

**PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
HARRISBURG, PA 17120**

Public Meeting held October 27, 2022

Commissioners Present:

Gladys Brown Dutrieuille, Chairman  
Stephen M. DeFrank, Vice Chairman  
Ralph V. Yanora  
Kathryn L. Zerfuss  
John F. Coleman, Jr.

Joint Application of The York Water Company-Wastewater (York Water-WW) and SYC WWTP, L.P. (SYC), for approval of: (1) the transfer by sale of certain public wastewater facilities and rights from SYC to York Water-WW; (2) the transfer by sale of wastewater collection facilities from Almony's Enterprise, LLC, Adhesives Research, Inc., Madison Range, Inc., Rodney L. Krebs, Rodney L. Krebs Family L.P., SCI/RLK Partners, and R.T. Barclay, Inc. to York Water-WW; (3) the transfer by sale of wastewater collection facilities within Albright Trailer Park from R.T. Barclay, Inc. to York Water-WW; (4) the abandonment by SYC of wastewater service to the public in Springfield and Shrewsbury Townships, York County, Pennsylvania; and (5) York Water-WW to begin to offer, render, furnish or supply wastewater service to the public in additional portions of Springfield and Shrewsbury Townships, York County, Pennsylvania

Docket Nos.  
A-2021-3029231  
A-2021-3029237

**ORDER**

**BY THE COMMISSION:**

By the joint application (Joint Application) filed on October 20, 2021, The York Water Company – Wastewater (York Water-WW), Utility Code 230087, and SYC WWTP, L.P. (SYC), Utility Code 2313427, seek certificates of public convenience pursuant to Sections 1102(a)(1)(i), (2), and (3) of the Pennsylvania Public Utility Code, 66 Pa.C.S. §§ 1102(a)(1)(i), (2), and (3), evidencing Pennsylvania Public Utility Commission (Commission) approval of: (1) the transfer by sale of certain public wastewater facilities and rights from SYC to York Water-WW; (2) the transfer by sale of

wastewater collection facilities from Almony's Enterprise, LLC, Adhesives Research, Inc., Madison Range, Inc., Rodney L. Krebs, Rodney L. Krebs Family L.P., SCI/RLK Partners, and R.T. Barclay, Inc. to York Water-WW; (3) the transfer by sale of wastewater collection facilities within Albright Trailer Park from R.T. Barclay, Inc. to York Water-WW; (4) the abandonment by SYC of wastewater service to the public in Springfield and Shrewsbury Townships, York County, Pennsylvania; and (5) York Water-WW to begin to offer, render, furnish or supply wastewater service to the public in additional portions of Springfield and Shrewsbury Townships, York County, Pennsylvania.

## **I. AFFECTED ENTITIES AND BACKGROUND**

York Water-WW is a regulated public utility company, duly organized and existing under the laws of the Commonwealth of Pennsylvania with offices located at 130 East Market Street, York, Pennsylvania 17401. As of December 31, 2021, York Water-WW furnished wastewater service to 3,357 customers located in portions of East Manchester and Lower Windsor Townships, and the Boroughs of East Prospect, West York, Jacobus, and portions of Felton, York County; portions of Straban Township, Adams County; and a portion of Letterkenny Township, Franklin County. York Water-WW is a division of The York Water Company (York Water), Utility Code 213550. As of December 31, 2021, York Water provided water service to 69,782 customers in 51 municipalities throughout portions of York and Adams Counties.

SYC is a regulated public utility company, duly organized and existing under the laws of the Commonwealth of Pennsylvania with a mailing address of 93 Hillside Drive, Steamboat Springs, Colorado 80487. SYC owns and operates a wastewater collection, treatment, and disposal system and related assets (SYC System) and was established as a limited partnership on September 14, 2010, for the purpose of succeeding Exit II W.W.T.P., Inc. (Exit II), Utility Code 230044, as the wastewater service provider to an industrial park.<sup>1</sup> The Joint Application indicated that SYC provides wastewater service

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<sup>1</sup> See *Joint Application of Exit II and SYC for approval of a certificate of public convenience to transfer by merger the wastewater service assets of Exit II into SYC*, Order entered August 1, 2011, at Docket No. A-2011-2236806.

to approximately 11 commercial, nine industrial, and one residential customer. Approximately eight SYC customers are served by a privately-owned wastewater collection system that extends outside of SYC's certificated service territory and interconnects with the SYC System at a connection point within SYC's certificated service territory (the North System). In supplemental information filed with the Commission, York Water-WW indicated that SYC also serves eight reserved capacity customers. York Water-WW entered an agreement with SYC dated October 8, 2013, to purchase the SYC System. York Water-WW subsequently entered an amended and restated purchase agreement with SYC on July 24, 2020.

Almony's Enterprise, LLC (Almony's) is a limited liability company with a mailing address of 10709 South Susquehanna Trail, Glen Rock, Pennsylvania 17327. Adhesives Research, Inc. (Adhesives Research) is a corporation with a mailing address of 400 Seaks Run Road, Glen Rock, Pennsylvania 17327. Madison Range, Inc., Rodney L. Krebs Family Limited Partnership, SCI/RLK Partners, and Rodney L. Krebs (collectively, Madison Range) are a corporation, partnership, apparent partnership, and individual, respectively, all with a mailing address of 290 Seaks Run Road, Glen Rock, Pennsylvania 17327. R.T. Barclay, Inc. d/b/a Albright Trailer Park (Albright) is a corporation with a mailing address of 14871 Mt. Oliver Road, Stewartstown, Pennsylvania 17363. Almony's, Adhesives Research, Madison Range, and Albright (collectively, the North Parties) own and operate the North System, which serves approximately nine customers, including Albright. York Water-WW entered an agreement with the North Parties dated April 29, 2021 (North System Agreement), to acquire the North System. York Water-WW also entered an agreement with Albright dated July 1, 2020 (Albright Agreement), to purchase the wastewater collection system owned and operated by Albright (Albright WW System) within the Albright Trailer Park. In supplemental information filed with the Commission, York Water-WW indicated that the Albright WW System serves 46 residential customers.

York Water is certificated to provide public water service throughout the wastewater service territory requested in the Joint Application. No change to water service is contemplated through this Joint Application. However, simultaneous with the Joint Application, York Water filed an application requesting approval to acquire the water distribution assets of Albright. The Commission approved that application in an Order entered August 25, 2022, at Docket No. A-2021-3029261.

York Water-WW submitted proofs of publication and service to the appropriate entities. Notice of the Joint Application was published in the *Pennsylvania Bulletin*, 51 Pa.B. 7035, on Saturday, November 6, 2021. The protest period ended November 22, 2021. No protests were filed, and no hearings were held.

## **II. LOCATION AND DESCRIPTION OF THE REQUESTED TERRITORY**

Most of the area of the requested service territory is situated in the southcentral portion of Springfield Township, York County, between Susquehanna Trail S and the Interstate 83 corridor, with portions extending into Shrewsbury Township to encapsulate SYC's certificated service territory. Portions of the requested service territory extend west of Susquehanna Trail S to include the property currently served by Albright and north to encompass properties owned by the North System Parties. In total, the requested service territory includes an area of approximately 493 acres. The Joint Application's Corrected Exhibit D consisted of a map of the requested territory and the Joint Applications' Exhibit E consisted of a written description of the territory's boundaries, by bearing angles and distances.<sup>2</sup>

## **III. DESCRIPTION OF FACILITIES FURNISHING SERVICE**

York Water-WW will acquire the real estate, easements, rights-of-way, improvements, personal property, fixtures, and equipment of SYC and all physical plant, property, and equipment of the SYC System, North System, and Albright WW System.

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<sup>2</sup> In supplemental information filed with the Commission, York Water-WW indicated that it inadvertently filed an incorrect Exhibit D with the Joint Application. York Water-WW filed the Corrected Exhibit D.

In supplemental information filed with the Commission, York Water-WW provided a Revised Exhibit D-1 to the Joint Application which identified SYC System assets as: one 80,000 gallon per day (GPD) wastewater treatment plant (WWTP); 4,852 linear feet (LF) of eight-inch diameter polyvinyl chloride (PVC) gravity main; 20 four-foot diameter precast concrete manholes; and 13 six-inch diameter PVC laterals of various lengths. North System assets were identified to include: 3,760 LF of eight-inch diameter PVC gravity main; 13 four-foot diameter precast concrete manholes; and seven six-inch diameter PVC laterals totaling 70 LF. Also, in supplemental information filed with the Commission, York Water-WW provided a Revised Corrected Exhibit D that depicted the North System connection point to the SYC System, within SYC's certificated service territory.<sup>3</sup> The Albright WW System is connected to the North System prior to the North System's connection to the SYC System, and Albright WW System assets include: 3,315 LF of eight-inch diameter PVC gravity main; six four-foot diameter precast concrete manholes; and 46 laterals of unknown diameters and lengths.

In the Joint Application, York Water-WW averred that the current 80,000 GPD, or 228 Equivalent Dwelling Unit (EDU), capacity of the WWTP exceeds the current average demand of 27,000 GPD. York Water-WW indicated that for the purpose of determining plant capacity, one EDU equals 350 GPD. The Joint Application's Exhibit H consisted of estimations of the number of customers and projected demand at the years 2021, 2030, and 2040. At build out in 2040, York Water-WW indicated that it anticipates the requested service territory to include approximately 12 commercial, 18 industrial, and 46 residential customers with approximately 200 EDUs, or 70,000 GPD, of capacity in-service and that the facilities have sufficient capacity to provide service to all existing and anticipated customers within the existing service area.

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<sup>3</sup> Corrected Exhibit D and Revised Corrected Exhibit D depict the same requested territory, but Revised Corrected Exhibit D separately identified the location or route of North System and SYC System wastewater facilities, respectively.

#### **IV. PURCHASE AGREEMENTS**

On October 8, 2013, York Water-WW and SYC entered an Agreement of Sale (2013 Agreement) for York Water-WW to acquire the SYC System. York Water-WW and SYC were unable to satisfy all conditions and contingencies of the 2013 Agreement and on July 24, 2020, entered an Amended and Restated Agreement of Sale (Amended Agreement). Copies of the 2013 Agreement and the Amended Agreement were provided as the Joint Application's Exhibit K and Exhibit K-1, respectively. The Amended Agreement maintained the purchase price of \$365,000 under the 2013 Agreement and indicated that the 2013 Agreement remains in full force and effect, subject to the amendments or additional terms of the Amended Agreement. A breakdown of the allocation of the purchase price was provided as the Amended Agreement's Appendix B.

In the Amended Agreement, SYC System assets are described as: all real property and improvements located at Industrial Road, Springfield Township, York County, bearing Parcel Identification Number 47000DI0058H000000; personal property; rights; agreements; equipment; machinery; facilities and tools of SYC used or useful in operating the SYC System and conducting the business; and the goodwill of the business. Excluded assets were identified as: all funds of SYC, including checking and savings accounts, accounts receivable, insurance, prepaid expenses, and other investments; SYC's corporate records, original tax returns, financial statements and other records; and the name "SYC WWTP."

SYC represented in the Amended Agreement that it has good and marketable title to the SYC System and that the assets are free and clear of all liens and encumbrances except the easements, conditions and restrictions that have been disclosed to York Water-WW and do not materially impact the operation of the SYC System. SYC also warranted that EDU reservation fees are paid in arrears, that the reservation holders are current with their fees, and that no reservation holder has made a pre-payment of reservation fees. Schedule 5.2 of the Amended Agreement identified total plant capacity to be 228 EDUs with 119 EDUs in use, 28 EDUs reserved, and 81 EDUs of total available plant capacity.

Closing of the Amended Agreement is conditioned upon execution of the North System Agreement and the Albright Agreement. Correspondingly, the closings of the North System Agreement and Albright Agreement are to take place simultaneously with the close of the Amended Agreement.

A copy of the North System Agreement was provided as the Joint Application's Exhibit K-2 and described that the North System Parties or their predecessors entered into a cost sharing agreement dated November 13, 1995, to extend wastewater collection facilities from the SYC WWTP to provide wastewater treatment service to their properties, and the North System Parties will now collectively sell those facilities to York Water-WW for the nominal amount of one dollar. North System assets are described in Section III of this Order and excluded assets are described in the North System Agreement's Appendix A-2 to include a force main and grinder pump system connected to Adhesives Research's property and private laterals connecting certain properties to the North System collection main. York Water-WW also agreed to continue to allow certain North System Parties to continue to reserve capacity in the SYC WWTP at the rate of \$50.00 per quarter per EDU. The North System Agreement's Schedule 2.2 indicated that the North System is currently collecting and conveying wastewater from nine industrial and commercial customers using 84 EDUs of capacity and with an additional 28 EDUs reserved. Finally, the North System Agreement's Appendix B identified the permanent water line utility easements granted to York Water-WW by certain North System Parties to permit York Water-WW access to lands required to operate, maintain, and upgrade North System assets.

The Joint Application's Exhibit K-4 consisted of a copy of the Albright Agreement and its Exhibit K-5 consisted of a copy of the Permanent Utility and Access Easement Agreement between York Water-WW and Albright. Through the Albright Agreement, York Water-WW will acquire the Albright WW System and Albright's water facilities for the nominal consideration of one dollar. Albright WW System assets are described in Section III above and excluded assets were described in the Albright

Agreement as all funds designated as funds of Albright and other investments related to the Albright WW System. Unless otherwise agreed to by York Water-WW and Albright, the closing date of this agreement is to take place following a “Notice of Completion of Facilities” by York Water-WW. This notice is associated with work required for York Water to provide water service to residents of Albright and to individually bill residents for metered water and wastewater service.<sup>4</sup> In supplemental information filed with the Commission, York Water-WW provided a copy of a *pro forma* notice of completion of facilities. The Permanent Utility and Access Easement Agreement described the extent of the easement and included a map depicting the Albright land parcel encompassing the existing wastewater facilities.

## **V. ADDITIONAL CAPITAL REQUIREMENTS**

In the Joint Application, York Water-WW indicated that it would incur an estimated cost of \$60,000 to install supervisory control and data acquisition (SCADA) equipment. York Water-WW also noted that it conducted a full video and telemetry assessment of the entire North System. The assessment revealed significant structural defects which result in considerable inflow and infiltration (I&I), straining the treatment capacity and degrading the operational longevity of the WWTP. Following the acquisition, York Water-WW notes that it will undertake the appropriate repairs and replacements to reduce I&I. In supplemental information filed with the Commission, York Water-WW indicated that it had not yet completed an inventory of all defects or calculated the estimated rehabilitation costs. York Water-WW averred that the North System Parties have failed to correct the structural defects and I&I issues because they lack the necessary resources and expertise, and that York Water-WW only agreed to purchase the North System for \$1.00 in consideration of the cost it will incur to rehabilitate the North System. York Water-WW also noted that any additional capacity

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<sup>4</sup> As noted in Section 1, York Water received Commission approval to acquire the water distribution assets of Albright.

requirements will be provided by the developers that create the demand, consistent with York Water-WW's wastewater tariff provisions.

In the Joint Application, York Water-WW indicated that the purchase price and the cost to install SCADA will be financed by internally generated funds, proceeds from the issuance of common stock under its dividend reinvestment and direct stock purchase and employee stock purchase plans, and, initially, borrowing against its lines of credit.

York Water-WW noted the following tentative journal entries to record the SYC System, North System, and Albright WW System acquisition transactions in its accounts:

1. Record Purchase of System

Account No.	Account Description	Debit	Credit
105	Construction Work in Progress	\$365,001	
131	Cash		\$365,001

2. Close Project to Utility Plant

Account No.	Account Description	Debit	Credit
101	Utility Plant in Service	\$1,200,001	
108	Accumulated Depreciation		\$673,000
114	Utility Plant Acquisition Adjustment		\$162,000
105	Construction Work in Progress (Purchase Price + Other Acquisition Costs)		\$365,001

3. Record Other Project Costs

Account No.	Account Description	Debit	Credit
105	Construction Work in Progress	\$60,000	
224	Line of Credit Borrowings (SCADA)		\$60,000

#### 4. Close Projects to Utility Plant

Account No.	Account Description	Debit	Credit
101	Utility Plant in Service	\$60,000	
105	Construction Work in Progress		\$60,000

In the Joint Application, York Water-WW indicated that it will perform an original cost study after closing to determine the original cost and accumulated depreciation of the SYC System, North System, and Albright WW System. By this Order, York Water-WW will be required to file a copy of the original cost study of the acquired assets with the Commission upon completion of said study.<sup>5</sup> Additionally, York Water-WW will be directed to identify this transaction for individual review in the context of York Water-WW's next general rate case that proposes to include the value of these assets in rate base to evaluate the reasonableness of the original cost, contributions, accumulated depreciation, and any utility plant acquisition adjustment claims pursuant to Section 1327 of the Public Utility Code, 66 Pa.C.S. § 1327.<sup>6</sup>

#### VI. PROPOSED RATES

Through its effective tariff, SYC currently charges a rate, based on metered water usage data provided to SYC by York Water, of \$335.55 per quarter plus \$15.44 per 1,000 gallons of usage over 350 GPD in a quarterly billing period (i.e., approximately 31,500 gallons per quarter), a reservation fee of \$10 per gallon or \$3,500 per EDU, and a reserved capacity fee of \$50 per EDU per quarter. SYC's effective tariff also includes a quarterly charge of \$250 per EDU for customers billed on a flat rate basis. A copy of SYC's effective tariff was provided as the Joint Application's Exhibit P-1.<sup>7</sup>

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<sup>5</sup> See Ordering Paragraph No. 9.

<sup>6</sup> See Ordering Paragraph No. 10.

<sup>7</sup> See *Joint Application of Exit II and SYC for Approval of a Certificate of Public Convenience to Transfer by Merger the Wastewater Service Assets of Exit II into SYC WWTP*, Order entered Aug. 1, 2011, at Docket No. A-2011-2236806, Ordering Paragraph No. 4. On September 12, 2011, SYC filed an adoption supplement with the Commission at Docket No. A-2011-2236806 to adopt Exit II WWTP, Inc.'s Tariff – Wastewater-PA. P.U.C. No. 2 as SYC's Tariff – Wastewater-Pa. P.U.C. No. 1.

In 2013 and again in 2021, York Water-WW notified SYC's customers of the agreement to purchase the SYC System and its intent to replace SYC's existing quarterly rates with monthly rates for wastewater service. Copies of York Water-WW's notices were provided as the Joint Application's Exhibit M and Exhibit M-1, respectively. The customer notices indicated commercial and industrial customers will be charged a monthly flat rate of \$112.00 plus \$15.44 per 1,000 gallons of water consumed over 10,500 gallons monthly. York Water-WW provided Albright Trailer Park residents with notice of the acquisition and that they will be charged a metered rate of \$40 plus \$5 per 1,000 gallons of water consumed over 3,000 gallons monthly. A copy of the Albright Trailer Park notification was provided in the Joint Application as Exhibit M-2. As discussed below, York Water-WW revised these rates in its revised *pro forma* tariff supplement.

York Water-WW's revised *pro forma* tariff supplement, filed as supplemental information with the Commission, indicated that York Water-WW intends to adopt SYC's reservation fee of \$10 per gallon, or \$3,500 per EDU, and its reserved capacity fee of \$50 per quarter per EDU. The revised *pro forma* tariff supplement updated the rate that York Water-WW intends to charge commercial and industrial customers to a monthly rate, based on metered water usage, of \$111.85 for the first 10,500 gallons of usage plus \$15.44 per 1,000 gallons of additional usage, which is an approximate equivalent to SYC's quarterly charges. For residential customers, York Water-WW proposed an updated residential monthly rate of \$40 for the first 4,000 gallons of usage plus \$5 per 1,000 gallons of additional usage.

In order to be consistent with SYC's current tariff, the revised *pro forma* tariff supplement also included a monthly flat rate charge of \$111.85 per EDU for industrial and commercial customers, proposed a monthly flat rate of \$40 for residential customers, and incorporated a table from SYC's current tariff defining the number of EDUs applicable to different types of customers. In supplemental information filed with the Commission, York Water-WW indicated it intended to update the revised *pro forma*

tariff supplement to include a monthly flat rate charge of \$83.33 per EDU for industrial, commercial, and residential customers so that the rate would be approximately equivalent to SYC's current quarterly flat rate charge of \$250 per EDU, in lieu of the flat rate charges identified. However, York Water-WW's revised *pro forma* tariff supplement did not revise the \$111.85 flat rate charge to \$83.33 per EDU for industrial, commercial, and residential customers as York Water-WW indicated was its intent. Thus, we shall direct York Water-WW to file a tariff supplement that includes York Water-WW's proposed monthly flat rate charge for connected industrial, commercial, and residential customers to \$83.33 per EDU.<sup>8</sup>

York Water-WW estimated annual revenue for providing wastewater service to customers within the requested territory to be approximately \$55,390 and annual operating expenses to be \$31,904 including operation and maintenance, depreciation, tax expenses. The estimated revenue and expenses would result in a net annual operating income of approximately \$23,486. A calculation of the estimated annual revenue and expenses was provided in the Joint Application as Exhibit N and was later revised in supplemental information filed with the Commission.

## **VII. PERMITS, EASEMENTS, AND RIGHTS-OF-WAY REQUIRED**

The Joint Application's Exhibit Q consisted of a copy of SYC's National Pollutant Discharge Elimination System (NPDES) permit, which lists York Water-WW as the permittee. In supplemental information filed with the Commission, York Water-WW provided a copy of an application to the Pennsylvania Department of Environmental Protection (DEP), dated December 29, 2013, for the transfer of SYC's NPDES and Water Quality Management permits to York Water-WW, which included copies of the applicable permits. Additionally, York Water-WW provided a copy of a letter from DEP, dated March 6, 2014, that indicated the permits had been transferred as requested. York

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<sup>8</sup> See Ordering Paragraph No. 6.

Water-WW will acquire SYC's easements and rights-of-way and has entered into agreements with the North System Parties for additional easements.

## **VIII. OPERATIONS UNDER YORK WATER-WW**

York Water-WW indicated that it will begin providing wastewater service to the public five days after the closing date and noted that it is already certificated to provide water service to this area. Additionally, in supplemental information filed with the Commission, York Water-WW identified the certified operator it intends to assign as the primary operator of the SYC System.

## **IX. ACT 537 OFFICIAL SEWAGE FACILITIES PLANNING**

In supplemental information filed with the Commission, York Water-WW indicated that it conducted a records search at the Springfield Township offices and provided an excerpt from the Springfield Township Official Sewage Facilities Act 537 Plan Update from March 1994 that specifically identified the SYC (Exit II) WWTP and indicated that the service area of the WWTP will include the Albright mobile home park, Adhesives Research, and/or nearby undeveloped properties. Although York Water-WW was unable to obtain copies of the original DEP-approved sewage facilities planning documents for the SYC (Exit II) wastewater system, it averred that all planning was completed to the satisfaction of both the DEP and Springfield Township, as the facility was constructed and has been operational for approximately 30 years.

## **X. LAND-USE PLANNING COMPLIANCE**

The Joint Application's Exhibit J consisted of a copy of a county land use letter from the York County Planning Commission (YCPC), dated January 13, 2020, and a letter from the Springfield Township Board of Supervisors (Springfield), dated February 17, 2021. The YCPC letter indicated that the proposed service territory was not consistent with York County's comprehensive plan as areas were located outside of the established Secondary Growth Area. However, the letter identified revisions to the

service territory that would bring the service territory into compliance. York Water-WW provided the Revised Corrected Exhibit D and averred that the proposed wastewater service territory falls within the Secondary Growth area delineated by York County. The Springfield letter indicated that the proposed project is consistent with comprehensive plans and/or zoning ordinances. A consistency letter from Shrewsbury Township obtained in 2013 was provided as the Joint Application's Exhibit J-1. In this letter, Shrewsbury Township indicated that SYC serving a portion of Shrewsbury Township was consistent with the adopted municipal or multi-municipal comprehensive plan. The portion of the requested service territory in Shrewsbury Township aligns with the existing certificated service territory of SYC; further compliance verification was not pursued, although the Shrewsbury Township Board of Supervisors was copied on the YCPC county land use letter identified above.

## **XI. OTHER CONSIDERATIONS**

York Water-WW averred that no corporation, partnership, or individual, other than SYC, is now furnishing or has corporate or franchise rights to furnish wastewater service within the requested territory and that no other entities are providing wastewater service within one mile of the requested territory. In the Joint Application, York Water-WW indicated that SYC and the North System Parties desire to withdraw from the wastewater collection and treatment business due to the regulatory requirements necessary to continue to provide service and the difficulties in maintaining a viable wastewater treatment and collection system for a small number of customers. In supplemental information filed with the Commission, York Water-WW averred that approval of the Joint Application will benefit its existing wastewater customers by expanding the company's customer base, allowing York Water-WW's fixed costs to be spread over a greater number of customers. Further, York Water-WW averred that no competitive condition will be created by approval of the Joint Application.

Commission correspondence with DEP's Southcentral Regional Office indicated that DEP does not have any pending actions or outstanding complaints against York

Water-WW or SYC. Finally, York Water-WW is current with its financial reports, annual Security Planning and Readiness report filings and has no outstanding fines or assessments due to the Commission.

## **XII. CONCLUSION**

Based upon the facts that York Water-WW will expand its service territory to customers in compliance with Commission regulations; that York Water-WW will be able to meet the needs of new customers without apparent detriment to its existing customers; and that York Water-WW has the technical, financial and legal fitness to own, operate and maintain the system; the Commission finds that granting approval of the Joint Application is necessary or proper for the service, accommodation, convenience or safety of the public and in the public interest; **THEREFORE,**

### **IT IS ORDERED:**

1. That the Joint Application of The York Water Company – Wastewater and SYC WWTP, L.P. at Docket Nos. A-2021-3029231 and A-2021-3029237, is hereby approved, consistent with this Order.

2. That a Certificate of Public Convenience shall be issued pursuant to Section 1102(a)(3) of the Public Utility Code, 66 Pa.C.S. § 1102(a)(3), evidencing Commission approval of the right of The York Water Company – Wastewater to acquire the wastewater system assets owned by SYC WWTP, L.P., Almony’s Enterprise, LLC, Adhesives Research, Inc., Madison Range, Inc., Rodney L. Krebs, Rodney L. Krebs Family L.P., SCI/RLK Partners, and R.T. Barclay, Inc., as described in the Joint Application.

3. That a Certificate of Public Convenience shall be issued pursuant to Section 1102(a)(3) of the Public Utility Code, 66 Pa.C.S. § 1102(a)(3), evidencing Commission approval of the right of SYC WWTP, L.P. to sell their wastewater system assets to The York Water Company - Wastewater, as described in the Joint Application.

4. That The York Water Company – Wastewater shall provide written notification to the Secretary’s Bureau within ten (10) days of the closing with SYC WWTP, L.P., Almony’s Enterprise, LLC, Adhesives Research, Inc., Madison Range, Inc., Rodney L. Krebs, Rodney L. Krebs Family L.P., SCI/RLK Partners, and R.T. Barclay, Inc., at Docket Nos. A-2021-3029231 and A-2021-3029237.

5. That following Commission receipt of the notice of closing as required in Ordering Paragraph 4, a Certificate of Public Convenience shall be issued pursuant to Section 1102(a)(1)(i) of the Public Utility Code, 66 Pa.C.S. § 1102(a)(1)(i), evidencing Commission approval of the right of The York Water Company – Wastewater to begin to offer, render, furnish and supply wastewater service to the public in additional portions of Springfield and Shrewsbury Townships, York County, Pennsylvania.

6. That within ten (10) days following the date of closing with SYC WWTP, L.P., The York Water Company – Wastewater shall file a tariff supplement with the Secretary’s Bureau at Docket Nos. A-2021-3029231 and A-2021-3029237, to become effective on one day’s notice and incorporating portions of Springfield and Shrewsbury Townships, York County, in its wastewater service territory, consistent with the revised *pro forma* tariff supplement provided in the Joint Application’s supplemental information, and further revised to include The York Water Company – Wastewater’s proposed monthly flat rate charge for connected industrial, commercial, and residential customers of \$83.33 per equivalent dwelling unit.

7. That following Commission receipt of the notice of closing as required in Ordering Paragraph 4, a Certificate of Public Convenience shall be issued pursuant to Section 1102(a)(2) of the Public Utility Code, 66 Pa.C.S. § 1102(a)(2), evidencing Commission approval of the right of SYC WWTP, L.P. to abandon wastewater service to the public in Springfield and Shrewsbury Townships, York County, Pennsylvania.

8. That upon the issuance of the Certificate of Public Convenience pursuant to Ordering Paragraph 7, SYC WWTP, L.P. shall return all copies of previously issued

Certificates of Public Convenience to the Commission's Secretary's Bureau; be removed from all active utility lists maintained by the Commission's Secretary's Bureau and the Bureau of Administrative Services; and SYC WWTP, L.P.'s tariff shall become null and void and will be removed from the Commission's active files.

9. That The York Water Company – Wastewater shall file a copy of its original cost study of the wastewater system assets acquired from SYC WWTP, L.P., Almony's Enterprise, LLC, Adhesives Research, Inc., Madison Range, Inc., Rodney L. Krebs, Rodney L. Krebs Family L.P., SCI/RLK Partners, and R.T. Barclay, Inc. with the Secretary's Bureau at Docket Nos. A-2021-3029231 and A-2021-3029237, with notice to the Bureau of Technical Utility Services, the Bureau of Audits, the Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate upon completion of said study.

10. That, at the time of filing its next base rate case, which proposes to include the assets of any of these acquisitions in rate base, The York Water Company – Wastewater shall provide testimony that specifically references Docket Nos. A-2021-3029231 and A-2021-3029237 and that justifies any amount claimed in rate base, in order to evaluate the reasonableness of the original cost, contributions, accumulated depreciation, and any utility plant acquisition adjustment claims pursuant to Section 1327 of the Public Utility Code, 66 Pa.C.S. § 1327.

11. That if The York Water Company – Wastewater or SYC WWTP, L.P. determines that any of the transactions identified herein will not occur, they will promptly file notice of such determination with the Secretary's Bureau at Docket Nos. A-2021-3029231 and A-2021-3029237 and return the Certificates of Public Convenience issued in Ordering Paragraphs 2 and 3.

12. That nothing herein shall be construed as an approval or determination of costs or expenses for the purposes of just or reasonable rates or to exempt The York

Water Company – Wastewater from obtaining all necessary permits, licenses, and approvals from other federal, state, and local government agencies having jurisdiction.

13. That a copy of this Order be served upon The York Water Company – Wastewater, SYC WWTP, L.P., the Commission’s Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, the Springfield Township Board of Supervisors, the Shrewsbury Township Board of Supervisors, the York County Commissioners, the York County Planning Commission, the Pennsylvania Department of Revenue’s Bureau of Corporate Taxes, and the Pennsylvania Department of Environmental Protection - Southcentral Regional Office and its Bureau of Regulatory Counsel.

14. That upon the issuance of the Certificates of Public Convenience as outlined in Ordering Paragraphs 5 and 7, or upon the return of either of the Certificates of Public Convenience issued in Ordering Paragraphs 2 and 3, the proceedings at Docket Nos. A-2021-3029231 and A-2021-3029237 be closed.

**BY THE COMMISSION,**



Rosemary Chiavetta  
Secretary

(SEAL)

ORDER ADOPTED: October 27, 2022

ORDER ENTERED: October 27, 2022