



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

IN REPLY PLEASE
REFER TO OUR FILE

July 18, 2023

Docket Nos. A-2023-3041009 & A-2023-3041010

Utility Codes 230087 & 230280

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RE: Joint Application of The York Water Company - Wastewater and MESCO, Inc. for approval of the rights of: (1) to transfer certain public wastewater facilities from the Estate of Jane M. Alexander acting through its executors Lorinda Krause and Marstin Alexander and MESCO, Inc to The York Water Company - Wastewater; (2) the abandonment by MESCO, Inc. of wastewater service to the public in its service territory in Monaghan Township, York County, Pennsylvania; and (3) The York Water Company - Wastewater to offer, render, furnish and supply wastewater service to the public in a portion of Monaghan Township, York County, Pennsylvania at Docket Nos. A-2023-3041009 & A-2023-3041010.

Dear Attorneys Hassell, Ryan, and Reynosa:

On May 30, 2023, The York Water Company – Wastewater (York Water-WW) and MESCO, Inc. (MESCO) filed the above-referenced document (Joint Application) with the Pennsylvania Public Utility Commission (Commission). To assist the Commission in conducting the review of the Joint Application, please respond with the information requested in the attached document.

Please forward the information to the Secretary of the Commission at the address listed below **within ten (10) business days** from the date of this letter. Make sure to reference the docket number listed above when filing your response. Please note that some responses may be e-filed to your case, <http://www.puc.pa.gov/efiling/default.aspx>. A list of document types allowed to be e-filed can be found at <http://www.puc.pa.gov/efiling/DocTypes.aspx>. All documents requiring notary stamps must have original signatures.

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

Your answers should be verified per 52 Pa Code § 1.36. Accordingly, you must provide the following statement with your responses:

<p><i>I, [print name of appropriate company representative], hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).</i></p> <p style="text-align: right;">Signature _____ Title _____ Date _____</p>
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Please contact the below staff person if any problems should arise that prevent a full response within ten business days or if any clarification of these data requests is needed. Please mark the materials “CONFIDENTIAL” in bold or highlighted manner if any of the requested information is deemed to be of a confidential nature.

In addition, to expedite completion of the review, please send a copy of your response to James Kennedy in the Water/Wastewater Section of the Bureau of Technical Utility Services via e-mail at jameskenne@pa.gov. Thank you in advance for your cooperation.

Sincerely,



Rosemary Chiavetta
Secretary

Enclosure: TUS Data Request Set 1

cc: Patrick Cicero, Office of Consumer Advocate (w/enclosure), ra-oca@paoca.org
Christine Hoover, Office of Consumer Advocate (w/enclosure), choover@paoca.org
NazAarah Sabree, Office of Small Business Advocate (w/enclosure), ra-sba@pa.gov
Richard Kanaskie, Bureau of Investigation & Enforcement (w/enclosure), rkanaskie@pa.gov

TUS Data Request Set 1

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Note: Please restate the data request prior to providing a response. In addition, provide the name and title of the person(s) providing the response and/or information for each data request.

- A-1 In Section 5 of the Application, the Joint Applicants indicated that York Water-WW will acquire all permits associated with the wastewater system from the Sellers. Please provide the following:
- a. A list of all permits to be acquired by York Water-WW from the Sellers; and
 - b. Copies of all permits to be acquired from the Sellers.
- A-2 Please provide a detailed breakdown, by major plant category, of the used and useful plant in service to be acquired. The breakdown should fully describe the asset and identify the size, type, material, unit quantity, and year of installation.
- A-3 If MESCO is required to complete and submit a Chapter 94 Municipal Wasteload Management Report (Chapter 94 Report) to DEP, please provide a copy of the most recent Chapter 94 Report submitted.
- A-4 Please provide a breakdown of the projected number of customers within the requested service territory, by year, for the next five years.
- A-5 In Section 10 of the Joint Application, York Water-WW indicated it expects to be able to meet projected capacity requirements through the year 2036. Please provide a detailed breakdown by year and estimated capacity demand for the present year to 2036.
- A-6 Information on file with the Commission at Docket No. A-230280 indicated that MESCO's certificated service territory contains 150 acres more or less. However, the metes and bounds description provided as Exhibit C of the Joint Application indicates that the requested service territory is approximately 104 acres. Please explain this discrepancy and, if necessary, provide a revised description of the requested territory by metes and bounds that matches the existing certificated service territory of MESCO.

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- A-7 Information on file with the Commission at Docket No. R-00050678 indicated that MESCO's certificated service territory encompasses portions of Monaghan and Carroll Townships. Additionally, the boundaries depicted on the map provided in the Joint Application as Exhibit B-1 appear to extend into Carroll Township. However, the Joint Application only addressed its service in Monaghan Township. Please explain this discrepancy, and if MESCO provides public wastewater service in a portion of Carroll Township or York Water-WW's requested territory extends into a portion of Carroll Township, provide all requisite amendments, notifications, and revisions of and to the Joint Application to facilitate this change.
- A-8 The map provided in the Joint Application as Exhibit B-1 does not include a scale; does not identify the elevations of major facilities and service areas; and shows no correspondence to the metes and bounds description provided in the Joint Application as Exhibit C, by omitting a corresponding numbering scheme, a north arrow, and a depiction of municipal boundaries. Please provide a revised map of the requested service territory that includes a scale, includes a numbering scheme corresponding to the written description of the territory by metes and bounds, identifies the elevation of major facilities and service areas, includes a north arrow and depicts municipal boundaries.
- A-9 Please provide copies of MESCO's two most recent federal income tax returns. If the tax returns reflect an operating loss, describe in detail how the operating losses are subsidized, supported by an analysis of the future viability of the utility under York Water-WW ownership.
- A-10 A confidential version of the Joint Application was filed at Docket Nos. A-2023-3041009 and A-2023-3041010 on May 30, 2023. The cover letter of the Joint Application indicated that the confidential version contained proprietary and competitively sensitive information, namely Exhibit E, the Purchase Agreement. To the ensure a complete public record, please file an expurgated copy of Exhibit E that redacts only the portions of the exhibit that York Water-WW believes to be confidential.
- A-11 Please state if York Water-WW and MESCO are affiliated with one another.
- A-12 Please provide an estimate of the closing costs for the transaction and identify the source of funds that will be used to pay for those costs.
- A-13 Please identify how MESCO's current wastewater customers receive water service.

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- A-14 Please explain how approval of the Application would benefit current York Water-WW customers.
- A-15 In Section 15 of the Application, York Water-WW indicated that it plans to invest initially in evaluating improvements to the equalization tank and inflow and infiltration of installed wastewater mains and services and implement connectivity with York Water-WW's master SCADA system. Please provide an estimate of the costs of these investments and explain how York Water-WW will fund these investments.
- A-16 By Secretarial Letter dated May 31, 2023, the Commission directed York Water-WW to serve copies of the Joint Application on a list of parties. Please provide a certificate of service indicating the Joint Application has been served on the parties listed in the Secretarial Letter.