allowed CWC to continue to provide safe and reliable service to its customers. In addition, the DSIC has allowed the Company to manage infrastructure replacement costs in an effective manner by directly targeting those costs without the need for additional rate case filings, the reasonable costs of which are borne by the ratepayers.

Prior to Commission approval of the Company's last rate filing on March 1, 2018 at Docket No. R-2017-2598203, the Company operated two districts known as the Columbia District and the Marietta District. For purposes of the DSIC, the March 1, 2018 Commission Order combined the rate districts and made the Marietta Rate District DSIC eligible. Prior to the March 1, 2018 Commission Order, only the Columbia Rate District was DSIC eligible. This LTIIP is for CWC's distribution system which is located the Columbia and Marietta rate districts. It does not include the East Donegal rate district.

CWC provides public water service to residential, commercial, public and industrial customers in Columbia, Marietta and Mountville Boroughs, West Hempfield, Manor, and East Donegal Townships, Lancaster County and Hellam Township, York County, Pennsylvania. CWC served approximately 10,400 customers at the end of year 2021. Figure 1 shows the CWC service area covered by this LTIIP.

[1] The Pennsylvania Public Utility Commission authorized CWC to establish a DSIC through Final Order dated April 17, 2003 at Docket No. P-00021979.

[2.] The Pennsylvania Public Utility Commission authorized CWC to include the Marietta Rate District into its DSIC program through Final Order dated March 1, 2018 at Docket No. R-2017-2598203.

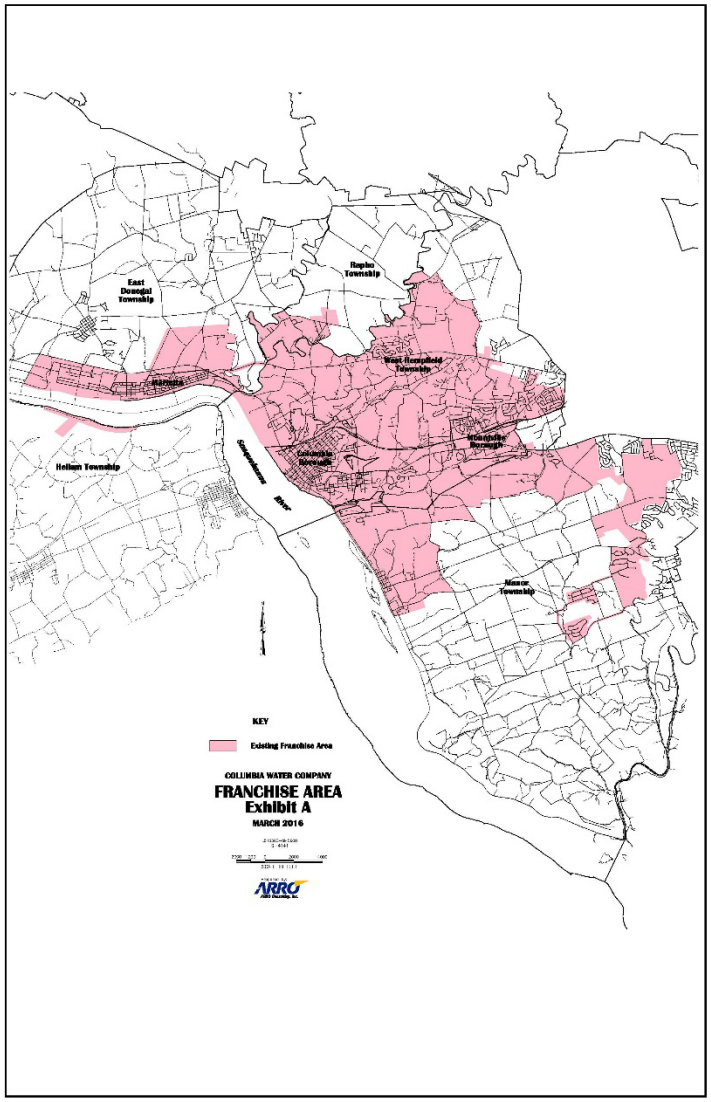

Figure 1 – Columbia Water Company Service Area

The CWC distribution system is comprised of water mains that vary in size from 4-inch through 36-inch with the material type being mainly cast iron and ductile iron. The age of the water mains range from the 1870s through 2021. The condition of the pipes vary throughout the system and age is not always the best indicator of pipe condition. Other factors like the original quality of the pipe, installation and geology impact the pipe condition and reliability.

This LTIIP identifies how CWC will use the DSIC to replace aging infrastructure at an accelerated pace. This LTIIP will identify the types and ages of infrastructure eligible for DSIC recovery; schedule for the planned replacements; location of the eligible property; estimates of the quantity to be replaced; projected annual expenditures; manner in which the replacement will be accelerated; workforce management plan to ensure work is completed safely and cost effectively; and description of outreach to other utilities to minimize disruption to customers; as well as the benefit to customers of accelerated infrastructure rehabilitation and replacement.

Section 1 – Types and Age of Eligible Property

A listing of all eligible property, as defined in 66 Pa. C.S. §1351 (3), is provided in this section. CWC developed and integrated a Geographic Information Systems (GIS) to map and manage its water system assets. The water system assets such as water mains, valves, hydrants, tanks, and service lines are spatially located and attributed with information about the distribution system. This information is supplemented with paper mapping and files as necessary. This process provides the means for CWC to document data and provides the Company with an efficient means to identify DSIC eligible facilities for replacement. These efficiencies translate into direct savings to the customers by specifically targeting the appropriate facilities to be replaced.

CWC owns the following water system components:

Water mains – In a water distribution system the water mains form the network necessary to distribute water to the customers. Larger water mains are used to move large volumes of water to pressure zones and key demand areas. Smaller mains fill in the network and are normally located beneath the streets and roads in the front of homes, businesses, schools and factories. Water gets delivered from the water main to the customer through a service line. CWC owns approximately 722,890 LF of water mains. The material type of the water main generally depends on the installation date and the installing party. Newer mains are normally ductile iron cement lined (DICL) pipe with the older mains being mainly unlined cast iron pipe. Very limited pockets of polyvinyl chloride (PVC) exist within the system.

Company-Owned Service lines - Water gets delivered from the water main to the customer's curb stop through a Company-owned, pressurized service line. CWC owns the service line between the water main and the curb stop ("Company-owned service line"). The service line from the curb stop to the customer's building ("Customer-owned service line") is owned by the customer and any replacement of the customer's portion of the service line is the responsibility of the customer and thus Customer-owned service lines are not included in this LTIIP. The Company-owned service lines vary in size from 6-inch down to ¾-inch with a majority of CWC's service lines being constructed of copper. Only copper is used when Company-owned service lines are replaced.

Valves – Valves are used to control the volume and direction of flow in the distribution system. They are also used to isolate sections of water main for replacements or repairs. Almost all valves are buried and are opened or closed through a valve box that extends from the valve to the ground surface. The valves vary in size from 4-inch through 16-inch. CWC owns approximately 3,535 valves in its system.

Hydrants – Hydrants are typically located along roadways and right-of-ways. Hydrants are used to flush water from the water system and to assist in fighting fires. Generally, a hydrant can be isolated from the distribution system by opening or closing a dedicated hydrant valve. Hydrants play a critical role in system maintenance and community fire protection. CWC owns approximately 978 hydrants in its system.

Meters – Meters are used to measure the amount of water used by a customer. Meters are sized based upon the amount of water a customer uses. Typically residential customers have a 5/8-inch

or 3/4-inch meter. Commercial customers have meters that range from 3/4-inch through 2-inch meters. Industrial customers normally have meters in the 2-inch through 6-inch range. CWC owns approximately 10,407 meters in its system.

Table 1 provides a breakdown of eligible property by type. Table 2 provides a breakdown of the water main by size.

Table 1 – Types and Age of Eligible Property

Property Type	Quantity	Age (Year)
Water mains **	722,890 LF	1875 - 2021
Company-owned service lines	10,407 EA	1875 - 2021
Valves	3,535 EA	1875 - 2021
Hydrants	978 EA	1875 - 2021
Meters	10,407 EA	1990 - 2021

** - less than 1% of all water mains were installed prior to 1900.

Table 2 – Quantity of Water Mains by Size

Water Main Diameter (inches)	Quantity (Linear Feet)
4	7,550
6	143,650
8	311,050
10	52,200
12	195,000
16	13,100
36	340
TOTAL	**722,890**

Section 2 – Schedule for Planned Replacement of Eligible Property

CWC understands the importance and benefits of continuous renewal of aging infrastructure to continue to provide safe and reliable service to our customers. This section provides an overview of the planning process for replacing aging water distribution system infrastructure. This section does not discuss the planning process for new water main extensions or for improvements to treatment, storage and pumping facilities since they are not DSIC eligible.

Many components must be evaluated and weighted when determining which infrastructure to replace in a given year. In general the following components, in order of priority, are used to select infrastructure to replace each year:

- Planned state highway improvements;
- Planned municipal street improvements;
- Planned large scale improvements by other utilities;
- Water main break frequency;
- Age;
- Material quality; and
- Installation quality.

The first three items are given the highest priority since CWC has little to no influence on the scheduling of work by outside entities. CWC understands the significant benefit to the customers and municipalities when infrastructure is replaced and/or improved concurrently with other public infrastructure work. CWC meets at least annually with the municipalities in which it serves public water to coordinate the replacement of water system infrastructure with planned street upgrades. This directly reduces the cost to the Company and thus, to customers, by providing for less construction work and expense to replace these lines.

Water main replacement – Work normally entails full replacement of the water main (as opposed to rehabilitate) since this option eliminates long-term structural and integrity deficiencies that remain when a water main is simply rehabilitated. Further, this option is also considerably less disruptive to the customer since the new main can be installed, tested and placed into service before moving service lines from the old main to the new main. Disruption of water service is minimal since the customer is without service during their service line switch over only. In areas where considerable construction or restoration costs would be incurred to replace a water main, rehabilitation of the existing main is pursued.

Valve and hydrant replacement – Work normally involves the full replacement of the valve and hydrant. Occasionally a relatively new valve or hydrant will be rebuilt and/or reused but only in those situations where the reliability and integrity are well known. Valves and hydrants normally get replaced at the same time a water main is being replaced or rehabilitated. There are times when critical valves and hydrants are replaced independently of a full scale water replacement project. Properly operating valves greatly benefit the customers since it minimizes the geographic area impacted by a main repair and minimizes the amount of time needed to make a repair. A schedule of valve and hydrant replacements is provided in Table 1.

Company-Owned Service line replacement – Work normally involves the full replacement of the company-owned service line between the water main and the curb stop. The work will include replacement of the curb stop and curb box. Company-owned service lines get replaced during full scale water replacement projects or if the Company determines they otherwise need to be replaced due to conditions including but not limited to leaks or malfunction.

Meter replacement or repair– Residential and commercial meters normally involve full replacement. Some commercial and industrial meters can be rehabilitated. Meter replacement is typically based upon meter age. CWC replaces its meters in compliance with the schedule in the Commission's regulation at 52 Pa. Code § 65.8. Accelerated replacement of meters will benefit customers directly through more accurate meter readings.

Section 3 – Location of Eligible Property

All of the CWC's eligible property is located in Lancaster and York Counties, Pennsylvania. More specifically, the property is located in the boroughs of Columbia, Marietta and Mountville and in portions of the townships of West Hempfield, East Donegal, Hellam and Manor. See Figure 1 for additional details.

Section 4 – Estimate of the Quantity of Eligible Property to be Replaced

Table 3 identifies eligible property that is projected to be replaced in the next five years. These quantities were prepared based upon the best available information (planned municipal and utility projects, main break data, pipe age, etc.) at the time this plan was prepared. Actual quantities may vary depending on conditions that could change in the distribution system or changes made by the municipalities to their street projects.

Table 3 – Projected Quantities of Eligible Property to be Replaced for 2023 - 2027

Year	Water Main (LF)	Service lines (ea.)	Valves	Hydrants	Meters
2023	1,200	30	5	3	140
2024	1,200	30	5	3	140
2025	1,200	30	5	3	140
2026	1,200	30	5	3	140
2027	1,200	30	5	3	140

Section 5 – Projected Annual Expenditures

The projected annual expenditures for the 2023 to 2027 period are listed in Table 4 below. These estimates are based upon the quantities listed in Table 3 and recent construction costs. A break down by category is provided in Table 5.

Table 4 – Projected Annual Expenditures for 2023 - 2027

Year	Projected Annual Expenditures
2023	$280,000
2024	$280,000
2025	$280,000
2026	$280,000
2027	$280,000

Table 5 – Projected Annual Expenditures by Category for 2023 - 2027

Year	Water Main	Service lines	Valves	Hydrants	Meters	Total
2023	$160,000	$45,000	$15,000	$10,000	$50,000	$280,000
2024	$160,000	$45,000	$15,000	$10,000	$50,000	$280,000
2025	$160,000	$45,000	$15,000	$10,000	$50,000	$280,000
2026	$160,000	$45,000	$15,000	$10,000	$50,000	$280,000
2027	$160,000	$45,000	$15,000	$10,000	$50,000	$280,000

For all projects, the most prudent, cost-effective methods will be used to complete the project. Almost all eligible property is abandoned in place after the replacement infrastructure is installed and therefore is not salvageable. Meters can be salvaged and are sold at local salvage yards.

Section 6 – Acceleration of Infrastructure Replacement

CWC has a track record of investing in its infrastructure to maintain safe and reliable service to all of its customers including infrastructure not eligible for DSIC. Over the past 5 years considerable investment has occurred in major upgrades of its water system including a system-wide security system, four (4) emergency generators, repainted two tanks, and installing a new intake in the Susquehanna River. In addition CWC purchased an adjacent water system that was being operated by part-time contractors.

In addition to the capital expenditures listed above, CWC, through the use of its DSIC, continued to replace water mains, Company-owned service lines, valves, hydrants and meters. Figure 2 graphs the projected and historical DSIC eligible capital expenditures. With the completion of the large projects listed above, additional capital will be directed towards expediting infrastructure replacement.

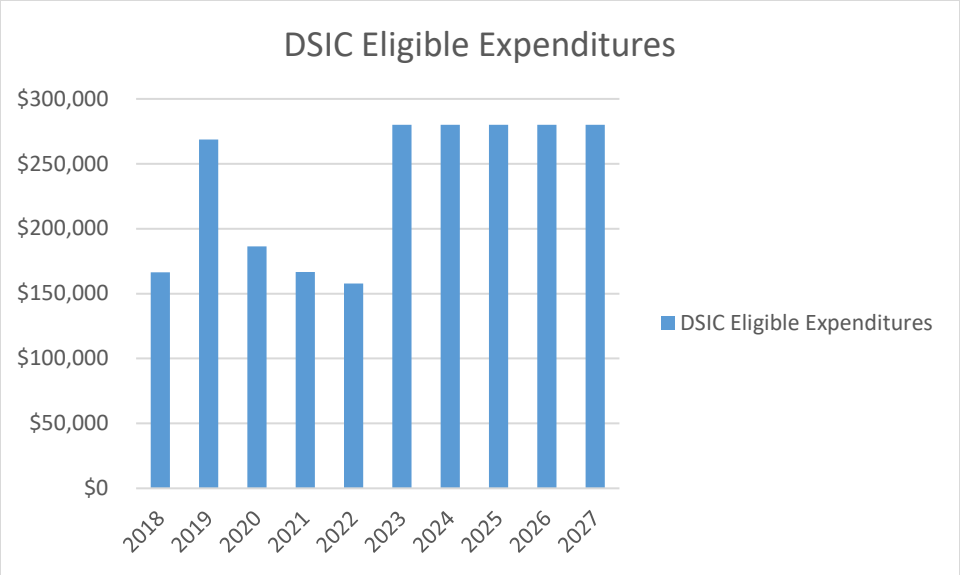

Figure 2 – Projected and Historic DSIC Eligible Expenditures

The projected DSIC eligible expenditures will accelerate the replacement of infrastructure by approximately 80 percent.

Section 7 – Workforce Management Plan and Training

To ensure system reliability, public safety, quality installation and cost-effectiveness, all DSIC eligible projects will be constructed by qualified personnel. CWC uses a competitive bidding process for the purchase of piping, valves and hydrants. A list of materials is prepared for the project and sent to the four (4) major pipe suppliers for price quotes. CWC utilizes its own staff and equipment for the installation of water mains, company-owned service lines, valves, hydrants and meters. Company employees utilized for this type of work have extensive training in the use of heavy equipment, pipe laying procedures, disinfection procedures and safety training. For water mains greater than 12-inches in diameter, stream crossings or expedited Pa DOT projects, CWC uses qualified local contractors for water main, valves and hydrant installations. These local contractors are prequalified based upon experience with similar projects, safety record, and qualifications of personnel. All project sites are inspected regularly throughout the construction process by Company personnel.

Section 8 – Outreach and Coordination with other Utilities

CWC meets annually, and often times more frequently, with the municipalities where it provides pubic water service to coordinate the replacement of water main with the reconstruction and/or repaving of streets and roadways. These meetings often times include the other utilities serving the same areas. CWC coordinates its replacement projects to coincide with other planned roadway

and utility work. PaDOT is very effective at notifying utilities well ahead of planned state highway projects making coordination of the work an easy process. In each of the municipalities where CWC provides public water service, public officials have a strong record of planning street projects far enough in advance to allow each of the major utilities to upgrade facilities as necessary.

For each project, CWC coordinates all work with the state or local municipality through planning meetings and the permitting process. In addition, CWC utilizes the PA One Call system to minimize utility conflicts and notifies customers of proposed work with door hangers throughout the construction process.

CERTIFICATE OF SERVICE

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

BY EMAIL ONLY

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/s/ Whitney E. Snyder
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Whitney E. Snyder

Dated this 26th day of August 2022