

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Application of Pennsylvania-American Water Company under Sections 1102(a) and 1329 of the Pennsylvania Public Utility Code, 66 Pa C.S. §§ 1102(a) and 1329, for approval of (1) the transfer, by sale, to Pennsylvania-American Water Company, of substantially all of the assets, properties and rights related to the wastewater collection and treatment system owned and operated by Towamencin Township and Towamencin Municipal Authority, and (2) the rights of Pennsylvania-American Water Company to begin to offer or furnish wastewater service to the public in the Township of Towamencin and portions of the Townships of Franconia, Lower Salford and Worcester and the Borough of Lansdale, all in Montgomery County, Pennsylvania :

Docket Nos. A-2023-3039900  
*et al.*

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**DIRECT TESTIMONY OF  
MICHAEL J. GUNTRUM, P.E. ON BEHALF OF  
PENNSYLVANIA-AMERICAN WATER COMPANY**

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Date: May 15, 2023

PAWC Statement No. 2

**DIRECT TESTIMONY OF  
MICHAEL J. GUNTRUM, P.E.**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS FOR THE RECORD.**

2 **A.** My name is Michael J. Guntrum, P.E. and my business address is 852 Wesley Drive,  
3 Mechanicsburg, PA 17055.

4

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 **A.** I am employed by Pennsylvania-American Water Company (“PAWC” or the “Company”)  
7 as a Senior Project Engineer.

8

9 **Q. WHAT ARE YOUR RESPONSIBILITIES AS A SENIOR PROJECT ENGINEER?**

10 **A.** As a Senior Project Engineer for PAWC, I am responsible for the performance of due  
11 diligence activities related to potential water and wastewater acquisitions in the  
12 Commonwealth of Pennsylvania.

13

14 **Q. PLEASE DESCRIBE YOUR PROFESSIONAL EDUCATION AND EXPERIENCE.**

15 **A.** I received my Bachelor of Science (B.S.) degree in civil engineering in 1994 and a Master of  
16 Engineering degree (M.E.) in Environmental Engineering in 1995 from the University of  
17 Idaho. In 2010, I received my Master in Business Administration (MBA) from Lebanon Valley  
18 College. I have worked in various engineering roles and have over 24 years of experience in  
19 environmental engineering related to municipal and industrial water and wastewater treatment.  
20 I have worked at PAWC since 2003 in roles related to the acquisition of water and wastewater  
21 facilities. I am a registered Professional Engineer in Pennsylvania.

1 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE PENNSYLVANIA**  
2 **PUBLIC UTILITY COMMISSION (“COMMISSION”)?**

3 **A.** Yes. I have testified before the Commission on several occasions, including both water  
4 and wastewater proceedings.

5  
6 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

7 **A.** My testimony will describe the wastewater collection, conveyance, and treatment system  
8 (the “System”) currently owned and operated by the Towamencin Municipal Authority (the  
9 “Authority”) and the Township of Towamencin (the “Township”), which PAWC has  
10 agreed to acquire (the “Transaction”). I will also explain how the acquired system will be  
11 integrated into PAWC’s existing operations, describe PAWC’s technical fitness to run the  
12 System, and discuss the public benefits of the Transaction.

13  
14 **Q. PLEASE DESCRIBE THE SYSTEM.**

15 **A.** The System currently provides direct service to the Township, and portions of Worcester  
16 Township, and Lower Salford Township. Bulk service is provided to portions of Franconia  
17 Township, Hatfield Township, Lansdale Borough, and Upper Gwynedd Township as  
18 shown on the sewer system map in the appendices.<sup>1</sup>

19 The Wastewater Treatment Plant (WWTP) is located at 2225 Kriebel Road in  
20 Towamencin Township, Montgomery County, Pennsylvania near the confluence of the

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<sup>1</sup> On or about May 12, 2023, the Township filed an Application for a Certificate of Public Convenience with the Commission because, in preparing for this Transaction, it became apparent that the Township was providing extra-territorial service without a certificate of public convenience. The service area requested by PAWC in this Application includes the System’s current service area (both inside the Township and as requested in the Application).

1 Towamencin Creek and Bustard Road. The WWTP has a permitted capacity of 6.5 MGD  
2 and employs comminutors, influent pumping and metering, primary screening, pre-  
3 aeration, conventional activated sludge and contact stabilization activated sludge,  
4 intermediate clarification, trickling filter treatment, final clarification, and disinfection by  
5 chlorination.

6 The wastewater collection and conveyance system in the Township consists of  
7 approximately 420,000 linear feet of sewage collection/ conveyance piping,  
8 2,100 manholes, 23,500 linear feet of force mains, and three (3) pumping stations  
9 (Rittenhouse Road, Hollis Hills, and Milestone). The collection/conveyance system  
10 consists of 8-inch, 10-inch, 12-inch, 15-inch and 21-inch sewer pipes constructed of  
11 various materials, including PVC, DIP, VCP, RCP and asbestos cement. There are  
12 approximately 108,000 linear feet of laterals. The majority of the piping was installed  
13 between 1967 and 2015.

14  
15 **Q. PLEASE DESCRIBE THE SYSTEM’S SERVICE AREA.**

16 **A.** The System’s Service Area includes the Township, as well as portions of the Townships  
17 of Worcester, Lower Salford and Franconia and portions of the Borough of Lansdale. The  
18 service area is approximately 8.8 square miles. See **Appendix A-16-a through A-16-e.**

19  
20 **Q. WHAT IS AN “MS4” SYSTEM?**

21 **A.** An MS4 system is a “municipal separate storm sewer system.”

1 **Q. IS PAWC ACQUIRING AN MS4 SYSTEM?**

2 **A.** No. PAWC will not be acquiring the MS4 system serving the Township.

3

4 **Q. IS THE SYSTEM A COMBINED SEWER SYSTEM?**

5 **A.** No.

6

7 **Q. DOES THE SYSTEM HAVE AN INDUSTRIAL PRETREATMENT PROGRAM?**

8 **A.** Yes. The System has a United States Environmental Protection Agency (USEPA)-  
9 approved Industrial Pretreatment Program (“IPP”) authorized under Chapter 400,  
10 Industrial Sewer Use, of its Rules and Regulations. However, the Township lacks the  
11 necessary economy of scale and technical expertise to properly manage the IPP. Therefore,  
12 the System implements the IPP under the supervision of an outside consultant, who is  
13 responsible for issuing permits, conducting inspections, issuing invoices for user fees under  
14 the program, and filing annual reports to USEPA. There are two customers that fall under  
15 the System’s IPP, Clemens Food Group and Accupac LLC. The System has a municipal  
16 ordinance governing IPP discharges and has separate Sewage Treatment Agreements with  
17 Clemens Food Group and Accupac LLC. PAWC will assume the System’s responsibility  
18 to implement IPP services to the System’s current IPP customers and any future IPP  
19 customers requesting service in the certificated service area. Upon closing of the  
20 Transaction (“Closing”), PAWC will incorporate the System into its Industrial  
21 Pretreatment Program Rules and Regulations of its PUC-approved tariff for  
22 implementation.

1 **Q. PLEASE STATE WHETHER THE SYSTEM CAN PROVIDE ADEQUATE**  
2 **CONVEYANCE, TREATMENT AND DISPOSAL CAPACITY TO MEET**  
3 **PRESENT AND FUTURE CUSTOMER DEMANDS.**

4 **A.** Based on the population projections and demand projections as provided in the System’s  
5 2021 Chapter 94 Report included in **Appendix A-20-c**, the conveyance, treatment, and  
6 disposal capacity is adequate to meet present and future customer demands through the  
7 year 2026.

8  
9 **Q. PLEASE STATE THE ELEVATIONS OF THE MAJOR FACILITIES IN THE**  
10 **SERVICE AREA.**

11 **A.** Please see **Appendix A-16-f (CONFIDENTIAL)** for a map showing the approximate  
12 ground elevations of the facilities in the service area.

13  
14 **Q. DOES THE SYSTEM HAVE BULK SERVICE AGREEMENTS WITH ANY**  
15 **SURROUNDING SYSTEMS?**

16 **A.** Yes. The System has six intermunicipal agreements by which the System provides service  
17 to Hatfield Township, Lansdale Borough, Upper Gwynedd Township, Franconia  
18 Township, Worchester Township, and Lower Salford Township.

19  
20 **Q. DOES PAWC PROVIDE WATER SERVICE IN THE SERVICE AREA?**

21 **A.** No. The North Penn Water Authority provides water service in the Service Area.

1 **Q. PLEASE DESCRIBE HOW PAWC WILL MANAGE THE DAY-TO-DAY**  
2 **OPERATIONS OF THE SYSTEM ONCE IT IS ACQUIRED.**

3 **A.** The System will be incorporated as an operating district into PAWC’s Southeast Area  
4 operations. The System’s existing staff will provide the day-to-day operational services,  
5 with management oversight provided by PAWC’s Southeast Area management team. This  
6 same management team oversees PAWC’s Royersford, Exeter, and Coatesville wastewater  
7 systems, which will facilitate the integration of the System’s team into the local operations  
8 strategy and culture, leverage synergies between the wastewater systems, provide cross  
9 functional support, and offer enhanced availability of shared resources for day-to-day and  
10 emergency situations.

11  
12 **Q. ARE OTHER PAWC EMPLOYEES AVAILABLE TO ASSIST WITH**  
13 **WASTEWATER OPERATIONS, AS NEEDED?**

14 **A.** Yes. Current PAWC employees in the Southeast operation and future System employees  
15 will be under the same area management and supported by a shared support team  
16 supporting common functions such as external affairs, supply chain, environmental  
17 compliance, health and safety, customer service, human resources and engineering.  
18 Employees in both districts will support each other when appropriate and necessary,  
19 particularly in emergency situations. All operations and employees within PAWC and  
20 within the broader American Water Works Company, Inc. (“American Water”) footprint  
21 have access to each other when circumstances require or when a very specialized skill or  
22 experience is required to support all local issues.

1 **Q. WILL THERE BE ANY UNNECESSARY DUPLICATION OF OPERATIONS**  
2 **FACILITIES FOLLOWING THE ACQUISITION?**

3 **A.** No, the System will be operated as a stand-alone system. It will, however, have the support  
4 of PAWC's surrounding operations as well as PAWC's operations through the  
5 Commonwealth and American Water's nationwide resources.

6  
7 **Q. DOES THE PENNSYLVANIA CONSTITUTION ADDRESS ENVIRONMENTAL**  
8 **RIGHTS?**

9 **A.** I am advised by counsel that the Pennsylvania Constitution, Article I, Section 27,  
10 guarantees the right to a clean environment, and requires the Commonwealth to conserve  
11 and maintain environmental resources for the benefit of the public.

12  
13 **Q. DOES THE SYSTEM CURRENTLY FACE ENVIRONMENTAL CHALLENGES?**

14 **A.** Yes. Clemens Food Group entered into a Consent Agreement with the Authority on  
15 October 9, 2017 for the reduction of total dissolved solids (TDS) in its process wastewater  
16 discharging to the Authority's facility, which mandated compliance (as amended) with the  
17 currently permitted TDS daily maximum limit of 3,950 mg/L by September 2023. Based  
18 upon the satisfactory provision of compliance data and reports filed to the Authority, as  
19 required in the Consent Agreement, both parties reached a formal motion to terminate the  
20 Consent Agreement in February 2023. Clemens Food Group will continue to be required  
21 to monitor and report its operational data in accordance with the full breadth of the  
22 Authority's pretreatment program.

1           In addition, the treatment plant has had exceedances to its NPDES permit related  
2 to Osmotic Pressure in February, July, and August of 2022. Further, the treatment plant  
3 did not pass its quarterly testing requirements for Whole Effluent Toxicity in the first and  
4 third quarter of 2022. The treatment plant's NPDES Permit Osmotic Pressure discharge  
5 limit is a water quality indicator indirectly related to TDS strength, which is used to  
6 measure the potential impact of various factors (one of which is TDS) in the effluent on  
7 the receiving waters. Treatment processes at the treatment plants do not remove significant  
8 amounts of TDS.

9           Osmotic Pressure exceedances are most likely caused by industrial discharge from  
10 Clemens Food Group as Osmotic Pressure is directly related to TDS. Failure to pass Whole  
11 Effluent Toxicity testing requirements is also likely related to TDS discharge from  
12 Clemens Food Group.

13           The treatment plant also has a Delaware River Basin Commission ("DRBC")  
14 docket that regulates its effluent discharge. DRBC water quality regulations have a TDS  
15 effluent limit requirement of 1,000 mg/l. The System's treatment plant presently  
16 discharges well in excess of the DRBC TDS water quality regulations.

17           Accupac LLC was also out of compliance with its IPP permit, exceeding the  
18 permitted Chemical Oxygen Demand ("COD") daily maximum limit during the second  
19 and third quarters of 2022, and exceeding the permitted Copper (Total) monthly average  
20 limit during the second and fourth quarter of 2022.

1 **Q. DOES THE SYSTEM HAVE COPIES OF ALL ENVIRONMENTAL PERMITS**  
2 **REQUIRED TO OPERATE ITS SYSTEM?**

3 **A.** PAWC has done extensive due diligence on the System and believes that all required  
4 environmental permits are in place or have been applied-for.

5 **Q. HOW WILL PAWC ADDRESS THE SYSTEM'S ENVIRONMENTAL**  
6 **CHALLENGES AFTER CLOSING?**

7 **A.** PAWC has an ongoing commitment to achieving environmental compliance and can bring  
8 to bear significant resources locally and within the Company to determine the cause of  
9 challenges and options to properly manage industrial customers.

10 PAWC currently enforces an industrial pretreatment program in the following  
11 areas:

12 Scranton (12 permitted industrial users)

13 Exeter (8 permitted industrial users)

14 Coatesville (2 permitted industrial users)

15 York (20 permitted industrial users)

16 We have built into our program practices that allow us to work with industrial  
17 customers to improve operations at their facilities and bring them into compliance.  
18 (Keystone Landfill in Scranton and Birdsboro Kosher Farms in Exeter). We are currently  
19 working with Pioneer Landfill (Exeter) and Victory Brewing (Coatesville) to improve  
20 operations at their facilities to prevent pass through interference at our treatment plants.  
21 PAWC has the resources, experience, and economy of scale to properly manage an IPP  
22 that the System currently lacks. PAWC will develop IPP limits based on applicable

1 discharge limits and water quality regulations and then work with the Clemens Food Group  
2 to develop the proper strategy for them to meet these IPP limits.

3  
4 **Q. WHAT ARE THE ESTIMATED CAPITAL COSTS FOR THE SYSTEM?**

5 **A.** The five-year capital plan for the System is shown on **PAWC Exhibit MJG-1**.

6  
7 **Q. HOW DID PAWC ARRIVE AT THIS FIGURE?**

8 **A.** The capital plan estimate is based on preliminary cost estimates of needed improvement  
9 projects that were identified during PAWC's due diligence efforts. The projects were  
10 identified through a combination of PAWC's independent observations of the System's  
11 conditions and needs, as well as input from System staff from their knowledge of the  
12 System's needs. The projects include improvements to the collection system and the  
13 treatment plant.

14  
15 **Q. PLEASE DESCRIBE PAWC'S SYSTEM PLANNING, CAPITAL BUDGETING,  
16 AND CONSTRUCTION MANAGEMENT PROCESS, WHICH WILL APPLY TO  
17 THE SYSTEM AFTER CLOSING.**

18 **A.** PAWC has an established track record of successfully managing large capital investment  
19 projects in order to provide reliable service to the communities it serves. PAWC has an  
20 ongoing program of capital investment focused on systematically replacing and adding  
21 new pipes, treatment and pumping facilities, and other water and wastewater infrastructure;  
22 thereby minimizing customer disruption caused by infrastructure failure. PAWC has  
23 funded in excess of \$1 billion in capital construction over the past five years with

1 expenditures expected to total \$470 million to \$600 million per year for the next five years.  
2 Capital planning is performed on a five-year planning horizon by in-house engineering  
3 staff and operations to establish capacity needs, regulatory impacts, service adequacy and  
4 reliability for PAWC's wastewater systems. As projects are delivered, project costs,  
5 alternatives and risks are further developed, and competitive bidding for consulting  
6 engineering design/permitting services and construction is utilized to keep costs as low as  
7 possible. Comprehensive periodic oversight of water and wastewater assets during the  
8 annual budgeting process and ongoing governance reviews gives PAWC a clear and  
9 objective view of needs and potential capital project solutions. Once approved through the  
10 capital governance process, the individual capital projects will be led and managed by  
11 PAWC engineers working in the local Southeast Operations area, which will allow them  
12 to maintain clear visibility to the projects and react to conditions as they develop.

13  
14 **Q. IF THE TRANSACTION WOULD NOT OCCUR, DO YOU BELIEVE THAT THE**  
15 **TOWNSHIP AND THE AUTHORITY WOULD HAVE THE FINANCIAL AND**  
16 **TECHNICAL CAPABILITIES TO OPERATE AND MAINTAIN THE SYSTEM IN**  
17 **COMPLIANCE WITH APPLICABLE ENVIRONMENTAL STATUTES AND**  
18 **REGULATIONS IN THE FUTURE?**

19 **A.** I believe the Township and the Authority will have difficulties complying with applicable  
20 environmental statutes and regulations in the future, based on NPDES permit exceedances  
21 in Total Osmotic Pressure, failure to pass Whole Effluent Toxicity testing requirements for  
22 two out of four quarters in 2022, and discharging in excess of DRBC water quality  
23 regulations.

1           Furthermore, I expect that environmental regulations will continue to become more  
2 stringent in the future, with the potential for new or more stringent source reduction targets  
3 that could require substantial new investment in the future. As an experienced public  
4 utility, PAWC has extensive experience in complying with current environmental  
5 regulations and being proactive with capital investments to maintain system integrity and  
6 reliability, while planning ahead for new regulations. In addition, properly managing  
7 industrial dischargers will prevent unnecessary capital investments by implementing a  
8 proper IPP, working with industrial customers to implement their own proper pretreatment  
9 program as required, and keeping the treatment plant in compliance with its NPDES permit  
10 and DRBC water quality regulations.

11  
12 **Q. IN YOUR OPINION, IS PAWC BETTER EQUIPPED THAN THE TOWNSHIP**  
13 **AND THE AUTHORITY TO OPERATE AND MAINTAIN THE SYSTEM IN**  
14 **COMPLIANCE WITH APPLICABLE ENVIRONMENTAL STATUTES AND**  
15 **REGULATIONS?**

16 **A.** Yes. PAWC can draw upon a much broader range of engineering and operational  
17 experience, as well as deeper operational and financial resources, to address the  
18 environmental compliance challenges of the System. In addition, given PAWC's  
19 experience with operation of similar wastewater systems, I believe that PAWC is best  
20 positioned to provide those services on a cost-effective basis.

21           PAWC is the Commonwealth's largest investor-owned provider of water and  
22 wastewater services. As a leading wastewater provider in Pennsylvania, PAWC brings  
23 industry leading expertise and has extensive technical experience in upgrading, operating,

1 and maintaining sewer facilities. PAWC is a recognized leader in providing communities  
2 in the Commonwealth with well-maintained and reliable water and wastewater services.

3 PAWC currently employs approximately 1,150 professionals with expertise in all  
4 areas of water and wastewater utility operations including engineering, regulatory  
5 compliance, water and wastewater treatment plant operation and maintenance, distribution  
6 and collection system operation and maintenance, material management, risk management,  
7 human resources, legal, accounting, and customer service. As a subsidiary of American  
8 Water, PAWC has available to it additional resources of highly trained professionals who  
9 have expertise in various specialized areas. American Water currently owns or operates  
10 approximately 160 wastewater plants through its subsidiaries across its nationwide  
11 footprint. American Water's experience includes the full breadth of treatment processes,  
12 from facultative ponds to membrane biological reactors in every climate zone across the  
13 U.S. More-advanced technologies allow a number of American Water's plants to utilize  
14 effluent for reuse applications, eliminating discharge to receiving streams. These diverse  
15 facilities have provided American Water operators and process experts with deep  
16 experience in the operation and maintenance of every possible type of wastewater  
17 treatment technology. This experience is available to support PAWC's operations staff  
18 and facilities.

19 A 50-person team of American Water corporate engineers has handled a wide  
20 variety of system assessments, treatment process evaluations and design reviews for water  
21 and wastewater treatment systems in order to improve operations and prioritize capital  
22 improvements. For example, PAWC successfully leveraged its corporate engineering  
23 expertise following two recent acquisitions, the Steelton water system, and the Exeter

1 wastewater system. For both of these systems, subject matter experts from the corporate  
2 engineering team conducted process evaluations of the water and wastewater treatment  
3 processes and identified solutions to remedy on-going operational challenges.

4 PAWC has demonstrated its ability to improve troubled municipal wastewater  
5 systems following acquisition through improving operational efficiencies, fostering a  
6 proactive environmental compliance culture in the local workforce, and investing capital  
7 to replace and renew assets. PAWC has successfully addressed Pennsylvania Department  
8 of Environmental Protection (“PADEP”) and USEPA compliance orders requiring  
9 operational improvements and substantial capital investments in several recent wastewater  
10 acquisitions, including Clarion, Claysville, Dravosburg, Duquesne, Exeter, Kane,  
11 McKeesport, Port Vue, Scranton, and York. From 2018 through 2021, PAWC has made  
12 capital investments in its wastewater systems averaging \$762 per year per customer  
13 connection. Prudent renewal and replacement of the System infrastructure through capital  
14 investment is the key to achieving and maintaining long-term environmental compliance,  
15 and it is clear that PAWC is much better equipped than the Township and the Authority to  
16 make those ongoing capital commitments.

17  
18 **Q. PLEASE DESCRIBE PAWC’S TECHNICAL FITNESS TO PROVIDE**  
19 **WASTEWATER SERVICE TO THE SYSTEM’S CUSTOMERS.**

20 **A.** In addition to the points that I just mentioned, PAWC has approximately 97,562 wastewater  
21 customers across the Commonwealth, with customers in Adams, Allegheny, Beaver,  
22 Berks, Chester, Clarion, Cumberland, Lackawanna, Luzerne, McKean, Monroe,  
23 Montgomery, Northumberland, Pike, Washington, and York Counties. A map of PAWC’s

1 current service territories is attached to my testimony as **PAWC Exhibit MJG-2**. In  
2 comparison, the System furnishes wastewater services to only approximately 5,886 direct  
3 customers. PAWC has had no material issues in complying with the Pennsylvania Public  
4 Utility Code (“Code”), the Clean Streams Law, or other regulatory requirements.  
5 Moreover, PAWC has the resources, skills, and expertise to respond to ever-increasing  
6 environmental standards for the treatment of wastewater and to manage the long-term  
7 infrastructure renewal and replacement needs inherent in wastewater systems.

8  
9 **Q. PLEASE DISCUSS PAWC’S LABORATORY CAPABILITIES.**

10 **A.** The Company's wastewater systems monitor plant effluent regularly to ensure that the  
11 water processed by the Company meets all Clean Water Act requirements. Routine  
12 monitoring is conducted at a total of 70 quality control laboratories owned and operated by  
13 the Company. A total of 19 labs are accredited by PADEP to conduct various testing  
14 required by the Safe Drinking Water and Clean Water Acts. Thirty-eight water quality  
15 professionals direct or oversee the lab monitoring practices at each of the Company's sites.

16 In contrast, the Authority currently conducts in-house non-accredited process  
17 control laboratory work on a daily basis for plant operations. All NPDES permit-required  
18 quality control laboratory analysis is conducted by contracted accredited laboratories.  
19 Consequently, I believe PAWC’s acquisition of the System would be in the public interest  
20 because PAWC has better laboratory capabilities.

1 **Q. PLEASE DISCUSS PAWC’S SERVICE INTERRUPTION HISTORY.**

2 **A.** PAWC plans its maintenance and capital improvement projects in a manner that avoids  
3 creating service interruptions. Care is taken to provide a continuous free flow of sanitary  
4 waste from customer connections, even during disruptive events. For main repairs, crews  
5 will use bypass pumping arrangements so that sewage flow is captured and relocated  
6 around the work area while repairs are being made. For pump station work, crews will use  
7 bypass pumping similar to that described above, or pumper trucks to remove accumulated  
8 wastewater in the pump station holding tanks and haul the contents to the plant or other  
9 collection system location. PAWC also builds redundancy into its systems to provide  
10 continued operational reliability in the event of equipment failures.

11  
12 **Q. PLEASE DESCRIBE PAWC’S RESPONSE TO RECENT MAJOR STORM**  
13 **EVENTS.**

14 **A.** PAWC has effective Emergency Response Plans (“ERPs”) in place at its water and  
15 wastewater systems to prepare for, withstand, and recover from major storm events. The  
16 ERPs are updated annually, and tabletop exercises are conducted annually to test the plans.  
17 For wastewater systems, emergency preparedness activities typically include: fueling  
18 vehicles and emergency generators, ensuring staff has adequate personal protective  
19 equipment for the conditions, rescheduling field staff for indoors work if possible to avoid  
20 dangerous conditions, refreshing contact information and account numbers for local  
21 electricity companies, activating flood protection plans for heavy rainfall events, planning  
22 for snow removal/salting of parking lots, roads and sidewalks for winter storms, and

1 making operational adjustments to put treatment plants in storm mode to handle increased  
2 flows.

3 PAWC is experienced in making strategic capital investments to improve the ability  
4 of its wastewater systems to handle the increased flows from storm events. In the Clarion  
5 wastewater system, acquired in 2008 from the Clarion Area Authority, PAWC has  
6 successfully executed projects under a Consent Order and Agreement (“COA”) with  
7 PADEP to reduce illegal discharges to waters of the Commonwealth. The work included  
8 Act 537 planning, design and construction of new facilities, replacement of inadequate  
9 infrastructure, and modifications to long standing operational procedures. Specifically,  
10 PAWC upgraded the collection system by replacing approximately 10,000 lineal feet of  
11 8” to 36” interceptor sewers and replacing/upgrading the main lift station (Liberty Street)  
12 and equipping it with a new 1.3 MG equalization tank to capture excess storm flows.  
13 PAWC also made major hydraulic improvements to the wastewater treatment plant by  
14 increasing its design capacity from 1.75 to 4.0 MGD and installing a new 3.8 MG  
15 equalization tank. Construction began in July 2013 and was completed by the COA  
16 deadline of February 2015. The COA was lifted in January 2016. Under the Clarion Area  
17 Authority’s ownership, the system experienced approximately 30 sanitary sewer overflows  
18 (“SSOs”) per year and storm flows were routinely bypassed at the wastewater treatment  
19 plant with no treatment. Since the new facilities were placed online by PAWC, the SSOs  
20 have been reduced to an average of one per year, mainly caused by damaged or  
21 clogged/blocked sewer mains, and there have been no bypasses of untreated sewage at the  
22 wastewater treatment plant.

1           In the Scranton wastewater system acquired in late 2016, PAWC has completed  
2           30 of 72 combined sewer overflow (“CSO”) control upgrades required under the system’s  
3           approved Long Term Control Plan (“LTCP”). The remainder will be addressed during the  
4           remaining 15 years of the 25-year LTCP. These improvements have reduced the total  
5           number of system-wide CSOs from a high of 1,293 in 2018 to 915 in 2022. On average  
6           per completed CSO Outfall, the improvements have reduced the number of CSOs during a  
7           typical year from 25 to four and the total CSO discharge volume from 121 MG to 36 MG  
8           (a 70% reduction). These numbers will continue to improve each year as PAWC installs  
9           additional CSO control structures. At the treatment plant, PAWC increased the peak  
10          capacity from 39 MGD to 60 MGD in 2020, which has resulted in a reduction in non-  
11          compliance bypass events from a total of nearly 60 in 2019, to only six in 2021 and 2022  
12          combined.

13           In comparison, the System has a history of permit exceedances and failure to meet  
14          Whole Effluent Toxicity testing requirements. With PAWC’s previous experience in  
15          successfully remediating similar non-compliance situations in other large sewer systems,  
16          PAWC is well equipped to handle the challenges presented by the current condition of the  
17          System.

18  
19   **Q.    DOES PAWC MAINTAIN CYBER SECURITY, PHYSICAL SECURITY,**  
20   **BUSINESS CONTINUITY AND EMERGENCY PLANS?**

21   **A.**    Yes. Cyber and physical security plans are maintained and monitored by American Water  
22          for each of its subsidiaries. PAWC maintains ERPs and O&M Manuals, both of which  
23          have operational business continuity included within the plans and are updated each year.

1 These plans are tested each year through emergency response tabletop exercises. Each  
2 plan is overseen and managed by various groups and individuals to provide overarching  
3 support to PAWC. These groups are responsible for testing, reviewing, and updating their  
4 respective plan(s).

5 The departments assigned to Physical Security, Emergency Response, Business  
6 Continuity, and Cyber Security plans are as follows:

- 7 • Physical Security Plan - Operational Risk Management Security (American  
8 Water Works Service Company, Inc. (“AWWSC”));
- 9 • Cyber Security Plan - Operational Risk Management Security (AWWSC);
- 10 • Emergency Response Plan - Operations (PAWC); and
- 11 • Business Continuity Plan - Operational Risk Management (PAWC) and  
12 Operations (PAWC).

13 To constantly protect physical and cyber resources, the designated groups have developed  
14 procedures to ensure that PAWC operates in a safe, secure, and reliable environment. A  
15 major commitment in assuring plans are kept current is performing various testing on an  
16 annual basis. Types of testing performed by AWWSC and PAWC include vulnerability  
17 assessments, system operational testing, full scale exercises, media backups, and real-life  
18 events.

19  
20 **Q. PLEASE DESCRIBE PAWC’S CYBERSECURITY CONTROLS.**

21 **A.** PAWC’s cybersecurity controls are consistent with the National Institute of Standards and  
22 Technology (“NIST”) cyber security framework and the American Water Works  
23 Association (“AWWA”) Process Control System Security Guidance for the Water Sector.  
24 PAWC’s regulation by the Commission ensures that PAWC will adhere to the  
25 Commission’s regulatory requirements related to cybersecurity. By contrast, while the

1 Township utilizes tools such as malware software and multi-factor authentication for  
2 cybersecurity purposes, the Township does not adhere to any formal cybersecurity  
3 framework. Accordingly, PAWC's acquisition of the System will lead to a stronger and  
4 more reliable cybersecurity platform for System operations and its customers.

5  
6 **Q. PLEASE EXPLAIN PAWC'S POLICIES AND PROCEDURES REGARDING**  
7 **SERVICE CALLS.**

8 **A.** PAWC's 24/7/365 customer service call center is available for routine customer  
9 interactions from 7:00 a.m. to 7:00 p.m., Monday through Friday, and at all other times for  
10 customer emergencies. When a customer calls the call center in an emergency situation,  
11 they can speak with a representative 24/7/365. Field service crews are on-call and available  
12 for emergency field work (main breaks, sewer backups, overflows) 24/7/365 outside of  
13 normal work hours.

14 Neither the Township nor the Authority provides a similar level of customer service  
15 access. The Township is open to receive billing questions from 8:00 a.m. to 4:30 p.m.,  
16 Monday through Friday. Similarly, the Authority is open from 7:30 a.m. to 4:00 p.m.,  
17 Monday through Friday, for service-related issues. These customer service hours are  
18 inadequate for residents who discover a sewer problem after returning home from work or  
19 on weekends. The only option Towamencin customers currently have for resolving sewer  
20 system emergencies after business hours is by calling the police, who are not equipped to  
21 address the majority of sewer emergencies. Clearly, PAWC's ownership and operation of  
22 the system will result in improved customer service for the System and customers.

1 **Q. PLEASE DESCRIBE PAWC'S RELATIONSHIPS WITH COMMISSION**  
2 **EMERGENCY RESPONSE STAFF, PENNSYLVANIA EMERGENCY**  
3 **MANAGEMENT AGENCY (“PEMA”) STAFF, AND LOCAL FIRST**  
4 **RESPONDERS.**

5 **A.** PAWC has a strong working relationship with the Commission's Emergency Response  
6 Staff. PAWC provides the Commission with emergency response numbers for all PAWC  
7 operating areas each year. The Commission provides emergency numbers for its staff,  
8 which PAWC distributes to all of PAWC's operating areas for inclusion in the PAWC  
9 Emergency Response Plans. For those emergencies that warrant communication to the  
10 Commission's Emergency Preparedness Liaison Officer (“EPLO”), PAWC has contacted  
11 Commission staff in the past to advise them of situations and actions taken by PAWC.  
12 Each year, PAWC conducts emergency response tabletop exercises to test responses to  
13 emergency situations, including weather emergencies, damage to facilities, cyber-attack,  
14 and other perils. The Commission's emergency response staff has participated in those  
15 exercises each year since 2006. We also invite local first responders to participate, such as  
16 fire departments, police departments, hazmat responders, local prison personnel, as well as  
17 PADEP and the Governor's Office of Homeland Security personnel.

18 PAWC has participated in Pennsylvania Water/Wastewater Agency Response  
19 Network (“PaWARN”) and PEMA-sponsored exercises over the years. PAWC’s current  
20 relationship with PEMA is through the Commission’s EPLO and PaWARN. PAWC is a  
21 member in good standing of PaWARN. By contrast, neither the Township nor the  
22 Authority has an ongoing relationship with PEMA or PaWARN. They do not conduct  
23 regular exercises to prepare for potential emergencies or disasters in coordination with first

1 responders or other entities. Accordingly, PAWC’s acquisition of the System will ensure  
2 better emergency preparedness procedures moving forward.

3  
4 **Q. PLEASE DESCRIBE PAWC'S PARTICIPATION IN PENNSYLVANIA'S “ONE**  
5 **CALL” SYSTEM AND THE RESOURCES THAT PAWC DEDICATES TO THE**  
6 **PROGRAM.**

7 **A.** All of PAWC's operating districts are members of Pennsylvania One Call System Inc. and  
8 complete excavator requested mark outs on a daily basis. Each district has a minimum of  
9 one person dedicated to completing dig notifications utilizing a third party internet-based  
10 One Call ticket management system, known as Korweb, that is accessible via vehicle  
11 mounted computers for real time response to any PA One Call dig notification.

12 PAWC has an excellent track record of compliance with the requirements of the  
13 “One Call” system. PAWC achieved a 99.997 percent ticket completion rate in 2022.  
14 PAWC’s late ticket completion date for 2022 was 0.68 percent. While it is my  
15 understanding the Authority has a similar ticket completion rate to PAWC, the Township  
16 has far fewer employees managing the One Call process for the System. Currently, there  
17 are three employees within the Township’s Public Works department who are responsible  
18 for managing One Call compliance. By contrast, PAWC has 557 employees who help  
19 administer the One Call process, manage One Call compliance, and coordinate One Call  
20 educational efforts across the Company’s footprint.

1 **Q. DOES PAWC HAVE AN EMPLOYEE SAFETY PROGRAM?**

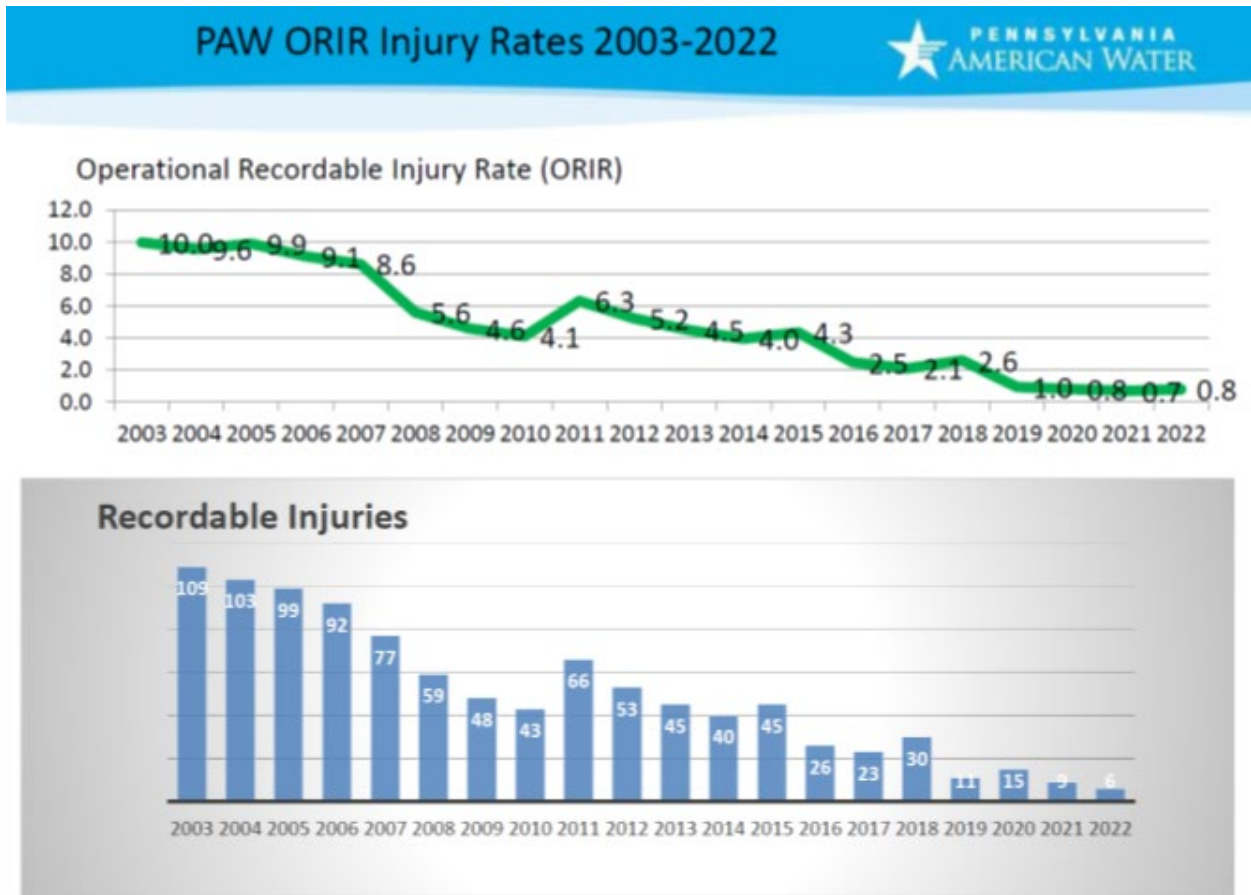
2 **A.** Yes. American Water and PAWC have made safety a value and not just a goal. It is very  
3 important to us that every employee and contractor return home safely every day. We  
4 make safety a value instead of a goal because goals change, but values do not change.

5 Safety performance is fundamental to the Company's culture and key to its success.  
6 Employees are expected to conduct themselves in a safe manner, in accordance with  
7 PAWC's Health and Safety Policy and with the Health and Safety Procedures and Practices  
8 Manual. PAWC establishes, implements, promotes, and manages safety programs,  
9 activities and training that enable continued safety improvement, injury reduction and  
10 compliance with applicable Federal, State, and local requirements. Safety programs are  
11 developed and implemented in accordance with Company policy and applicable practices  
12 and include:

- 13 • Supporting practices that are developed, reviewed, and updated to provide  
14 guidance on safe performance of activities in the workplace and are reflective  
15 of changes in organizational, operational, and regulatory needs;  
16
- 17 • Strategic and priority development and implementation of safety improvements  
18 based on risk analysis of workplaces, work tasks and related potential injuries  
19 and incidents;  
20
- 21 • Near-miss reporting and corrective action program to identify and remove  
22 safety hazards from the workplace;  
23
- 24 • Development of, and measurement against, specific Company and external  
25 safety performance targets and safety accountabilities for all employees;  
26
- 27 • Ongoing assessment and review of safety processes, activities and supporting  
28 programs (including those related to other Company policies, such as the  
29 Workplace Conduct and Behavior Policy) to gauge effectiveness, identify  
30 program gaps and pinpoint opportunities for continued improvement;  
31
- 32 • Consistency of implementation and compliance with Company and regulatory  
33 requirements across the enterprise; and,

- Defined and monitored contractor qualifications and requirements for safety performance in accordance with approved contract documents, applicable laws, and regulations.

PAWC has an excellent safety record. Moreover, PAWC has committed to achieving zero injuries and has made great strides in changing the Company culture to believe that such a target is achievable.<sup>2</sup> Over the last 20 years, PAWC has consistently reduced its number of recordable injuries and corresponding OSHA Recordable Incident Rate, as shown in the figure below:



<sup>2</sup> By way of comparison, the Authority does not track the injury rate for employees of the System.

1 **Q. WHAT EFFORTS, IF ANY, WILL PAWC UNDERTAKE TO EDUCATE THE**  
2 **SYSTEM'S CUSTOMERS REGARDING PAWC OWNERSHIP OF THE**  
3 **SYSTEM?**

4 **A.** As the Transaction is nearing Closing, PAWC plans to produce bill inserts or onserts and/or  
5 letters to customers to explain the transition, billing, payment options and other items  
6 associated with the change in ownership. PAWC's website will also add content to help  
7 educate customers and to address frequently asked questions.

8  
9 **Q. WHAT, IF ANY, CUSTOMER ENHANCEMENTS CAN SYSTEM CUSTOMERS**  
10 **EXPECT AS A RESULT OF THE TRANSACTION?**

11 **A.** PAWC prides itself on providing superior customer service. As part of its commitment to  
12 customer service, PAWC offers its customers several enhanced services, including  
13 extended call center hours, additional bill payment options, enhanced customer information  
14 and education programs, and access to PAWC's customer assistance program.

15  
16 **Q. PLEASE PROVIDE ADDITIONAL DETAIL ON EACH OF THESE CUSTOMER**  
17 **SERVICE ENHANCEMENTS.**

18 **A.** *Customer Service.* As discussed above, PAWC's call center is available from 7:00 a.m. to  
19 7:00 p.m., Monday through Friday for routine business and 24/7/365 for emergency  
20 situations such as sewer back-ups or overflows. At all times, customers dealing with  
21 emergency situations can make direct contact with a live customer service representative.  
22 Customers can also reach a customer service representative via email at  
23 [infopa@amwater.com](mailto:infopa@amwater.com). In addition, PAWC's customers have the ability to manage their

1 account via PAWC's "My H20" online portal. Finally, PAWC offers local field service  
2 support 24 hours a day, seven days a week for customer emergencies. All of this means  
3 that PAWC is very responsive to its customers and any issues they may have. PAWC will  
4 provide the same responsive approach to System customers once PAWC acquires the  
5 System.

6  
7 ***Bill Payment Options.*** PAWC offers a number of bill payment options. Customers have  
8 the option to receive paper bills through the mail or go paperless and receive their bills  
9 electronically via the "My H20" on-line portal. Either way, customers can pay their bill  
10 by mail, online, or over the phone with a debit or credit card. They can also pay by e-check  
11 or an electronic funds transfer (which can be set up at the "My H20" online portal) or pay  
12 in-person at multiple authorized payment locations across the state.

13  
14 ***Customer Information and Education Programs.*** PAWC provides extensive customer  
15 information and education programs that will be available to System customers through  
16 brochures, bill inserts, and educational videos posted on PAWC's website. PAWC's  
17 customers always have full access to a wide range of topics, including information on  
18 preventing sewer overflows, preventing frozen pipes, beneficially re-using residuals from  
19 water treatment plants for community gardens, detecting and fixing silent toilet leaks,  
20 properly disposing of unused pharmaceuticals to keep them out of the wastewater system,  
21 conserving water, installing expansion tanks, obtaining Fire Department Grants, and  
22 protecting customers from utility imposters. The Township and Authority do not currently  
23 offer any similar education programs for customers.

1           *Customer Assistance Programs.* Finally, as new PAWC customers, System customers  
2 will have access to PAWC's customer assistance program called the “H2O Help to Others  
3 Program.” For wastewater customers, this program offers two main services: (1) grants of  
4 up to \$500 per year and (2) a discount on total wastewater charges based on the customer’s  
5 percentage of Federal Poverty Level. For additional information, see the testimony of my  
6 colleague, Ms. Ashley E. Everette, PAWC Statement No. 3. Additionally, PAWC offers  
7 payment arrangements and budget billing to residential customers who qualify for the  
8 programs. No similar low income programs are offered by Towamencin.

9           PAWC’s strong collaboration and coordination with the Pennsylvania Department  
10 of Human Services (“DHS”), and its significant customer outreach, have allowed PAWC’s  
11 customers to enjoy significant benefits from the low-income household water assistance  
12 program (“LIHWAP”). During the 2022/2023 program year, nearly 13,450 LIHWAP  
13 grants were processed by DHS for PAWC customers, providing over \$7.7 million in  
14 assistance.

15  
16 **Q. DOES PAWC HAVE A PROGRAM TO PROTECT ITS CUSTOMERS AGAINST**  
17 **UTILITY EMPLOYEE IMPOSTERS?**

18 **A.** Yes, PAWC has developed communications tools and programs to regularly educate  
19 customers about the tactics used by utility employee imposters and what homeowners need  
20 to know to protect themselves. The communications vehicles include bill inserts, news  
21 releases, social media posts and website information about imposter-related crimes and  
22 precautions that customers can take. In addition, PAWC helped form the Keystone  
23 Alliance to Stop Utility Imposters, a coalition of water, gas, and electric utilities, along

1 with the Commission, Pennsylvania District Attorneys Association and Pennsylvania  
2 Chiefs of Police Association, to launch a public awareness campaign using public service  
3 announcements, print materials, posters, and community presentations.

4  
5 **Q. PLEASE DESCRIBE PAWC'S CUSTOMER DISPUTE RESOLUTION**  
6 **PROCEDURE.**

7 **A.** I am advised by counsel that PAWC is governed by Chapter 14 of the Code, the  
8 Responsible Utility Customer Protection Act, 66 Pa. C.S. §§ 1401 *et seq.*, and the  
9 Commission's regulations commonly known as Chapter 56, 52 Pa. Code §§ 56.1 *et seq.*  
10 The law and regulations provide the procedures for public utilities to follow with regard to  
11 customer billing, collections, payment arrangements, medical certifications, Protection  
12 from Abuse Orders, termination of service, reconnection of service, and customer dispute  
13 resolution procedures.

14 PAWC has a customer compliance team located in the Mechanicsburg, PA office  
15 responsible for ensuring that customer disputes and complaints are resolved in compliance  
16 with the Commission's regulations. Additionally, the Company has a customer advocacy  
17 team located in the Mechanicsburg office responsible for addressing any customer disputes  
18 and escalated concerns.

19 These same legal and regulatory requirements have not applied to the System to  
20 date and customers therefore have not benefited from the customer protections therein. In  
21 addition, the System does not have a dedicated complaint or dispute resolution department  
22 to field customer complaints. PAWC has better resources for responding to and resolving  
23 customer disputes.

1 **Q. CAN YOU BRIEFLY DESCRIBE PAWC'S TERMINATION PROCESS**

2 **A.** Yes. As discussed above, PAWC must comply with the Code and the Commission's  
3 regulations with regard to customer termination, which have not applied to the System to  
4 date. Instead, the Township has a sewer delinquency process that begins on December 31<sup>st</sup>  
5 of each year. Non-payment after December 31st results in letters being sent to customers  
6 stating the amount due and warning that water service will be terminated if the customer's  
7 sewer bill is not paid by January 31st. If the account balance is not paid by January 31<sup>st</sup>,  
8 the customers receive door hangers notifying them of the potential shut-off. Finally, water  
9 service will be terminated by North Penn Water Authority ten days later. Subsequently, a  
10 lien is placed on the property for the past due sewer fee plus penalties, collection fees, and  
11 legal fees. PAWC's termination process is more beneficial to customers for several  
12 reasons. First, PAWC will not terminate service for water heating customers during the  
13 winter termination moratorium. Second, if service is terminated, PAWC only holds  
14 customers responsible for their past due sewer bills and not ancillary fees, such as  
15 collection and legal fees. PAWC also offers customer assistance programs that may allow  
16 service to be restored to low income customers who fall behind on their sewer bills.

17  
18 **Q. TO THE BEST OF YOUR KNOWLEDGE, DO SYSTEM CUSTOMERS**  
19 **CURRENTLY HAVE A PUBLIC OMBUDSMAN TO REPRESENT THEIR**  
20 **INTERESTS?**

21 **A.** No.

1 **Q. DO PAWC'S CUSTOMERS HAVE A PUBLIC OMBUDSMAN TO REPRESENT**  
2 **THEIR INTERESTS?**

3 **A.** Yes. The Office of Consumer Advocate (“OCA”) represents residential customers of  
4 public utilities; the Office of Small Business Advocate (“OSBA”) represents small  
5 commercial customers of public utilities; and the Commission's Bureau of Investigation &  
6 Enforcement (“I&E”) represents the general public interest. Moreover, the Commission,  
7 an independent regulatory agency, has regulatory oversight of matters involving public  
8 utilities. The Commission and all of the public advocates are funded by regulatory  
9 assessments on public utilities.

10  
11 **Q. IS PAWC SUBJECT TO COMMISSION JURISDICTION?**

12 **A.** Yes. PAWC’s service and rates are subject to Commission regulation and oversight. If  
13 the Transaction is approved, future rate cases for System customers will be evaluated by  
14 the Commission to ensure that rates are just and reasonable. The PUC also conducts audits  
15 and reviews PAWC filings. This oversight helps ensure that service is safe and reliable.  
16 System customers will be protected by the Code and by PAWC’s Commission-approved  
17 tariff.

18 **CONCLUSION**

19 **Q. DO YOU BELIEVE PAWC HAS THE ABILITY TO PROVIDE SAFE,**  
20 **ADEQUATE, AND RELIABLE WASTEWATER SERVICE TO THE SYSTEM’S**  
21 **CUSTOMERS?**

22 **A.** Yes.

1 **Q. DO YOU BELIEVE THAT THE PROPOSED TRANSACTION WOULD RESULT**  
2 **IN AN AFFIRMATIVE PUBLIC BENEFIT OF A SUBSTANTIAL NATURE?**

3 **A.** Yes. For the reasons stated in my testimony, PAWC, as the largest investor-owned water  
4 and wastewater company in the Commonwealth, will be able to provide an enhanced level  
5 of operational expertise and customer service. The Transaction will also improve the  
6 System's environmental compliance. Approval of the Transaction would be consistent  
7 with the Pennsylvania Constitution, Article I, Section 27.

8

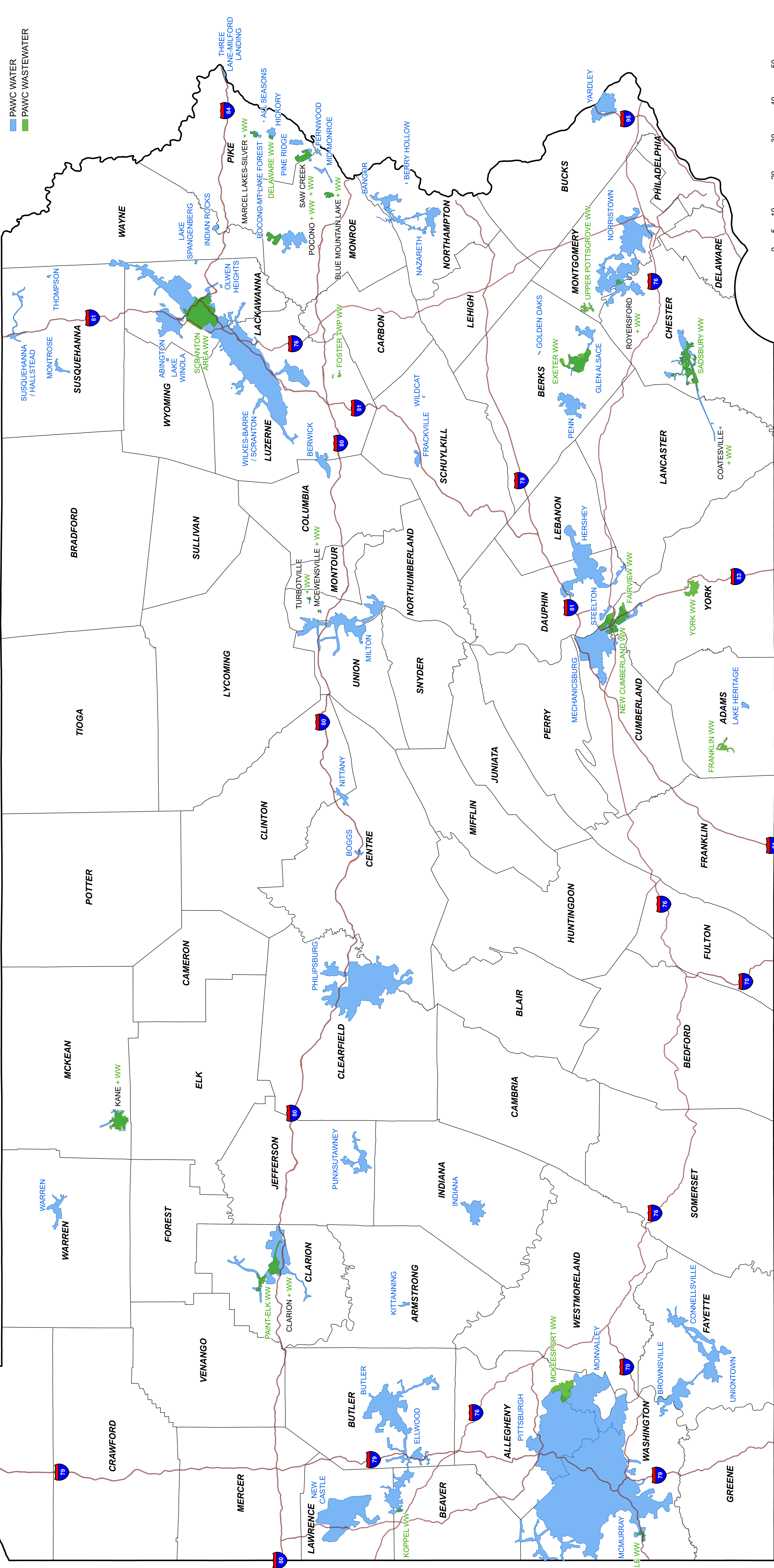
9 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

10 **A.** Yes. However, I reserve the right to supplement my testimony as additional issues and  
11 facts arise during the course of the proceeding. Thank you.

| Project Name   | YEAR 1                     | YEAR 2                     | YEAR 3                     | YEAR 4                     | YEAR 5                     |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|  | Budgeted Construction Cost | Budgeted Construction Cost | Budgeted Construction Cost | Budgeted Construction Cost | Budgeted Construction Cost |
| Disinfection Upgrade - UV Installation                           | \$ 250,000                 | \$ 500,000                 | \$ 200,000                 | \$ 1,500,000               | \$ 1,500,000               |
| Generators and fuel storage                                      |                            |                            |                            |                            |                            |
| Headworks improvements and Hauled-in Waste Facilities            |                            | \$ 500,000                 | \$ 1,000,000               | \$ 5,000,000               | \$ 4,000,000               |
| Clearspan Covers for Effluent Disinfection                       | \$ 75,000                  | \$ 300,000                 |                            |                            |                            |
| Stage II Phosphorus Treatment - Chem Feed & Storage              | \$ 50,000                  | \$ 50,000                  | \$ 300,000                 |                            |                            |
| Conversion Study and Construction                                |                            |                            |                            |                            |                            |
| Chemical Building Equipment Upgrades                             | \$ 30,000                  | \$ 150,000                 | \$ 250,000                 |                            |                            |
| Modifications to Stage II Filter Building & Final Settling Tanks |                            |                            | \$ 150,000                 | \$ 750,000                 |                            |
| Replace Stage II Influent Pump Discharge Valves & Manifold       |                            | \$ 50,000                  | \$ 300,000                 |                            |                            |
| Biosolids Dewatering Process Upgrades                            |                            | \$ 50,000                  | \$ 150,000                 | \$ 1,000,000               | \$ 500,000                 |
| Collection system condition assessment                           |                            | \$ 270,000                 | \$ 270,000                 |                            |                            |
| Targeted I/I improvements  |                            |                            | \$ 620,000                 | \$ 1,620,000               | \$ 1,620,000               |
| Safety, security, SCADA, and other Reoccurring Projects          | \$ 1,522,000               | \$ 2,765,000               | \$ 3,315,000               | \$ 1,510,000               | \$ 1,515,000               |
| Total  | \$ 1,927,000               | \$ 4,635,000               | \$ 6,555,000               | \$ 11,380,000              | \$ 9,135,000               |
| Grand Total  |                            |                            |                            |                            | \$ 33,632,000              |

# Existing Service Territory Pennsylvania American Water Company

Active Contract Listing as of March 2023



|                                    |                |               |                |                |
|------------------------------------|----------------|---------------|----------------|----------------|
| PA-Pittsburgh 2411                 | 136,841        | 26,868        | 6,354          | 33,253         |
| <b>TOTAL PITTSBURGH 2401</b>       | <b>136,841</b> | <b>42,109</b> | <b>6,354</b>   | <b>12,936</b>  |
| PA-McMurray 2421                   | 58,136         | 7,515         | 2,528          | 12,936         |
| PA-MonValley/Elizabeth 2422        | 21,378         | 3,619         | 3,749          | 9,526          |
| PA-Uniontown/Connellsville 2423    | 13,500         | 4,234         | 10,171         | 12,680         |
| PA-Brownsville/California 2425     | 4,675          | 1,957         | 8,464          | 19,211         |
| <b>TOTAL SOUTHWEST 2402</b>        | <b>97,689</b>  | <b>12,893</b> | <b>8,398</b>   | <b>87,686</b>  |
| PA-NewCastle/Ellwood 2431          | 19,643         | 2,354         | 2,528          | 12,936         |
| PA-Butler 2433                     | 58,136         | 7,515         | 3,749          | 9,526          |
| PA-Indiana 2441                    | 13,500         | 4,234         | 10,171         | 12,680         |
| PA-Clarion 2443                    | 4,675          | 1,957         | 8,464          | 19,211         |
| PA-Warren 2445                     | 5,429          | 2,068         | 6,291          | 13,644         |
| PA-Kane 2446                       | 2,068          | 791           | 39,664         | 87,686         |
| <b>TOTAL NORTHWEST 2402</b>        | <b>71,333</b>  | <b>2,345</b>  | <b>136,414</b> | <b>136,414</b> |
| PA-Franklin 2477                   | 23             | 23            | 2,467          | 2,467          |
| PA-Nittany 2478                    | 579            | 579           | 3,783          | 3,783          |
| PA-McEwensville 2484               | 130            | 130           | 4,129          | 4,129          |
| PA-Turbotville 2489                | 324            | 324           | 9,378          | 9,378          |
| <b>TOTAL CENTRAL 2403</b>          | <b>111,069</b> | <b>1,111</b>  | <b>111,069</b> | <b>111,069</b> |
| <b>TOTAL WATER / FIRE: 680,616</b> |                |               |                |                |

|                                     |        |        |
|-------------------------------------|--------|--------|
| PA-McKeesport WW 2412               | 10,521 | 2,768  |
| PA-Ekater WW 2413                   | 7,894  | 511    |
| PA-Coatesville-Sadsbury WW 2415     | 1,415  | 83     |
| PA-Royersford WW 2417               | 1,495  | 878    |
| PA-Upper Pottsgrove WW 2418         | 1,552  | 350    |
| PA-Kane WW 2419                     | 2,007  | 130    |
| PA-Claysville WW 2426               | 489    | 3,105  |
| PA-Koppel WW 2435                   | 360    | 308    |
| PA-Delaware/Clean Treatment WW 2436 | 361    | 29,876 |
| PA-Paint Elk WW 2438                | 429    | 13,273 |
| PA-Clarion WW 2447                  | 2,467  |        |
| PA-Pocono WW 2458                   | 3,783  |        |
| PA-Fairview WW 2460                 | 4,129  |        |
| PA-Coatesville WW 2467              | 9,378  |        |
| <b>TOTAL SEWER: 97,562</b>          |        |        |

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**


In re: Application of Pennsylvania-  
American Water Company under  
Sections 1102(a) and 1329 of the  
Pennsylvania Public Utility Code, 66 Pa  
C.S. §§ 1102(a) and 1329, for approval of  
(1) the transfer, by sale, to Pennsylvania-  
American Water Company, of  
substantially all of the assets, properties  
and rights related to the wastewater  
collection and treatment system owned  
and operated by Towamencin Township  
and Towamencin Municipal Authority, and  
(2) the rights of Pennsylvania-American  
Water Company to begin to offer or  
furnish wastewater service to the public  
in the Township of Towamencin and  
portions of the Townships of Franconia,  
Lower Salford and Worcester and the  
Borough of Lansdale, all in Montgomery  
County, Pennsylvania

Docket Nos. A-2023-3039900  
*et al.*

**VERIFICATION**

I, **Michael J. Guntrum, P.E.**, hereby state that the facts set forth in PAWC Statement No. 2 and accompanying exhibits, if any, are true and correct to the best of my knowledge, information, and belief. I understand that this verification is made subject to the provisions and penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Date: May 15, 2023

  
\_\_\_\_\_  
Michael J. Guntrum, P.E.  
Senior Project Engineer  
Pennsylvania-American Water Company