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August 31, 2023

Ms. Rosemary Chiavetta  
Secretary of the Commission  
Commonwealth of Pennsylvania  
Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Re: Conneaut Lake Park Water Corporation R-2023-3041575-AEL-8/31/23  
Small Water Company Base Rate Filing  
Docket Number ~~R-2023-XXXXXX~~

Dear Secretary:

On behalf of Conneaut Lake Park Water Corporation please accept the following documents and data in connection with proposed Tariff Supplement No. 1 to Tariff – Water Pa. P.U.C. No. 1 requesting an increase in base rates for all customer classes served by Conneaut Lake Park Water Corporation.

As required by 52 Pa. Code § 53.51(b) *et seq* the Conneaut Lake Park Water Corporation is electronically filing the following documents and information:

1. Tariff Supplement No. 1 to Tariff – Water Pa. P.U.C. No. 1.
2. Supporting data and calculations in support of Tariff Supplement No. 1 to Tariff – Water Pa. P.U.C. No. 1.
3. Notice to customers of the proposed increase and an affidavit verifying the mailing of individual notices to all customers.
4. An affidavit of the factual nature of all information presented in this filing.

August 31, 2023

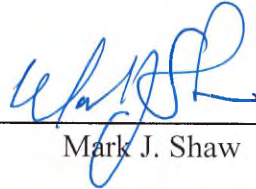
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In addition, Conneaut Lake Park Water Corporation also is filing a Petition of Conneaut Lake Park Water Corporation, Inc. for Approval of a Metering Exception. When Conneaut Lake Park Water Corporation received its Certificate of Public Convenience, the Order provided that "at the time of filing its next base rate case or no later than three years from the issuance of the Certificate of Public Convenience pursuant to Ordering Paragraph 3, Conneaut Lake Park Water Corporation, Inc. shall finalize and submit a proposed metering program that would result in all customers except fire protection customers being metered ..." Since the above referenced Tariff Supplement No. 1 is the next base rate case being filed after receipt of the Certificate of Public Convenience, Conneaut Lake Park Water Corporation is filing this Petition in conjunction with the base rate filing.

Very truly yours,

MacDONALD, ILLIG, JONES & BRITTON LLP

By \_\_\_\_\_



Mark J. Shaw

On behalf of:

Conneaut Lake Park Water Corporation

MJS/lmf/1822541.1

Enclosures

cc: Office of Trial Staff (w/enclosures)  
Office of Consumer Advocate (w/enclosures)  
Office of Small Business Advocate (w/enclosures)

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, by the manner indicated below, and in accordance with the requirements of 52

Pa. Code §1.54 (relating to service by a party):

**SERVICE VIA ELECTRONIC MAIL:**

Patrick Cicero  
Office of Consumer Advocate  
555 Walnut Street, 5th Floor  
Harrisburg, PA 17101-1923  
[PCicero@paoca.org](mailto:PCicero@paoca.org)

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Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
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Respectfully submitted,



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Attorneys for:  
Conneaut Lake Park Water Corporation

Supplemental No. 1 to  
Tariff Water Pa. PUC No. 1

CONNEAUT LAKE PARK WATER CORP., INC.  
RATES, RULES AND REGULATIONS GOVERNING  
THE PROVISION OF WATER SERVICE  
TO THE PUBLIC IN PORTIONS OF SUMMIT AND SADSBUURY TOWNSHIPS,  
CRAWFORD COUNTY, PENNSYLVANIA

ISSUED : August 31, 2023

EFFECTIVE : October 31, 2023

BY:

Conneaut Lake Park Water Corp., Inc.  
713 Broad Acres Road, Narbeth, PA 19072

LIST OF CHANGES

This tariff supplement increases water rates to collect \$257,797 in additional revenue, or a 970% increase. Flat rates are increased for all customer classes. Additional minimum charges and volumetric charges are added for metered customers. The billing been changed to either monthly or quarterly at the discretion of the Corporation. Lastly, the scope of the Turn-on Charge provision has been clarified.

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PART I: SCHEDULE OF RATES AND CHARGES

Section A - Rates for Metered and Flat Rate Service

	<u>Consumption</u>		<u>Rate per 100 Gals. Over Minimum (c)</u>
	<u>Per Month</u>	<u>Per Quarter</u>	
Commercial – Flat Rate (c)	\$850.00 (I)	\$2,550.00 (I)	N/A
Small Commercial Minimum Charge (c)	\$850.00 (I)	\$2,550.00 (I)	\$10.00
Large Commercial Minimum Charge (c)	\$2,183.40 (I)	\$6,550.20 (I)	\$10.00
Residential – Flat Rate	\$122.30 (I)	\$366.90 (I)	

Section B - Fire Protection Rates

2. Public Fire Protection: For public fire protection, the charge shall be \$ 100.00 per hydrant per year. (I)

(I) means the amount has been increased.



Section C. Returned Check Charge

A charge of \$ 50.00 will be assessed any time where a check which has been presented to the Company for payment on account has been returned by the payor bank for any reason.

SURCHARGE  
STATE TAX ADJUSTMENT SURCHARGE

In addition to the charges provided in this tariff, a surcharge of 0.000 will apply to all charges for service rendered on or after the effective date of this tariff.

The above surcharge will be recomputed, using the same elements prescribed by the Commission.

- a. Whenever any of the tax rates used in the calculation of the surcharge are changed.
- b. Whenever the utility makes effective any increased or decreased rates; and
- c. On March 31, 1999, and each year thereafter.

The above recalculation will be submitted to the Commission within 10 days after the occurrence of the event or date which occasions such recomputation; and, if the recomputed surcharge is less than the one then in effect, the Company will, and if the recomputed surcharge is more than the one in effect, the Company may, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after filing.

Section D - Construction Rates

The flat rate charge for unmetered residential building construction shall be \$20.00 per quarter per dwelling unit under construction until construction is completed. The flat rate charge for unmetered nonresidential construction shall be \$1,000 per quarter.

Section E - Service Termination or Resumption Rates

The fee for shut-off or turn-on of service at the curb stop shall be \$50.00

Section F - Meter Test Rates

Consistent with Commission regulation at 52 Pa. Code §65.8(h), the fee schedule for testing of meters shall be as follows:

1 inch or less	\$10.00
1 1/4 inch - 2 inch	\$20.00

These amounts may vary without revision of this tariff so as to be consistent with Commission regulations.

Fees for testing meters over 2 inches or for testing meters so located that testing costs are disproportionate to the stated fees shall be as established by the Company based upon the actual cost of the test.

PART II: Definitions:

The following words and phrases, when used in this tariff, shall have the meanings assigned below unless the context clearly indicates otherwise:

1. Annual Line Extension Costs: The sum of a Company's additional annual operating and maintenance costs, debt costs and depreciation charges associated with the construction, operation and maintenance of the line extension.
2. Annual Revenue:(For Line Extension Purposes) The Company's expected additional annual revenue from the line extension based on the Company's currently effective tariff rates and on the average annual usage of customers similar in nature and size to the bona fide service applicant.
3. Applicant: A person, or entity who applies to become a customer of the Company in accordance with Part III, Section A, of this tariff.
4. Bona Fide Service Applicant:(For Line Extension Purposes) A person or entity applying for water service to an existing or proposed structure within the utility's certificated service territory for which a valid occupancy or building permit has been issued if the structure is either a primary residence of the applicant or a place of business. An applicant shall not be deemed a bona fide service applicant if:
  - (a) applicant is requesting water service to a building lot, subdivision or a secondary residence;
  - (b) The request for service is part of a plan for the development of a residential dwelling or subdivision; or
  - (c) the applicant is requesting special utility service.
5. Commission: The Pennsylvania Public Utility Commission.
6. Company: Conneaut Lake Park Water Corporation, Inc.
7. Company service line: The water line from the distribution facilities of the Company which connects to the customer service line at the hypothetical or actual line or the actual

property line, including the control valve and valve box. The control valve and valve box determine the terminal point for the Company's responsibility for the street service connection.

8.     Cross-connection: Any pipe, valve, hose or other arrangement or device connecting the pipelines or facilities of the Company, to and with other pipes or fixtures by which any contamination might be admitted or drawn into the distribution system of the Company from lines other than the Company's.
  
9.     Customer: A person or entity who is an owner or occupant and who contracts with the Company for water service.
  
10.    Customer service line: The water line extending from the curb, property line or utility connection to a point of consumption.
  
11.    Debt Costs: (For Line Extension Purposes) The Company's additional annual cost of debt associated with financing the line extension investment based on the current debt ratio and weighted long-term debt cost rate for that utility or that of a comparable jurisdictional water utility.
  
12.    Depreciation charges: (For Line Extension Purposes) The utility's additional annual depreciation charges associated with the specific line extension investment to be made based on the current depreciation accrual rates for that Company or that of a comparable jurisdictional water Company.
  
13.    Line extension:(For Line Extension Purposes) An addition to the Company's main line which is necessary to serve the premises of a customer.
  
14.    Main: The pipe of a public utility system, excluding service connections, located in a public highway, street, alley or private right-of-way which pipe is used in transporting water.
  
15.    Meter: Any certified device used by the Company, or by the Commission, for the purpose of measuring water consumption.
  
16.    Nonresidential service: Water service supplied to a commercial or industrial facility, including a hotel or motel, or to a master-metered mobile home or multi-tenant apartment building, or to any customer who purchases water from the Company for the purpose of resale.
  
17.    Operating and Maintenance Costs:(For Line Extension Purposes):     The utility's average annual operating and maintenance costs associated with serving an additional customer, including customer accounting, billing, collections, water purchased, power purchased, chemicals, and other variable costs based on the current total Company level

of such costs, as well as costs particular to the specific needs of that customer, such as line flushing.

18. Private fire protection service: Water service provided exclusively for the purpose of fire protection that is available to the customer only and not for use by the general public, and that is provided through automatic sprinkler systems, fire hydrants or similar mechanisms.
19. Public fire protection service: Water service provided exclusively to a municipal or governmental entity through outdoor hydrants for the purpose of fire protection for the general public.
20. Public Utility: Persons or corporations owning or operating equipment or facilities in this Commonwealth for diverting, developing, pumping, impounding, distributing or furnishing water to or for the public for compensation.
21. Residential service: Water service supplied to an individual single-family residential dwelling unit. Utility service supplied to a dwelling including service provided to a commercial establishment if concurrent service is provided to a residential dwelling attached thereto. Utility service provided to a hotel or motel is not considered residential service.
22. Short-term Supply Shortage: An emergency which causes the total water supply of a Company to be inadequate to meet maximum system demand.
23. Special Utility Service: Residential or business service which exceeds that required for ordinary residential purposes. See additional clarification in Section G, Part 2(d) of this tariff.
24. Tariff: All of the service rates, rules and regulations issued by the Company, together with any supplements or revisions thereto, officially approved by the Commission and contained in this document.

### PART III: RULES AND REGULATIONS

#### Section A - Applications for Service

1. Service Application Required: The Company may require applications for service to be completed in writing on a form provided by the Company and signed by the owner or occupant of the property.
2. Change in Ownership or Tenancy: A new application must be made to the Company upon any change in ownership where the owner of the property is the customer, or upon any change in the identity of a lessee where the lessee of the property is the customer.  
The Company shall have the right to discontinue or

otherwise interrupt water service upon three (3) days notice if a new application has not been made and accepted for the new customer.

3. Acceptance of Application: An application for service shall be considered accepted by the Company only upon oral or written approval by the Company. The Company may provide service to the applicant pending formal review and acceptance of the application.
4. Application Forms: Application forms can be obtained at the Company's local business office, presently located at 11364 Konneyaut Trail Ext., Conneaut Lake, PA 16316
5. Water Used for Construction Purposes: Where water is required for construction purposes, the applicant shall so indicate. Unmetered service may be provided for construction purposes.
6. Temporary Service: In the case of temporary service for short-term use, the Company may require the customer to pay all costs of making the service connection and for its removal after the service has been discontinued, or to pay a fixed amount in advance to cover such expenses. If the service connection is physically removed, the customer shall receive a credit for reasonable salvage value.

#### Section B - Construction and Maintenance of Facilities

1. Customer Service Line: The customer service line shall be furnished, installed, maintained and/or replaced, when necessary, by and at the sole expense of the customer. The Company reserves the right to determine the size, kind and depth of customer service lines.
2. Separate Trench: The customer service line shall not be laid in the same trench with drain or wastewater pipe, the facilities of any other public utility or of any municipality or municipal authority that provides a public utility service, or within three (3) feet of any open excavation, unless a written exception is granted by the Company.
3. Customer's Responsibilities: All service lines, connections and fixtures furnished by the customer shall be maintained by the customer in good working order. All valves, meters and appliances furnished by the Company and on property owned or leased by the customer shall be protected properly by the customer. All leaks in the customer service line or any pipe or fixtures in or upon the customer's premises must be repaired immediately by the customer.
4. Right to Reject: The Company may refuse to connect with any piping system or furnish water through a service already connected if such system or service is not properly installed

or maintained. The Company may also refuse to connect if lead based materials, as defined in the Safe Drinking Water Act, have been used in any plumbing beyond the Company's curb control valve. It shall be the customer's responsibility to provide the Company with any such certification which may be required to verify the absence or removal of such materials.

5. Water Use Standards for Certain Plumbing Fixtures: This rule establishes maximum water use criteria for certain plumbing fixtures installed in all new construction or renovation. Such standards have been implemented to achieve maximum efficiency of water use which the Commission has determined is technologically feasible and economically justified.

(a) Maximum permitted water usage levels shall be as follows:

Plumbing Fixture	IPC Maximum Water Use
Showerheads	2.5 gallons/minute @ 80-psi
Faucets	2.2 gallons/minute @ 60-psi
Water Closets	1.6 gallons/flush
Urinals	1.0 gallons/flush

(b) The Company may exempt particular customers, or classes of customers, when it is determined that the water use standards for plumbing fixtures listed above are unreasonable, cannot be accommodated by existing technology or are otherwise inappropriate.

6. Stop and Waste Valves and Check Valves: The Company requires the installation of stop and waste valves and check valves on all new or reconstructed customer service lines. The responsibility for the proper installation and maintenance of such valves shall be the customer's and at the customer's sole expense.

7. Backflow Prevention Device: The installation of a backflow device of the type approved by the Company may be required by the Company if, in the Company's opinion, such a device is needed to protect the integrity of the Company's system. The backflow prevention device shall be installed, owned and maintained by the customer at the customers' expense. The location of the backflow prevention device shall be approved by the Company. The Company recommends the installation of approved double check valves for service lines providing service to residential units.

8. Pressure: Generally the Company will maintain service pressures from 25 p.s.i.g.(pounds per square inch gauge)to 125 p.s.i .g. at the main, but during periods of peak demand pressures at the main may range from 20 to 150 p.s.i.g. The

Company may furnish service at other pressures where necessary to supply adequate service.

If a customer needs the pressure reduced, the customer must install and maintain, at the customer's expense, a pressure regulator or valve. The pressure regulator will be installed on the inlet side of the meter.

9. Cross-Connections: No cross-connection shall be installed or continued except upon terms and conditions established in writing by the Company. A cross-connection may be considered to be eliminated if a method of backflow prevention is approved by the Company in writing and implemented.
10. Individual Service Lines: Except as otherwise expressly authorized by the Company, each individual customer shall be served only through a separate service line connected directly to the Company's distribution main, and that service line shall not serve any other customer or premise. No additional attachment may be made to any customer's service line for any purpose without the express written approval of the Company.
11. Connection to Company Mains: No connection shall be made to the Company's main, nor detachment from it, except under the direction and control of the Company. All such connections shall be property of the Company and shall be accessible to it and under its control. The Company will furnish, install and maintain all service lines from the main to and including the curb stop and box.

#### Section C - Discontinuance, Termination and Restoration of Service

1. Discontinuance by Customer: Where a customer requests the Company to discontinue service, the following rules shall apply:
  - (a) A customer who wishes to have service discontinued shall give at least seven (7) days notice to the Company, specifying the date on which service is to be discontinued. In the absence of proper notice, the customer shall be responsible for all service rendered until the time that the Company shall have actual or constructive notice of the customer's intent to discontinue service. The customer shall not turn water on or off at any curb stop, or disconnect or remove the meter, or permit its disconnection or removal, without the prior written consent of the Company. A customer discontinuing service remains a customer for purposes of paying turn-on fees pursuant to Rule 3 of this Section for a period of nine (9) months.

- (b) Where a customer requests turn-on of service within six (6) months of disconnection, the customer shall be subject to monthly minimum billing for the period of disconnection. The request for turn-on of service should be mailed to the same address as the disconnection of service request.
2. Termination by Company: Service to the customer may be terminated for good cause, including, but not limited to, the following:
- (a) making an application for service that contains material misrepresentations;
  - (b) willful or negligent waste of water through improper or imperfect pipes or fixtures, or for failure to repair leaks in pipes or fixtures;
  - (c) tampering with any service line, curb stop, meter or meter setting, or installing or maintaining cross-connections or any unauthorized connection;
  - (d) theft of service, which may include taking service without having made a proper application for service under Part III, Section A;
  - (e) failure to pay, when due, any charges accruing under this tariff;
  - (f) refusing the Company reasonable access to the property served for purposes of installing, inspecting, reading, maintaining or removing meters;
  - (g) receipt by the Company of an order or notice from the Department of Environmental Protection, a health agency, local plumbing inspector or other similar authority, to terminate service to the property served on the grounds of violation of any law or ordinance, or upon notice to the Company from any such authority that it has ordered an existing violation on the property to be corrected and that such order has not been complied with or
  - (h) material violation of any provisions of this tariff.
3. Turn-on Charge: Whenever service is discontinued or terminated pursuant to Rule 1 or Rule 2 of this Section, service shall be turned on by the Company only upon the payment by the customer of a turn-on charge and the resolution of the problem that gave rise to the termination if under Rule 2. The turn-on charge may include the cost of terminating service and reinstating service, including the cost of any repairs necessary to the system as a result of damage arising as a result of termination or reinstating service.

Section D - Meters



1. All Meters Shall be Owned, Installed and Maintained by the Company:
2. Requirement for Metered Service: All service provided by the Company shall be metered except as authorized by this tariff or as may be exempted by the Commission.
3. Location of Meters: The meter will be set after the customer has had the plumbing arranged to receive the meter at a convenient point approved by the Company so as to measure all water being supplied to the customer's premise.

Protection for the meter shall be provided by the customer. In cases where it is not practical to place the meter indoors, or if the customer so desires and the Company approves, an outside setting will be installed at the customer's expense at a position selected by the Company. The Company shall establish standards for outside meter settings. Relocation of meters for the customer's convenience shall be at the customer's expense.

4. Access for Automated Meter Reading Devices: Upon reasonable notice, the customer shall permit the Company access and space for the purpose of installing and utilizing a telemetering or other automated meter reading device. Where applicable, the customer must provide the Company with the telephone number of the line to which the equipment will be connected and immediately advise the Company of any changes in the telephone number. Where the use of the customer's facilities results in a utility charge, the Company will compensate the customer.
5. Damages to Meters: Meters shall be maintained by the Company so far as ordinary wear and tear is concerned. Where damage to a meter results from the negligent or willful act of the customer, and the customer was previously notified of the obligation to protect the meter, the actual cost of removing, replacing, repairing or testing a damaged meter shall be paid by the customer.
6. Notification to Company of Non-Working or Damaged Meter: The customer shall notify the Company of a non-working or damaged meter as soon as the customer has notice of either condition.
7. Fees for Meter Tests: Fees for testing meters shall be as specified under Part I, Section F, of this tariff. Testing fees shall be refunded pursuant to Commission regulation at 52 Pa. Code §65.8(g) where the meter is found not operating within the allowable accuracy range specified at 52 Pa. Code §65.8(a).

#### Section E - Billing and Collection

1. Issuance of Bills: The Company will bill each customer within fifteen (15) days of the last day of each billing period, which shall be either monthly or quarterly at the discretion of the Company.
2. Billing Due Date: The due date for payment of a bill for nonresidential service shall be no less than fifteen (15) days from the date of transmittal. The due date for payment of a bill for residential service shall be no less than twenty (20) days from the date of transmittal. If the last day for payment falls on a Saturday, Sunday or bank holiday, or on any day when the offices of the Company are not open to the general public, the due date shall be extended to the next business day. The Company may not impose a late-payment charge unless payment is received more than five (5) days after the stated due date.
3. Late-Payment Charge: All amounts not paid when due shall accrue a late-payment charge at the rate not to exceed one and one-half percent (1.50%) per billing period, not to exceed eighteen percent (18%) per year when not paid as prescribed in Rule 2 of this Section.
4. Change in Billing Address: Where a customer fails to notify the Company of a change in billing address, the customer shall remain responsible to remit payment by the billing due date.
5. Application of Payment: Utility bills rendered by the Company shall include only the amount due for water service. Where a customer remittance to the Company includes payment for any non-utility services, proceeds will be applied first to pay all outstanding regulated utility charges.
6. Return Check Charges: The customer will be responsible for the payment of a charge for each time a check presented to the Company for payment on that customer's utility bill is returned by the payor bank for any reason including, but not limited to, insufficient funds, account closed, payment stopped, two signatures required, post-dated, stale date, account garnished, or unauthorized signature. This charge is in addition to any charge which may be assessed against the customer by the bank with interest.
7. Disputed Bills In the event of a dispute between the customer and the Company with respect to any bill, the Company will promptly make such investigation as may be required by the particular case and report the result to the customer. The customer is not obligated to pay the disputed portion of the bill during the pendency of the Company's investigation. When the Company has made a report to the customer sustaining the bill as rendered, the customer shall have fifteen (15) days from the date of such report in which to pay the bill. If the Company determines that the bill originally rendered is incorrect, the Company will issue a corrected bill with a new

due date for payment. Any amounts received by the Company in excess of the amount determined to be due by the Company's investigation of the dispute shall be refunded to the customer with interest computed at 1.5% per month.

## Section F - Deposits

### 1. Residential Customers:

- (a) New Applicants--The Company will provide service without requiring a deposit unless the applicant was terminated for nonpayment within the prior twelve (12) months or has an unpaid balance for prior service from the Company. The amount of the deposit will not be greater than an estimated average bill for one (1) billing period plus the estimated bill for one (1) additional month's service.
- (b) Existing Customers--If a customer has paid late on two (2) consecutive occasions or a total of three (3) times within the prior 12-month period, the Company may send a letter informing the customer that a deposit may be required if another late payment is received within the next twelve (12) months. An existing customer may be required to pay a deposit as a condition to having service restored after termination for non-payment or for failure to comply with a payment agreement. The amount of the deposit will not be greater than an estimated average bill for one (1) billing period plus the estimated bill for one (1) additional month's service.
- (c) Deposit Refunds and Interest--A deposit will be refunded if service is discontinued and the final bill is paid or if the customer has paid the bills for the prior 12-month period without having been late on more than two (2) occasions and is not currently delinquent. Deposits from residential customers shall bear simple interest at the rate of the average of one-year Treasury Bills for September, October and November of the previous year, payable annually without deductions for taxes thereon unless otherwise required by law. The applicable interest rate shall become effective on January 1 of each year.

### 2. Nonresidential Customers:

- (a) New Applicants -- A deposit may be required from any new applicant who does not have prior satisfactory credit

history with the Company. The amount of the deposit will not be greater than an estimated average bill for one (1) billing period plus the estimated bill for one (1) additional month's service.

- (b) Existing Customers--Deposit requirements for existing nonresidential customers shall be as established for residential customers in Rule 1 of this Section.
- (c) Deposit Refunds and Interest--A deposit will be refunded if the customer pays all bills on time over a 12-month period or if service is disconnected and the final bill has been paid. There will be no interest paid on deposits for nonresidential accounts.

Section G - Line Extensions

Whenever a developer, owner or occupant of a property within the service territory of the Company requests the Company to extend service to such property, the Company will extend service under the following conditions:

- 1. Requests by Bona Fide Service Applicant: The conditions under which facilities will be extended to supply service to an applicant within the Company's service area are listed below. Upon request by a bona fide service applicant, a utility shall construct line extensions within its franchised territory consistent with the following directives:
  - (a) Line extensions to bona fide service applicants shall be funded without customer advance where the annual revenue from the line extension will equal or exceed the Company's annual line extension costs.
  - (b) If the annual revenue from the line extension will not equal or exceed the Company's annual line extension costs, a bona fide service applicant may be required to provide a customer advance to the utility's cost of construction for the line extension. The utility's investment for the line extension shall be the portion of the total construction costs which generate annual line extension costs equal to annual revenue from the line extension. The customer advance amount shall be determined by subtracting the utility's investment for the line extension from the total construction costs.
  - (c) The Company's investment for the line extension shall be based on the following formula, where X equals the utility's investment attributed to each bona fide applicant:

$$\begin{aligned} X &= [AR - OM] \text{ DIVIDED BY } [I + D]; \text{ and} \\ AR &= \text{the Company's annual revenue} \\ OM &= \text{the Company's operating and maintenance costs} \end{aligned}$$

- I = the Company's current debt ratio multiplied by the Company's weighted long-term debt cost rate
- D = the Company's current depreciation accrual rate

2. Customer advance financing, refunds and facilities on private property:

SUBSECTION (a) -- FOR USE BY COMPANIES WITH GROSS ANNUAL RECEIPTS OF \$10 MILLION OR MORE

- (a) When a customer advance is required from a bona fide service applicant for service and the bona fide applicant is unable to advance the entire amount due, the company shall either:
- i. Allow the applicant to pay the advance plus the financing costs equal to the Company's weighted cost of long term debt, over a period of not less than 3 years; or
  - ii. Provide information to the bona fide service applicant on financial institutions that may offer financing to the applicant for the main extension.
- (b) When a customer advance is required of a service applicant and an additional customer or customers attach service lines to the line extension within ten years, the utility shall refund a portion of the advance to the customer. Deposits made for additional facilities other than the line extension, such as booster pumps, storage tanks and the like, are contributions in aid of construction and need not be refunded.
- (c) The Company will refund to the applicant, during a period of ten (10) years from the date of the extension deposit, a per-customer amount for each additional bona fide service applicant from whom a street service connection shall be directly attached to such main extension as distinguished from extensions or branches thereof. Provided, however, that the total amount refunded shall not exceed the original deposit without interest, and provided that all or any part of the deposit not refunded within said 10 year period shall become the property of the Company and shall be treated as Contributions in Aid of Construction for ratemaking purposes. The per customer refund amount shall equal the utility's investment attributed to each bona fide applicant as calculated in the formula contained in Section G, Part 1, Subsection (c) of this tariff.

- (d) A utility shall require a customer to pay, in advance, a reasonable charge for service lines and equipment installed on private property for the exclusive use of the customer.
  - (e) Special Utility Service shall mean residential or business service which exceeds that required for ordinary residential purposes. Section G (1) parts (a) through (c) of this tariff does not apply to special utility service. By way of illustration and not limitation, special utility service shall include: the installation of facilities such as oversized mains, booster pumps and storage tanks as necessary to provide adequate flows or to meet specific pressure criteria, or service to large water consuming commercial and industrial facilities. An otherwise bona fide applicant requesting service which includes a "special utility service" component is entitled to Bona Fide applicant status, including the corresponding Company contribution toward the costs to the line extension which do not meet the special utility service criteria.
3. Requirement for Extension Deposit Agreement: Where extension of facilities is not fully funded by the Company pursuant to Rule 1 of this Section, the execution by the applicant of an Extension Deposit Agreement for customer contribution or advance shall be a condition of extending the facilities. Upon notice that the Company is prepared and able to go forward with the work, the applicant will deposit with the Company the amount specified in the Extension Deposit Agreement.
  4. Size of Line: The Company shall have the exclusive right to determine the type and size of lines to be installed and the other facilities required to render adequate service. However, where the Company decides to install a pipe larger than necessary to render extension of adequate service to the applicant, estimated or actual cost figures in the Extension Deposit Agreement shall include only the material and installation cost for a pipe the size of which is necessary to provide adequate service to the applicant. Any incremental costs of a larger pipe will be the responsibility of the Company. All estimated or actual cost figures referred to in the Extension Deposit Agreement shall include a reasonable allowance for overhead costs and taxes as appropriate. The minimum pipe size for main extensions will be six (6) inches pursuant to Commission regulation at 52 Pa. Code §65.17(b).
  5. Length of Extension: In determining the necessary length of an extension, the terminal point of such extension shall be at that point in the curb line, which is equidistant from the side property lines of the last lot for which water service is requested. A Company service connection will be provided only for customer service lines that extend at right angles from the curb line in a straight line to the premises to be served.

6. Cost True-up: At the conclusion of the line extension project there shall be a reconciliation of the actual costs incurred to the amount of extension deposit that has been paid by the customer. If the actual cost exceeds the deposit, the applicant shall be responsible for payment to the Company of the difference. If the deposit exceeds the actual cost, the Company shall refund the difference.

#### Section H - Fire Protection Service

1. Private Company Fire Service: Where private fire protection service connections are to be made to the Company's system, the Company shall have the right to approve the plans for such installation prior to approval of the application for service. The Company shall make any connection to the distribution system that is required, and the customer shall pay to the Company the actual cost for making such connection.

The Company shall have the right to require a compound-type meter for installation in the private fire line if deemed necessary. Waiver of the requirement for installation of a separate meter at the time the connection is made shall not prohibit the Company from requiring a meter installation at a future date if such installation is warranted in the opinion of the Company.

Any meter required will be supplied and installed by the Company, with the cost for the meter, together with labor and materials for installation, to be borne by the customer. Where a private fire connection is approved by the Company, no other connection for domestic, commercial or industrial use shall be made to the fire connection line unless a compound type meter is installed between the Company's line and the connection for such line.

2. Public Fire Protection: Where public fire protection is offered, service will be available when hydrants are installed and when the municipal entity for which the service will be provided makes application to the Company for that service.
3. Installation of Fire Hydrants: The Company shall approve the installation of any fire hydrants. All fire hydrants shall be located by the Company with due consideration given to local fire fighting authorities and to requirements of insurance underwriters. Developers and private fire protection customers shall be responsible for all costs of purchase and installation of fire hydrants in the same manner as installation of water main extensions. The hydrants will be installed by the Company and shall be the property of the Company.
4. Use of Fire Hydrants: All persons are forbidden to open any fire hydrant or to use any water therefrom for sprinkling

streets, for construction or for any purpose, without permission in writing from the Company, except in case of fire and by fire companies to test hydrants. Such tests shall be made directly under the supervision of an authorized agent of the Company.

The Company reserves the right to meter any fire line when evidence indicates that water is being taken from the line for purposes other than fire fighting or as otherwise permitted by agreement, and such metered service shall then be billed in accordance with the regular schedule of metered rates, with proper allowance for water consumed in fire fighting or other authorized use.

### Section I - Service Continuity

1. Regularity of Service: The Company may, at any time, shut off water in the mains in case of accident or for the purpose of making connections, alterations, repairs or changes, or for other reasons, and may restrict the use of water to reserve a sufficient supply for public fire service or other emergencies whenever the public welfare so requires. The Company will, pursuant to Commission regulations at 52 Pa. Code §56.1 and as circumstances permit, notify customers to be affected by service interruptions.
2. Liability for Service Interruptions
  - a. Limitation of Damages--The Company's liability to a customer for any loss or damage from any excess or deficiency in the pressure, volume or supply of water, due to any cause other than willful misconduct or negligence by the Company, its employees or agents shall be limited to an amount no more than the customer charge or minimum bill for the period in question. The Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in service, but cannot and does not guarantee that such will not occur.
  - b. Responsibility for Customer Facilities--The Company shall not be liable for any loss or damage caused by reason of any break, leak or other defect in a customer's own service pipe, line, fixtures or other installations, except where the damage is a result of the negligence or willful misconduct of the Company, its employees or agents.

### Section J - Waivers

The Company may, at its sole discretion, waive any of the Rules contained herein that operate for the benefit of the Company; provided, that no such waiver will be valid unless in writing and



signed by an authorized representative of the Company, and provided that no waiver will be allowed where the waiver would constitute a violation of the Public Utility Code, the regulations of the Commission or of any other applicable statute, law or regulation.

Section K - Amendment of Commission Regulations

Whenever Commission regulations in Title 52 of the Pennsylvania Code are duly amended in such a way as would produce a difference between them and this tariff, this tariff is deemed to be amended so as to be consistent with the amendments to the regulations, except that if application of the amendment to Title 52 is discretionary, this tariff will remain unchanged.

PART IV: WATER CONSERVATION CONTINGENCY PLAN

1. Restriction of Nonessential Uses: As provided in Commission regulations at 52 Pa. Code §65.11, if the Company is projecting a short term supply shortage, the Company may request voluntary conservation by both residential and nonresidential customers and may impose mandatory conservation measures to reduce or eliminate nonessential uses of water. As defined at 52 Pa. Code §65.1, nonessential uses of water include, at a minimum, the following:
  - (a) Watering of lawns, gardens, landscape areas, trees, shrubs or other outdoor vegetation except with a handheld hose equipped with an automatic shut-off nozzle.
  - (b) Non-commercial washing of vehicles or other equipment except with hand-held hose equipped with an automatic shut-off nozzle.
  - (c) Washing streets, driveways, parking lots, tennis courts, commercial and residential building exteriors, sidewalks, patios or other outdoor surfaces.
  - (d) Ornamental water uses, including fountains, artificial waterfalls, reflecting pools and the like.
  - (e) Filling or topping-off swimming or wading pools except for public or private pools serving 25 or more dwelling units and health care facility pools used for patient care or rehabilitation.
  - (f) The operation of water-cooled comfort air conditioning not equipped with a cooling tower or other evaporative system.
  - (g) Flushing wastewater lines or manholes.
  - (h) Irrigation at commercial farms and nurseries other than as minimally necessary to preserve livestock, crops and plants.

- (i) The use of water from fire hydrants for construction purposes or fire drills.
- 2. Implementation of Voluntary Restrictions: Prior to implementation of mandatory restrictions under Rule 3 of this Part, the Company shall first request voluntary customer conservation. Notice of voluntary conservation restrictions shall be sent to all customers or be provided by local radio, television or newspaper advertisements within the Company's service territory. Written notice of request for voluntary restrictions shall also be provided to the Commission.
- 3. Imposition of Mandatory Restrictions: If voluntary cooperation does not achieve satisfactory results, mandatory restrictions will be imposed upon notice to customers and the Commission as provided in Rule 2 of this Part. If any customer refuses to comply with such mandatory measures, the Company may either adjust the outside water valve connection in a manner which will restrict water flow by up to one-half, or otherwise restrict flow such as by the insertion of a plug device.

Prior to any such other flow restriction being imposed, the Company must make a bona fide attempt to deliver notice of the proposed flow restriction to a responsible person at the affected premises and fully explain the reason for the restriction. Less restrictive means may be imposed to secure compliance with mandatory use restrictions

Complete service termination may be imposed by the Commission after an expedited administrative proceeding has been held to provide the affected customer with an opportunity to be heard.

- 4. Pennsylvania Emergency Management Agency (PEMA)

Responsibilities: In addition to the provisions as set forth in this Part, the Pennsylvania Emergency Management Agency, authorized to promulgate, adopt and enforce a Water Rationing Plan by virtue of the Emergency Management Services Code, 35 Pa. C.S. §§7101, et seq., may impose restrictions pursuant to a Drought Emergency Proclamation by the Governor of the Commonwealth of Pennsylvania. Where inconsistent with Company-imposed restrictions pursuant to this tariff, PEMA restrictions shall control.

In the event of a drought emergency as defined by proclamation or executive order, the Company is authorized to collect fines set forth in its Local Water Rationing Plan as filed with and approved by PEMA.

- 5. Termination of Use Restrictions: Conservation measures imposed pursuant to this Part shall be terminated at such time as the supply shortage is eliminated, with appropriate notice provided to affected customers.

# Small Water Utility Rate Increase Schedule A

PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265 Harrisburg, PA 17120

Information Required for Small Water Utilities Requesting a Rate Increase  
under 52 Pa CS § 53.54

**I. NAME OF UTILITY, OFFICE MAILING ADDRESS AND AREA SERVED**

- A. Utility Name: Conneaut Lake Park Water Corp., Inc.
- B. Street Address: 713 Broad Acres Road
- C. City or Borough: Narberth Township: \_\_\_\_\_
- D. County: Montgomery Zip Code: 19072
- E. Area Served: Conneaut Lake Park and surrounding areas

**II. TYPE OF ORGANIZATION AND PRINCIPAL OFFICERS**

- A. Type of Ownership:  
Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Individual: \_\_\_\_\_ Other: LLC
- B. If a corporation list names of the officers. If an individual or partnership list the name of the individual or each partner. Todd Joseph
- C. If the controlling ownership of this utility changed during the last twelve (12) months, state the date of ownership change and the name and address of the prior owner.  
March 2, 2021 from The Trustees of Conneaut Lake Park, Inc.
- D. Date the utility was formed or incorporated: Estimated approximately 1927
- E. Is the utility controlled by another corporation? Y N If yes, by whom? No.

**III. PERSON TO CONTACT REGARDING THE INFORMATION SUPPLIED ON THESE FORMS**

- A. Name and Title: Constance E. Heppenstall, Senior Project Manager
- B. Address: 207 Senate Avenue
- C. City or Borough: Camp Hill, Pennsylvania
- D. Telephone Number with Area Code: 610-783-3785  
Cell Phone Number with Area Code: 717-329-0691  
Fax Number with Area Code: \_\_\_\_\_  
e-mail address: [cheppenstall@gfnet.com](mailto:cheppenstall@gfnet.com)
- E. If not an officer, owner or employee, give name of firm employed by:  
Gannett Fleming Valuation and Rate Consultants, LLC

Name of Utility: Conneaut Lake Park Water Corporation

**BALANCE SHEETS**

<u>ASSETS</u>	<u>End of Prior Year</u> <u>03/08/2021</u>	<u>End of Test Year</u> <u>12/31/2022</u>
<u>UTILITY PLANT</u>		
101.0 Utility Plant in Service	\$ 1,482,109	\$ 1,717,873
105.0 Construction Work In Progress		
114.0 Utility Plant Acquisition Adjustment		
TOTAL UTILITY PLANT	\$ 1,482,109	\$ 1,717,873
108.1 Less: Accumulated Depreciation	\$ 219,421	\$ 262,368
NET UTILITY PLANT	\$ 1,262,688	\$ 1,455,505
<u>CURRENT ASSETS</u>		
131.1 Cash		
141.0 Accounts Receivable	\$ 1,295	
144.0 Notes Receivable		
151.0 Materials and Supplies		
162.0 Prepayments		
174.0 Other Current Assets		
TOTAL CURRENT ASSETS	\$ 1,295	\$ -
<u>OTHER ASSETS and DEFERRED CHARGES</u>		
186.0 Deferred Debt Expense		
186.0 Deferred Charges/Debits		
186.0 Other		
TOTAL OTHER ASSETS and DEFERRED CHARGES	\$ -	\$ -
<b><u>TOTAL ASSETS</u></b>	<b>\$ 1,263,983</b>	<b>\$ 1,455,505</b>

Name of Utility: **Conneaut Lake Park Water Corporation**

**BALANCE SHEETS**

<u>LIABILITIES &amp; EQUITY</u>	<u>End of Prior Year</u> <u>03/08/2021</u>	<u>End of Test Year</u> <u>12/31/2022</u>
<u>STOCKHOLDERS' EQUITY</u>		
201.0 Common Stock		
211.0 Capital in Excess of Par Value		
215.0 Retained Earnings		\$ 1,455,505
TOTAL STOCKHOLDERS' EQUITY	\$ -	\$ 1,455,505
<u>LONG-TERM DEBT</u>		
224.0 Long-term debt, excluding current portion	\$ -	\$ -
<u>CURRENT LIABILITIES</u>		
Current Portion of Long-term Debt		
231.0 Accounts Payable		
232.0 Notes Payable	\$ 1,547,485	\$ -
236.0 Accrued Taxes		
237.0 Accrued Interest		
241.0 Other Current Liabilities		
TOTAL CURRENT LIABILITIES	\$ 1,547,485	\$ -
<u>OTHER LIABILITIES and DEFERRED CREDITS</u>		
252.0 Advances for Construction		
253.0 Other Deferred Credits		
255.0 Deferred Investment Tax Credits		
271.0 Contributions in Aid of Construction		
282.0 Deferred Inc. Taxes - Lib. Depr.		
TOTAL OTHER LIABILITIES and DEFERRED CREDITS	\$ -	\$ -
<u>TOTAL LIABILITIES &amp; EQUITY</u>	<u>\$ 1,547,485</u>	<u>\$ 1,455,505</u>

Name of Utility: Conneaut Lake Park Water Corporation

**Statements of Revenues**

CUSTOMER CLASS	Number of Customers for the Test Year Ended 12/31/2022		Actual Revenues for the Year Ended mm/dd		Annualization adjustments (5)	Totals as Annualized (6=5+4)	Proposed Increase (7)	Totals after Increase (8=6+7)
	Beginning of year (1)	End of year (2)	12/31/2022 (3)	Test Year 12/31/2022 (4)				
Metered Sales:								
461.1 Residential						\$ -		\$ -
461.2 Commercial						\$ -		\$ -
461.3 Industrial						\$ -		\$ -
461.6 Other						\$ -		\$ -
SUB-TOTAL	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unmetered Sales:								
460.1 Residential - Year-Around	90.00	94.00	\$ 15,543	\$ 15,543	\$ (345)	\$ 15,198	\$ 116,886	\$ 132,084
460.1 Residential - Seasonal	72.00	68.00	\$ 6,221	\$ 6,221	\$ (346)	\$ 5,875	\$ 99,792	\$ 105,667
460.2 Commercial - Customer 1	1.00	1.00	\$ 1,200	\$ 1,200	\$ 1,200	\$ 2,400	\$ 18,000	\$ 20,400
460.2 Commercial - Customer 2	1.00	1.00	\$ 3,082	\$ 3,082		\$ 3,082	\$ 23,119	\$ 26,201
468.0 Other						\$ -		\$ -
SUB-TOTAL	164.00	164.00	\$ 26,046	\$ 26,046	\$ 509	\$ 26,555	\$ 257,797	\$ 284,352
470.0 Penalties and Forfeitures			\$ -	\$ -		\$ -	\$ -	\$ -
474.0 Other Revenue						\$ -		\$ -
<b>TOTAL REVENUE</b>			<b>\$ 26,046</b>	<b>\$ 26,046</b>	<b>\$ 509</b>	<b>\$ 26,555</b>	<b>\$ 257,797</b>	<b>\$ 284,352</b>

CONNEAUT LAKE PARK WATER CORPORATION

BILL ANALYSIS  
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO CONSUMPTION ANALYSIS  
YEAR ENDED DECMEBER 31, 2022 and 2023

Rate Block CCF (1)	Billing Determinants as of 12/31/2022			Billing Determinants as of 12/31/2023			Monthly Number Of Bills (8)	Proposed Consumption (9)	Proposed Monthly Rate (10)	Proposed Revenue (11)
	Number Of Bills (2)	Present Annual Rate (3)	Revenue (4)	Number Of Bills (5)	Present Annual Rate (6)	Revenue (7)				
<u>Residential - Annually/Monthly</u>										
Flat Rate - Year-Around Resident	90	\$ 172.70	\$ 15,543	88	\$ 172.70	\$ 15,198				
Flat Rate - Seasonal Resident	72	86.40	6,221	68	86.40	5,875				
Total Residential										
Flat Rate - Year-Around Resident							1,080		\$ 122.30	\$ 132,084
Flat Rate - Seasonal Resident							864		122.30	105,667
Total Residential	<u>162</u>		<u>\$ 21,764</u>	<u>156</u>		<u>\$ 21,073</u>	<u>1,944</u>			<u>\$ 237,751</u>
<u>Commercial - Annually/Monthly</u>										
<u>Flat Rate</u>										
Flat Rate 3	1	\$ 1,200.00	\$ 1,200	2	\$ 1,200.00	\$ 2,400				
Flat Rate 4	1	3,082.40	3,082	1	3,082.40	3,082				
Commercial Flat Rate							-		\$ 850.00	\$ -
Minimum Rate										
Small Commercial (4,500 gallons per month)							24		\$ 850.00	20,400
Large Commercial (18,000 gallons per month)							12		\$ 2,183.40	26,201
Consumption above the Minimum (Per 100 gallons)								-	\$ 10.00	-
Total Commercial	<u>2</u>		<u>\$ 4,282</u>	<u>3</u>		<u>\$ 5,482</u>	<u>36</u>			<u>\$ 46,601</u>
Total	<u>164</u>		<u>\$ 26,046</u>	<u>159</u>		<u>\$ 26,555</u>	<u>1,980</u>			<u>\$ 284,352</u>



Name of Utility: Conneaut Lake Park Water Corporation

## Statements of Income

	Actual for the Year Ended 12/2022		Annualization Adjustments (3)	Totals as Annualized (4=2+3)	Proposed Increase (5)	Totals after Increase (6=4+5)
	Prior Year 2021	Test Year 2022				
	(1)	(2)				
<b>Total Revenue: 1</b>	\$ 22,000	\$ 19,500	\$ 7,055	\$ 26,555	\$ 257,797	\$ 284,352
<b>Operating Expenses:</b>						
601.0 Operator	\$ 24,000	\$ 24,000		\$ 24,000		\$ 24,000
620.0 Operating Supplies				-		-
601.0 Maintenance Labor				-		-
620.0 Maintenance Supplies				-		-
610.0 Purchased Water				-		-
615.0 Purchased Power	21,500	23,000		23,000		23,000
635.0 Testing Expense				-		-
618.0 Chemicals				-		-
655.0 Insurance				-		-
601.0 General Office Salaries				-		-
675.0 General Office Expenses	3,500	3,500	\$ 4,780	8,280		8,280
675.0 Uncollectible Accounts			1,325	1,325	\$ 12,893	14,218
665.0 Rate Case Expense			20,000	20,000		20,000
403.0 Depreciation Expense	39,422	41,834	1,113	42,947		42,947
675.0 Other Misc. Expenses				-		-
<b>Taxes:</b>						
409.0 Federal Income Taxes		\$ -		-	\$ 29,033	\$ 29,033
409.0 State Income Taxes		-		-	13,656	13,656
408.0 All Other Taxes				-		-
<b>Total Expenses</b>	\$ 88,422	\$ 92,334	\$ 27,217	\$ 119,552	\$ 55,582	\$ 175,134
<b>Net Operating Income</b>	\$ (66,422)	\$ (72,834)	\$ (20,162)	\$ (92,997)	\$ 202,215	\$ 109,218
421.0 Non-Operating Income				\$ -		-
<b>Non-Operating Deductions:</b>						
426.0 Other				-		-
427.0 Interest	\$ -			-		-
<b>Net Income</b>	\$ (66,422)	\$ (72,834)	\$ (20,162)	\$ (92,997)	\$ 202,215	\$ 109,218

1. Carried over from Statements of Revenues

CONNEAUT LAKE PARK WATER CORPORATION  
 Income Tax Calculation

Schedule D (cont.)

Description	Test Year Income Taxes at Present Rates	Pro Forma Proposed Income Taxes
TAXABLE INCOME - STATE (Current)	\$ (92,997)	\$ 151,908
INCOME TAXES - STATE Current at 8.99%	-	13,656
TAXABLE INCOME - FEDERAL (Current)	\$ (92,997)	\$ 138,251
INCOME TAXES - FEDERAL Current at 21%	-	29,033

Name of Utility: Conneaut Lake Park Water Corporation

**101.0 Plant In Service - Changes Since the Last Rate Case**

Date Plant Installed/Retired mm/yyyy	Plant Additions		Plant Retirements		Plant Adjustments	Changes Since the Last Rate Case
	List Major Items by Class	Amounts	List Major Items by Class	Amounts		
12-2014	Various	\$ 1,492,123				\$ 1,492,123
12-2017	Services	4,928				4,928.00
12-2018	Various	28,986	Various	\$ 1,164		27,822.00
12-2021	Mains	104,000				104,000.00
12-2022	Mains	89,000				89,000.00
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<b>TOTALS</b>		<b>\$ 1,719,037</b>		<b>\$ 1,164</b>	<b>\$ -</b>	<b>\$ 1,717,873</b>

Source: Annual Reports to the PA PUC and Company records.

**Name of Utility: Conneaut Lake Park Water Corporation****Capital Structure**

Year Ended 12/31/2023

	Per Books	Pro Forma - Hypothetical	Pro Forma Ratio
232.00 Short-Term Debt	\$ -	\$ -	0.00%
224.0 Long-Term Debt	\$ -	\$ 1,190,868	45.00%
Common Equity:			
201.0 Common Stock	\$ -	\$ -	
204.0 Preferred Stock	\$ -	\$ -	
211.0 Misc. Paid-in-Capital	\$ -	\$ -	
215.0 Retained Earnings	\$ 1,455,505	\$ 1,455,505	
216.0 Reacquired Stock	\$ -	\$ -	
Total Equity	\$ 1,455,505	\$ 1,455,505	55.00%
Total Capital	\$ 1,455,505	\$ 2,646,373	100.00%

## Cost Rates

Type	Principal Amount	Cost Rates	Interest Expense
232.0 Short Term Debt:			
Loan A	\$ -	0.00%	\$ -
Loan B	\$ -	0.00%	\$ -
New Loan	\$ -	0.00%	\$ -
Total Short-Term Debt	\$ -	0.00%	\$ -
224.0 Long-Term Debt:			
Loan C	\$ -	0.00%	\$ -
Loan D	\$ -	0.00%	\$ -
New Loan	\$ -	0.00%	\$ -
Total Long-Term Debt	\$ -	0.00%	\$ -

**Name of Utility: Conneaut Lake Park Water Corporation**

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**Rate of Return**

Year Ended 12/31/2023

Type of Capital	Capital Structure <u>(1)</u>	Cost Rates <u>(2)</u>	Weighted Cost of Capital <u>(3=1x2)</u>
232.0 Short-Term Debt	0.00%	0.00%	0.00%
224.0 Long-Term Debt	45.00%	5.30%	2.39%
Common Equity	<u>55.00%</u>	9.65%	<u>5.31%</u>
Total	<u><u>100.00%</u></u>		<u><u>7.70%</u></u>

# Statement of Reasons

CONNEAUT LAKE PARK WATER CORPORATION

Statement of Reasons for Proposed Rate Increase

Pursuant to Subsection 53.52 (a)(1) of Tariff Regulations

**Brief Overview of Filing**

The Conneaut Lake Park Water Corporation (Company) is filing Supplement No. 1 to Tariff Water - Pa. P.U.C. No. 1 issued on August 28, 2023, with a proposed effective date of October 27, 2023. Supplement No. 1 presents increased rates for water service totaling \$284,352 per annum.

Supplement No. 1 presents an initial set of proposed rates, effective October 27, 2023. The proposed rates are driven by service costs increases from the prior approved rates from 2009 that were obtained by the predecessor system owner/operator. The Company also has changed the tariff to reflect the addition of monthly billing. Lastly, the Company clarified the scope of the fees to be collected after a customer's service is terminated and then seeks to have service reinstated.

As the Company is a small water company, the Company opted to use the Short Form Schedules as provided by the Pennsylvania Public Utility Corporation (PA PUC).

For the twelve months ended December 31, 2022, and the future test year ending December 31, 2023, water service operations at present rates produced net operating income as follows:

	<u>12-31-2022</u>	<u>12-31-2023</u>
Net operating Income	(\$92,997)	\$109,218
Rate of Return	-6.389%	7.504%

Supplement No. 1 is based upon future test year operations ending December 31, 2023. The information and data submitted in support of Supplement No. 1 supports an increase in rates of \$257,797 based on a reasonable rate of return of 7.504%.

### **The Company**

The Conneaut lake Park Water Corporation is a public utility that received a Certificate of Public Convenience from the Commission on April 20, 2023 to supply water to the customers of Conneaut Lake, Pennsylvania. The service area for the Company is very small geographically. The Company has 162 residential customers (both year-around and seasonal residents) and 3 commercial customers. Customers are served by a water treatment plant which is operated by contract by Keystone Water Systems. The sources of water are Company owned wells. The Company is in dire need of additional revenues so that it can continue to provide safe and adequate drinking water to its customers.

The Company recently acquired the water system as a result of a bankruptcy experienced by its former owner. As found by the Commission during the recent Certificate of Public Convenience Proceedings, the water system has a very long history of financial struggles, fiduciary mismanagement, poor record keeping and other managerial mismanagement. As a result, the rates to the customers of the water system have not been adjusted since 2009, leaving revenue stagnant while expenses have significantly increased. The new owner is seeking to correct the failings of the past to ensure that the water system continues to meet Commission standards.

In addition, filed simultaneously with this Rate Filing is a Petition Of Conneaut Lake Park Water Corporation, Inc. For Approval Of A Metering Exception. When the



Certificate of Public Convenience was issued, one of the requirements was to install meters on the residential customers, and that the Company was to submit with this filing a plan for the installation of such meters. After evaluating the feasibility and economic impact of installing meters on the residential customers, the Company is seeking as exemption from that requirement for the reasons stated in the Petition.

### **Statements of Income**

Operating revenues and expenses for the twelve months ended December 31, 2022, and 2023 are summarized on the Statements of Income in the Commission's Short Form Schedules. Revenues and expenses are adjusted for the future test year.

Revenues are adjusted by the loss of 6 residential customers and the gain of one small commercial customer. Expenses are adjusted by the additional costs related to monthly billing (General Office Expenses), Uncollectible Accounts, Rate Case Expense (three year normalization), Federal and State Income Taxes, and Depreciation expense.

### **Original Cost – Plant in Service**

Original Cost of Plant in Service for the test year ended December 31, 2022, reflect the Company's records as of that date. The Company does not have any planned additions for 2023.

### **Accrued Depreciation**

Accrued Depreciation for the test year ended December 31, 2023, reflect the Company's books and records as of that date. Projected accrued depreciation for the future test year is based on the bring-forward of the reserve as shown on the Balance Sheet schedule in the Short Form Schedules.

### **Annual Depreciation Expense**

Annual depreciation expense is based on applying the annual accrual rates to the test year plant balances as of December 31, 2022. For the future test year, annual depreciation is based on applying an annual accrual rate of 2.5% to the average plant balance during the future test year ended December 31, 2023.

### **Measures of Value**

The original cost measures of value for December 31, 2022, and December 31, 2023, are summarized on the Plant in Service, Short Form Schedules. The measure of value includes the original cost plant in service less accrued depreciation. Added to this balance are provisions for materials and supplies and cash working capital.

### **Rate of Return**

Based on the Company's current information and a hypothetical capital structure, the recommended overall rate of return is 7.70% as of December 31, 2023, as shown below. The overall rate of return is based on a hypothetical capital structure using 45% debt and 55% equity. The embedded debt cost rate of 5.31% is equal to the three month average of A rated Public Utility Bond Yields. The Company's cost of equity is at least 9.65%, the PA PUC's current allowable DSIC rate for water utility distribution system improvement charge purposes.

	<u>Ratios</u>	<u>Rate</u>	<u>Weighted Cost</u>
Debt	45.0%	5.30%	2.39%
Equity	<u>55.0%</u>	9.65%	<u>5.31%</u>
Overall	100.0%		7.70%

However, the Company is proposing rates that earn an overall rate of return of 7.504% (operating income of \$109,218 divided by rate base of \$1,455,505), lower than the recommended overall rate of return of 7.70%.

### **Rate Design**

The Company is requesting an increase in operating revenue of approximately \$257,797 or 970.8%. The existing rates are composed of a schedule of flat rate charges which vary by customer class, residential or commercial, and for the residential class, whether a customer is a year-around or seasonal resident. Currently the Company bills its customers annually and proposes to start billing monthly.

The Company is proposing increases to the flat rate charges, and the creation of a minimum charge and volumetric charge for the commercial customers in order to recover the appropriate revenue requirements. The Company also proposes eliminating the differential between year-around and seasonal residents as determining which customer is not a year-around resident is not feasible.

The bill for a year-around residential customer will increase from \$172.70 per year, or \$14.39 per month, to \$122.30 per month or an increase of 750%. The bill for a seasonal residential customer will increase from \$86.40 per year, or \$7.20 per

month, to \$122.30 per month or an increase of 1600%. These customers have not seen an increase in their bill since 2009 or at least 14 years.

# Tax Returns

**SCHEDULE C  
(Form 1040)**

**Profit or Loss From Business  
(Sole Proprietorship)**

OMB No. 1545-0074

**2022**

Department of the Treasury  
Internal Revenue Service

Go to [www.irs.gov/ScheduleC](http://www.irs.gov/ScheduleC) for instructions and the latest information.

Attachment  
Sequence No. **09**

Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships must generally file Form 1065.

Name of proprietor  
**TODD JOSEPH**

Social security number (SSN)  
**XXX-XX-XXXX**

**A** Principal business or profession, including product or service (see instructions)  
**WATER COMPANY**

**B** Enter code from instructions  
**221000**

**C** Business name. If no separate business name, leave blank.  
**CLP WATER PARK LLC**

**D** Employer ID number (EIN) (see instr.)  
**86-3734762**

**E** Business address (including suite or room no.) **713 BROAD ACRES RD**  
City, town or post office, state, and ZIP code **Narberth, PA 19072**

**F** Accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) \_\_\_\_\_

**G** Did you "materially participate" in the operation of this business during 2022? If "No," see instructions for limit on losses. . . . .  Yes  No

**H** If you started or acquired this business during 2022, check here . . . . .  Yes  No

**I** Did you make any payments in 2022 that would require you to file Form(s) 1099? See instructions . . . . .  Yes  No

**J** If "Yes," did you or will you file required Form(s) 1099? . . . . .  Yes  No

**Part I Income**

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked . . . . . <input type="checkbox"/>	1	19,500
2	Returns and allowances . . . . .	2	0
3	Subtract line 2 from line 1 . . . . .	3	19,500
4	Cost of goods sold (from line 42) . . . . .	4	
5	<b>Gross profit.</b> Subtract line 4 from line 3. . . . .	5	19,500
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) . . . . .	6	
7	<b>Gross income.</b> Add lines 5 and 6 . . . . .	7	19,500

**Part II Expenses.** Enter expenses for business use of your home **only** on line 30.

8	Advertising . . . . .	8		18	Office expense (see instructions) . . . . .	18	
9	Car and truck expenses (see instructions) . . . . .	9		19	Pension and profit-sharing plans . . . . .	19	
10	Commissions and fees . . . . .	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions) . . . . .	11	24,000	a	Vehicles, machinery, and equipment . . . . .	20a	
12	Depletion . . . . .	12		b	Other business property . . . . .	20b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions) . . . . .	13	10,333	21	Repairs and maintenance . . . . .	21	65,784
14	Employee benefit programs (other than on line 19) . . . . .	14		22	Supplies (not included in Part III) . . . . .	22	
15	Insurance (other than health) . . . . .	15		23	Taxes and licenses . . . . .	23	
16	Interest (see instructions):			24	Travel and meals:		
a	Mortgage (paid to banks, etc.) . . . . .	16a		a	Travel . . . . .	24a	
b	Other . . . . .	16b		b	Deductible meals (see instructions) . . . . .	24b	
17	Legal and professional services . . . . .	17		25	Utilities . . . . .	25	
28	<b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27a . . . . .	28		26	Wages (less employment credits) . . . . .	26	
29	Tentative profit or (loss). Subtract line 28 from line 7 . . . . .	29		27a	Other expenses (from line 48) . . . . .	27a	
30	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method. See instructions. <b>Simplified method filers only:</b> Enter the total square footage of (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30 . . . . .	30		b	<b>Reserved for future use</b> . . . . .	27b	
31	<b>Net profit or (loss).</b> Subtract line 30 from line 29. • If a profit, enter on both <b>Schedule 1 (Form 1040), line 3</b> , and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see instructions.) Estates and trusts, enter on <b>Form 1041, line 3</b> . • If a loss, you <b>must</b> go to line 32.	31	(80,617)				
32	If you have a loss, check the box that describes your investment in this activity. See instructions. • If you checked 32a, enter the loss on both <b>Schedule 1 (Form 1040), line 3</b> , and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see the line 31 instructions.) Estates and trusts, enter on <b>Form 1041, line 3</b> . • If you checked 32b, you <b>must</b> attach <b>Form 6198</b> . Your loss may be limited.	32a	<input checked="" type="checkbox"/>	32b	<input type="checkbox"/>	All investment is at risk. Some investment is not at risk.	

For Paperwork Reduction Act Notice, see the separate instructions.

Schedule C (Form 1040) 2022

**PA-40 Schedule C - 2022**  
**(05-22) Profit or Loss From Business or Profession (Sole Proprietorship)**

167680648 TODD JOSEPH

Method of Inventory: C=Cost, L=Lower of cost or market, O=Other C

WATER COMPANY UTILITIES

Accounting Method: A=Accrual, C=Cash, O=Other C

863734762 CLP WATER PARK LLC

Home office expenses deducted N

221000 Business out of existence N

713 BROAD ACRES RD

Any change in determining quantities, costs or valuations N

NARBERTH PA 19072

1a. Gross receipts or sales	1A	19500	2. Cost of goods sold/operations	2	0
1b. Returns and allowances	1B	0	3. Gross profit	3	19500
1c. Balance	1C	19500	4. Other Income (submit statement)	4	0
			5. Total income	5	19500
6. Advertising	6	0	28. Supplies (not included on Schedule C-1)	28	0
7. Amortization	7	0	29. Taxes	29	0
8. Bad debts from sales or services	8	0	30. Telephone	30	0
9. Bank charges	9	0	31. Travel and entertainment	31	0
10. Car and truck expenses	10	0	32. Utilities	32	0
11. Commissions	11	0	33. Wages	33	0
12. Cost depletion not % depletion	12	0	34. IDCs (1/3 current expensing)	34	0
			35. IDCs (amortization)	35	0
			36. Start-up costs (direct expense)	36	0
13a. Regular depreciation	13A	10333	37. Other expenses (specify):		
13b. Section 179 expense	13B	0	A	A	0
14. Dues and publications	14	0	B	B	0
15. Other employee benefit programs	15	0	C	C	0
16. Freight (not on Schedule C-1)	16	0	D	D	0
17. Insurance	17	0	E	E	0
18. Interest on business indebtedness	18	0	F	F	0
			G	G	0
19. Laundry and cleaning	19	0	H	H	0
20. Legal and professional services	20	0	I	I	0
21. Management fees	21	0	J	J	0
22. Office supplies	22	0			
23. Pension and profit-sharing plans	23	0	37. Total other expenses	37	0
24. Postage	24	0	38. Total expenses (add Lines 6 through 37)	38	34333
25. Rent on business property	25	0	39. Net profit or loss	39	-14833
26. Repairs	26	0			
27. Subcontractor fees	27	24000			



PA-40 Schedule C - 2022

Social Security Number 167680648

Name of owner TODD JOSEPH

**SCHEDULE C-1 - Cost of Goods Sold and/or Operations**

1. Inventory at beginning of year (if different from last year's closing inventory, include explanation)	1	0
2a. Purchases	2A	0
2b. Cost of items withdrawn for personal use	2B	0
2c. Balance (subtract Line 2b from Line 2a)	2C	0
3. Cost of labor (do not include salary paid to yourself or subcontractor fees)	3	0
4. Materials and supplies	4	0
5. Other costs (include schedule)	5	0
6. Add Lines 1, 2c, 3, 4, and 5	6	0
7. Inventory at end of year	7	0
8. Cost of goods sold and/or operations (subtract Line 7 from Line 6) Enter here and on Section I, Line 2	8	0

**SCHEDULE C-2 - Depreciation (See Instructions)**

1. Total Section 179 depreciation (do not include in items below)	1	0
2. Less: Section 179 depreciation included in Schedule C-1	2	0
3. Balance (subtract Line 2 from Line 1). Enter here and on Section II, Line 13b	3	0

4. Other depreciation:

Description of property (a)	Date acquired (b)	Cost or other basis (c)	Depreciation allowed or allowable in prior years (d)	Method of computing depreciation (e)	Life or rate (f)	Depreciation for this year (g)
Buildings	4A	0	0			0
Furniture/fixtures	4B	0	0			0
Trans. equipment	4C	0	0			0
Machinery	4D	0	0			0
<b>Other</b> (specify)						
WATER	4E	07012021	403000	SL	39	10333
	4F	0	0			0
	4G	0	0			0
	4H	0	0			0
	4I	0	0			0
	4J	0	0			0
	4K	0	0			0
	4L	0	0			0
	4M	0	0			0
	4N	0	0			0
	4O	0	0			0
	4P	0	0			0

5. Totals		403000			5	10333
6. Depreciation included in Schedule C-1					6	0
7. Balance (subtract Line 6 from Line 5) Enter here and on Section II, Line 13a					7	10333





# Notice to Customers

## NOTICE OF PROPOSED RATE CHANGES

To Our Customers:

Conneaut Lake Park Water Corporation (“the Company”) is filing a request with the Pennsylvania Public Utility Commission (PUC) to increase your water rates as of October 31, 2023. This notice describes the Company’s rate request, the PUC’s role, and what actions you can take.

The Company has requested an overall rate increase of \$257,797 per year. If the Company’s entire request is approved, the total flat rate bill for a full time residential customer would increase from \$14.39 to \$122.30 per month or by 750% and for a seasonal residential customer from \$7.20 to 122.30 per month or by 1600%. The total bill for the small commercial customer would increase from a rate of \$100.00 to \$850 per month or by 750%. The total bill for a large commercial customer will increase from a rate of \$256.87 to \$2,183.40 per month or 750%.

To find out your customer class or how the requested increase may affect your water bill, contact The Company at 814-225-7985. The rates requested by the Company may be found in Tariff No. 1, Supplement No. 1. You may examine the material filed with the PUC which explains the requested increase and the reasons for it. A copy of this material is kept at the office of the Hotel Conneaut, 12241 Lake Street, Conneaut Lake, PA 16316.

The state agency that approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates.

The PUC may change the amount of the rate increase or decrease requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the company and shown above.

There are three ways to challenge a company’s request to change its rates:

1) You can file a formal complaint. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before October 31, 2023. If no formal complaints are filed, the Commission may grant all, some or none of the request without holding a hearing before a judge.

2) You can send the PUC a letter telling why you object to the requested rate increase. Sometimes there is information in these letters that makes the PUC aware of problems with the company’s service or management. This information can be helpful when the PUC investigates the rate request. Send your letter or formal complaint form to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg PA 17105-3265.

3) You can be a witness at a public input hearing. Public input hearings are held if the PUC opens an investigation of the Company’s rate request and if there is a large number of customers interested in the case. At these hearings you have the opportunity to present your views in person to the judge hearing the case and the Company representatives. All testimony given “under oath” becomes part of the official rate case record. These hearings are held in the service area of the Company.

# Supporting Affidavits

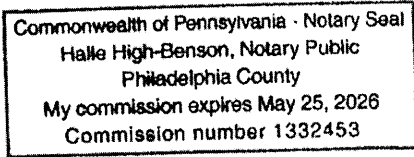
AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA


}ss:

MONTGOMERY COUNTY

I, Todd Joseph, being duly sworn (affirmed) according to law, deposes and says that he is the Owner of the Conneaut Lake Park Water Corporation, that he is authorized to and does make this affidavit for it; and that the facts set forth are true and correct to the best of his knowledge, information and belief and he expects to be able to prove the same at the hearing hereof.




Todd Joseph, Owner

  
\_\_\_\_\_  
Signature of Affiant

Sworn and subscribed before me this

..30<sup>th</sup>... day of ..August... 2023.

My Commission Expires ..5/25/2026

  
.....  
Signature of Official Administering Oath

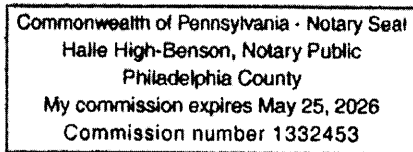
AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA


}ss:

MONTGOMERY COUNTY

I, Todd Joseph, being duly sworn (affirmed) according to law, deposes and says that he is the Owner of the Conneaut Lake Park Water Corporation, that he is authorized to and does make this affidavit on behalf of for Conneaut Lake Park Water Corporation, and that the customer notice was mailed this 30th day of August in the year of 2023.



Todd Joseph, Owner




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Signature of Affiant

Sworn and subscribed before me this

..... 30<sup>th</sup> ..... day of August ..... 2023

My Commission Expires ..... 5/25/2026 .....



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Signature of Officer Administering Oath