

COMMONWEALTH OF PENNSYLVANIA



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August 14, 2023

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

Re: Petition of Veolia Water Pennsylvania, Inc.
for Approval of a Lead Service Line
Replacement Program
Docket No. P-2023-3042107

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Answer to the Petition of Veolia Water Pennsylvania, Inc. in the above-referenced proceeding. As required under the Commission's regulations, the Office of Consumer Advocate's Answer is accompanied by a verification in accordance with 52 Pa. Code Section 1.36.

Copies have been served on the parties as indicated on the enclosed Certificate of Service.

Respectfully submitted,

/s/ Harrison W. Breitman
Harrison W. Breitman
Assistant Consumer Advocate
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Enclosures:

cc: Office of Administrative Law Judge (**email only:** crainey@pa.gov)
Office of Special Assistants (**email only:** ra-OSA@pa.gov)
Sean Donnelly, TUS (**email only:** sdonnelly@pa.gov)
Certificate of Service

*4891-6502-9495

CERTIFICATE OF SERVICE

Petition of Veolia Water Pennsylvania, Inc. :
Approval of a Lead Service Line : Docket No. P-2023-3042107
Replacement Program :

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate's Answer to Veolia Water Pennsylvania, Inc., upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 14th day of August 2023.

SERVICE BY E-MAIL ONLY

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Phone: (717) 783-5048
Dated: August 14, 2023
*4881-6429-4775

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Veolia Water PA, Inc. Verified Letter :
Petition for Partial Waiver of Lead Service : Docket No. P-2023-3042107
Line Replacement Regulations Due to :
Absence of Lead Service Lines :

ANSWER
OF THE
OFFICE OF CONSUMER ADVOCATE

I. INTRODUCTION

On July 21, 2023, Veolia Water Pennsylvania, Inc. f/k/a SUEZ Water Pennsylvania Inc. (Veolia or Company or VWPA) filed with the Pennsylvania Public Utility Commission (Commission) a Petition seeking approval of a Lead Service Line Replacement Program (LSLR Program) and tariff revisions that will allow it to replace customer-owned lead service lines (COLSL), and to recover those costs as provided in Section 1311(b)(2) of the Public Utility Code, which was added to the Public Utility Code pursuant to Act 120 of 2018. 66 Pa. C.S. § 1311(b)(2). As required by Commission regulations implementing Act 120 of 2018, 52 Pa. Code §§ 65.51-65.62, the Company attached to its Petition a modified Long-Term Infrastructure Improvement Plan (LTIIP).

In this Answer, the OCA makes recommendations for the Commission's consideration in reviewing the proposed modified LTIIP. As discussed below, additional information will be

necessary for the Commission to determine whether the proposed LSLR improvements to the LTIP are prudent and cost-effective and will maintain safe, reliable, and reasonable service as required by 66 Pa. C.S. §§ 1352(a)(5), (a)(6) and 1353.

II. ANSWER

A. Introduction

The proposed LSLR program and plan will allow the Company to recover the costs for LSL replacements, both Company-owned and customer-owned, through its base rates and DSIC. 66 Pa. C.S. § 1311(b)(2). For customers, the LSLR plan has the potential to provide both financial and public health benefits.

An LSLR program could prevent that unnecessary risk of loss of service for customers. Section 1311(b)(2) of the Public Utility Code provides a process to eliminate the individual financial burden for replacing customer-owned LSLs by recovering those costs over the Company's entire customer base. If a customer could not have otherwise afforded the replacement of the line, the customer will be able to maintain essential water service. The lead service line also poses a direct health risk to customers. An LSLR program can protect public health by helping to ensure the timely removal of lead from the customer-owned portion of the LSL.

The OCA appreciates the Company's filing of this proposed LSLR plan and amended LTIP in furtherance of the goal of coordinating Company-owned and customer-owned LSL replacements and providing the benefits above. In this Answer, the OCA identifies some additional information that may be necessary for the Commission to determine that the proposed modified LTIP including an LSLR plan meets the requirements for LTIP approval, *i.e.* the planned improvements are prudent and cost-effective, and will maintain safe, reliable and reasonable service as required by 66 Pa. C.S. §§ 1352(a)(5), (a)(6) and 1353. The OCA is willing to work

with the Company to develop a fair and equitable way to implement its program so that the public health and safety issues are fully addressed. The OCA submits that a record should be developed to answer these questions and concerns, and others that arise during review, prior to approval of the modified LTIIP and LSLR Plan.

B. OCA Recommendations

Based on the OCA's preliminary review, the OCA has the following concerns regarding the modified LTIIP and proposed LSLR plan:

1. Inventory

The Company states that it will offer to replace customer owned lead service lines free of charge to the customer whether or not the associated Company service line is also being replaced. Petition at 2. The OCA supports this policy.

2. Planning and Replacement

As part of the Company's Petition under planning and replacement, the Company states that partial lead service line replacements will only occur as an emergency. Petition at Att. B. The OCA submits that this circumstance should be extremely limited in practice. The OCA believes that the Company must clarify what it considers an emergency. The Company should be required to develop specific customer communications in this instance due to the likely elevated lead levels in the home after a partial replacement. The Company should also be required to provide its protocols to ensure that this is an extremely limited option.

Veolia notes that its plans follows the American Water Works Standard (AWWA). *See* Petition at Att. B, Exh. 5. The OCA suggests that a simplified version of this document with pictures be given to customers who will experience system flushing due to lead service line replacement. The OCA additionally suggests that a clearer explanation be provided as to how a

customer should conduct testing. As such, the OCA recommends that a clear and simple explanation of instructions on how to conduct the testing should also be created and provided.

The OCA notes that the Company has yet to find lead pipes in its system and no customer lead service lines. *See* Petition at 2. However, the OCA is concerned that this plan lacks specificity with regards to contacting customers and a set timeline to replace any lead service lines found. The OCA recommends that Veolia specify timelines and specific customer contact procedures if customer-owned lead service lines are found.

3. Outreach

The Company should develop an ongoing communications plan for its LSLR that should include direct mailings to notify potentially affected customers about the program, press releases, bill inserts, and information on the Company's website regarding the health effects of lead and LSLs, including flushing instructions. In addition to information on LSLs, this customer outreach and communication should also include information for low-income customers on customer assistance programs. The Company should be required to share with the statutory advocates the communications materials to be used in its communication plan and to work with the parties to develop an outreach process for communications related to LSLR.

The OCA applauds the Company's effort to serve its Spanish speaking customers. *See* Petition at Att. B, Exh. 1. However, the OCA suggests that all documents be available in English and Spanish. The OCA further recommends that all written material to be given to customers or owners be available in a customer's or owner's preferred language if it is a language other than English or Spanish upon request. The OCA also recommends that written information found on the website should be available in English and Spanish.

III. CONCLUSION

The Office of Consumer Advocate generally supports Veolia Water Pennsylvania's goal of replacing customer-owned lead service lines. The Office of Consumer Advocate requests that the Petition be referred to the Office of Administrative Law Judge for hearings on issues raised by the OCA's Answer.

Respectfully submitted,

/s/Harrison W. Breitman
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DATED: August 14, 2023

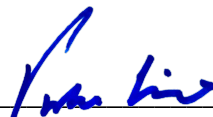
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Veolia Water Pennsylvania, Inc. :
Approval of a Lead Service Line : Docket No. P-2023-3042107
Replacement Program :

VERIFICATION

I, Patrick M. Cicero, hereby state that the facts set forth in the Office of Consumer Advocate's Answer to Veolia Water Pennsylvania, Inc., are true and correct (or 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).

DATED: August 14, 2023

Signature: 
Patrick M. Cicero
Consumer Advocate

Address: Office of Consumer Advocate
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5th Floor, Forum Place
Harrisburg, PA 17101-1923