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August 30, 2022

VIA eFILING

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

**Re: Pennsylvania Public Utility Commission v.
Pennsylvania-American Water Company
Docket Nos. R-2022-3031672 and R-2022-3031673**

Dear Secretary Chiavetta:

Enclosed for filing in the above-captioned proceedings is the **Errata to Pennsylvania-American Water Company's Direct Testimony of James Runzer – PAWC Statement No. 2** ("Errata"). As evidenced by the Certificate of Service, copies of the Errata are being served upon Deputy Chief Administrative Law Judge Joel H. Cheskis and all parties of record.

If you have any questions, please do not hesitate to contact me at 215.963.5384.

Very truly yours,



Kenneth M. Kulak

KMK/tp
Enclosures

c: Per Certificate of Service (w/encls.)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

| | | |
|---|---|--|
| PENNSYLVANIA PUBLIC UTILITY COMMISSION | : | DOCKET NOS. R-2022-3031672 R-2022-3031673 |
| | : | |
| v. | : | |
| | : | |
| PENNSYLVANIA-AMERICAN WATER COMPANY | : | |
| | : | |

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served a copy of the **Errata to the Direct Testimony of Jim Runzer – PAWC Statement No. 2** on behalf of Pennsylvania-American Water Company on the persons below in the manner specified in accordance with the requirements of 52 Pa. Code § 1.54:

VIA ELECTRONIC MAIL

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Dated: August 30, 2022

*Counsel for
Pennsylvania-American Water Company*

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

| | | |
|------------------------------------|---|----------------------------------|
| PENNSYLVANIA PUBLIC UTILITY | : | Docket No. R-2022-3031672 |
| COMMISSION | : | Docket No. R-2022-3031673 |
| | : | |
| v. | : | |
| | : | |
| PENNSYLVANIA-AMERICAN WATER | : | |
| COMPANY | : | |

ERRATA

On April 29, 2022, Pennsylvania-American Water Company (“PAWC” or the “Company”) filed its Direct Testimony and accompanying Exhibits in the above referenced matter. Upon review of the as-filed Direct Testimony of James Runzer, PAWC Statement No. 2, PAWC discovered two items requiring correction. On page 1, there is language that is no longer accurate in light of very recent organizational changes. On page 42, there is an error in the stated employee headcount number. Accordingly, PAWC submits the following errata with replacement pages (included as Attachment A) that incorporate the corrections. Please note that the employee headcount figure that was inadvertently incorrectly stated in Mr. Runzer’s testimony was correctly stated in the Direct and Rebuttal Testimony of Lori N. O’Malley (PAWC Statement No. 5, p. 6 and PAWC Statement No. 5-R, p. 4).

| Page/Line No(s). | Reads | Should Read |
|--------------------|--|--|
| Page 1, lines 7-12 | Due to the geographical size of the Company’s service territory and the large number of customers, PAWC Operations is divided into two areas. As Vice President Operations of Central and Eastern PA, I am responsible for all of the water and wastewater operations in 22 districts. Diane Holder, Vice President of | I am responsible for all of the water and wastewater operations in PAWC’s 38 districts and manage a team of approximately 1,046 professionals, serving 2.3 million Pennsylvanians. |

| Page/Line No(s). | Reads | Should Read |
|------------------|--|---|
| | Western Operations is responsible for 16 districts. Together, we are responsible for managing a team of approximately 1,046 professionals, serving 2.3 million Pennsylvanians. | |
| Page 42, line 18 | We have identified 1,226 in the FPPTY equivalent employees as the appropriate staffing level for the Company's water and wastewater operations. | We have identified 1,263 in the FPPTY equivalent employees as the appropriate staffing level for the Company's water and wastewater operations. |



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Dated: August 30, 2022

*Counsel for
Pennsylvania-American Water Company*

ATTACHMENT A

PENNSYLVANIA-AMERICAN WATER COMPANY

DIRECT TESTIMONY OF JIM RUNZER

1 **Q. Please state your name and business address for the record.**

2 A. Jim Runzer, 852 Wesley Drive, Mechanicsburg, Pennsylvania 17055.

3 **Q. By whom are you employed and in what capacity?**

4 A. I am employed by Pennsylvania-American Water Company (“PAWC” or “Company”) as
5 the Vice President – Operations.

6 **Q. What are your responsibilities as PAWC’s Vice President - Operations?**

7 A. I am responsible for all of the water and wastewater operations in PAWC’s 38 districts and
8 manage a team of approximately 1,046 professionals, serving 2.3 million Pennsylvanians.

9 **Q. Please describe your professional education and experience.**

10 A. I received a bachelor’s degree in education in 1991 from Kean University and a Master of
11 Business Administration in 2012 from the Keller Graduate School of Management. I also
12 completed Advanced Water Treatment and Distribution certification from the Camden
13 County Institute of Technology in 2004 and Advanced Wastewater Collection certification
14 from the University of Sacramento in 2014.

15 I began my career at American Water in 1994 as a bargaining unit employee for
16 New Jersey American Water Company (“NJAWC”), working in both Production and Field
17 Operations until being promoted to Operations Supervisor for NJAWC in Mount Holly,

1 The Company continually strives to find more efficient and cost-effective ways to
2 operate and maintain its business. As part of that effort, we strive to manage our cost
3 structure as efficiently as possible, including employee costs. We recognize our duty to
4 staff our business in a manner consistent with the provision of safe, reliable and affordable
5 utility service. This requires a constant evaluation of the right mix of internal and contract
6 labor, straight time versus overtime, training programs, and supplementing or, when
7 prudent, replacing labor with technology. In this vein, we continue to evaluate costs and
8 expenses going forward, always looking for the best solution for the unique and changing
9 challenges we face. A substantial portion of PAWC's cost structure is associated with the
10 Company's cost of labor, and as a position becomes vacant in our organization, we look to
11 the value of that position. We review the overall need for that position and consider, among
12 other things, whether it should be transferred to another area, modified, or even eliminated.
13 Cost control and improved business performance are the goals of these efforts. We
14 continue to evaluate the new roles that will be created as new regulatory requirements are
15 promulgated, and the appropriate positions that PAWC will need to optimize recent
16 technology and most effectively serve our customers.

17 **Q. What is PAWC's forecasted staffing level in this case?**

18 A. We have identified 1,263 in the FPPTY equivalent employees as the appropriate staffing
19 level for the Company's water and wastewater operations. The number of employees is
20 based upon each department and each functional area's need to provide safe, adequate,
21 efficient, and reliable service to the Company's customers. Service needs and related
22 resource requirements are consistent with meeting regulatory requirements, tariff