



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

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. P-2023-3042107
Utility Code 210013

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RE: Petition of Veolia Water Pennsylvania, Inc. for Approval of its Lead Service Line Replacement Program and Modification of its Long-Term Infrastructure Improvement Plan at Docket No. P-2023-3042107

Dear Attorneys Zambito and Nase:

On July 24, 2023, Veolia Water Pennsylvania, Inc. (Veolia Water) filed the above-captioned document (Petition) with the Pennsylvania Public Utility Commission (Commission). For the Commission to complete its analysis of the filing, please respond with the information requested in the attached document.

Please forward the information to the Secretary of the Commission **within ten (10) business days** from the date of this letter. All documents requiring notary stamps must have original signatures. The Commission strongly encourages submission through efilings with the Secretary of the Commission by opening an efilings account through the Commission website and accepting eservice at <https://efiling.puc.pa.gov>. The Commission is accepting all public documents through our efilings system at this time.

If your filing contains confidential material, you are required to either file by overnight delivery or submit to the Secretary's Share Point File system to ensure the timely filing of your submission. Filers should contact the Secretary's Bureau in advance to gain access to the Share Point File system. Make sure to reference the Docket Number listed above when filing your response. The overnight address for hard-copy or confidential responses is:

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

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

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).

Signature _____
Title _____
Date _____

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 the response to Matthew T. Lamb, P.E. in the Water/Wastewater Section of the Bureau of Technical Utility Services via e-mail at mlamb@pa.gov. Please also direct any questions to Matthew Lamb at telephone number (717) 783-1001. 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

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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.

- P-1. Veolia Water's Petition for a Lead Service Line Replacement Program (LSLR Program), included a copy of its Lead Service Line Replacement Plan (LSLR Plan) as the Petition's Attachment B. In the Service Line Inventory's Section 1 of the LSLR Plan, Veolia Water indicated it is in the process of taking an inventory of all service lines in its service territory (Inventory). Additionally, Veolia Water identified 965 company-owned galvanized service lines and 257 customer-owned galvanized service lines in the summary table of inventory results as of June 30, 2023. Please respond to the following:
- a. Pursuant to 52 Pa. Code § 65.56(a)(1), submit a current copy of Veolia Water's Inventory in a live electronic spreadsheet format;
 - b. Pursuant to 52 Pa. Code § 65.52, a galvanized service line is considered a lead service line (LSL) if it ever was or is currently downstream of any lead service line or service line of unknown material. Indicate how many of the identified galvanized service lines ever were or are currently downstream of any lead service line or service line of unknown material;
 - c. Provide an estimate of the timeframe for Veolia Water to implement a machine learning algorithm as part of its Inventory;
 - d. Provide an estimate of the number of company-owned and customer-owned service lines that Veolia Water plans to have inventoried on an annual basis based upon its target date of 2026 for completion of its Inventory; and
 - e. Quantify the projected annual expenditure to complete the Inventory.
- P-2. In the Planning and Replacement's Section 1 of the LSLR Plan, Veolia Water indicated it cannot project the annual investment in LSLRs as no LSLs have been identified currently in its ongoing Inventory. Additionally, Veolia Water indicated that it was planning a budget of \$100,000 per year, with the unused funds rolling over to the following year. Veolia Water also did not identify its anticipated sources of financing for LSLRs. Please respond to the following:
- a. Provide a breakdown of how Veolia Water determined a budget of \$100,000 per year for LSLRs;
 - b. Clarify if the \$100,000 projected annual investment includes only customer-owned LSLs or the entirety of the LSL (i.e., both company and customer-owned);
 - c. Provide a breakdown of the estimated average cost to replace a typical company-owned portion and, separately, a customer-owned portion of an LSL;

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- d. Identify Veolia Water's anticipated sources of financing for LSLRs (e.g., funding will be provided by short term debt and/or equity available from internally generated funds that will be replaced by a combination of equity and long-term debt, etc.); and
 - e. Submit a revised LSLR Plan that incorporates Veolia Water's responses to P-2.a. through d.
- P-3. In the Planning and Replacement's Section 3 of the LSLR Plan, Veolia Water indicated it expected that LSLRs will be prioritized for replacement in the order that they are identified. However, 52 Pa. Code § 65.56(b)(3) requires the LSLR Plan to include the prioritization criteria that will be used by the entity when developing its LSLR schedule (e.g., prioritize sensitive populations such as schools and childcare facilities, socioeconomic factors that identify elevated lead levels or a higher concentration of LSLs, etc.). Please submit a revised LSLR Plan that includes a detailed explanation of Veolia Water's prioritization criteria that will be used by it when developing a LSLR schedule.
- P-4. In the Planning and Replacement's Sections 4 and 6.(ii) of the LSLR Plan, Veolia Water indicated that it would perform partial LSLRs in emergency situations. Partial LSLRs are prohibited under 52 Pa. Code § 65.62(b). Pursuant to 52 Pa. Code § 65.62, the Commission notes that any repair of a known or discovered LSL would be considered a partial LSLR and is strictly prohibited. Correspondingly, the Commission also notes that an emergency water main replacement that uncovers a LSL would require a complete LSLR prior to the service line being placed back into service as the reconnection of a LSL to the new main segment would be considered a partial LSLR. Please respond to the following:
- a. Clarify whether Veolia Water will maintain the proper equipment and tools necessary for its staff, or if it intends to maintain 3rd party contracts, to complete emergency LSLRs; and
 - b. Submit a revised LSLR Plan that includes the entity's processes and procedures to address emergency repairs or replacements which reveal LSLs that eliminates any partial LSLRs and that fully describes Veolia Water's procedures to fulfill its duty to communicate to customers and/or property owners that failure to allow the entity to complete the LSLR or to replace the customer-owned LSL concurrent with the entity replacing the company-owned LSL will lead to termination of water service.
- P-5. In the Planning and Replacement's Section 5 of the LSLR Plan, Veolia Water indicated that it would contact customers individually and explain the LSLR Program as well as provide a copy of the Pennsylvania Department of Environmental Protection's (DEP's) Lead Service Line Customer Notification Form. Please provide a revised LSLR Plan that clarifies Veolia Water's proposed methods of contact (e.g., door hangers, phone calls, in

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person meetings, etc.) and its proposed number of attempts of customer contact and timeline to obtain acceptance of a LSLR prior to project commencement.

- P-6. In the Planning and Replacement's Section 6 of the LSLR Plan, Veolia Water did not provide a brief description of the entity's process for LSLRs under normal and atypical conditions. Pursuant to 52 Pa. Code § 65.56(b)(6)(ii), Veolia Water is required to include this information in its LSLR Plan. Please respond to the following:
- a. Provide a brief description of how Veolia Water plans to complete the replacement of LSLs under normal conditions and atypical conditions (e.g., depth to ground water or rock, proximity of other utility services, site conditions, etc.); and
 - b. Submit a revised LSLR Plan that incorporates the requirements of 52 Pa. Code § 65.56(b)(6)(ii).
- P-7. In the Planning and Replacement's Section 6 of the LSLR Plan, Veolia Water did not provide an explanation of its process for coordination with the customer and/or property owner, and the information Veolia Water will provide to the customer and/or property owner throughout the LSLR process. Pursuant to 52 Pa. Code § 65.56(b)(6)(iii), Veolia Water is required to include in its LSLR Plan an explanation of its process for coordination with the customer, and property owner, if the customer is not the property owner, and the information Veolia Water will provide to the customer and the property owner throughout the LSLR process. Please respond to the following:
- a. Based upon acceptance of a LSLR, provide an explanation of how Veolia Water will coordinate with the customer and/or property owner, and how Veolia Water will provide information to customers and/or property owners throughout the LSLR process (e.g., how Veolia Water plans to conduct the LSLR, what the customer can expect, the provision of pitcher-filters prior to LSLR, the scheduled date for the LSLR, the number of days' notice Veolia Water will provide prior to the commencement of an LSLR, etc.); and
 - b. Submit a revised LSLR Plan that incorporates the requirements of 52 Pa. Code § 65.56(b)(6)(iii).
- P-8. In the Planning and Replacement's Section 6 of the LSLR Plan, Veolia Water did not detail Veolia Water's process for addressing LSLR completion or closeout, or both, with the customer and property owner, if the customer is not the property owner. Pursuant to 52 Pa. Code § 65.56(b)(6)(iv), Veolia Water is required to include this information in its LSLR Plan. Please respond to the following:
- a. Provide Veolia Water's process for addressing LSLR completion or closeout, or both, with the customer and/or property owner (e.g., assistance to customers to flush

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- interior plumbing after an LSLR, information of restoration limitations, warranty information, etc.); and
- b. Submit a revised LSLR Plan that incorporates the requirements of 52 Pa. Code § 65.56(b)(6)(iv), including notifying the customer of any portion of the LSL disconnected but left in place per AWWA C810-17, provided as the Petition's Exhibit 5.
- P-9. In the Planning and Replacement's Section 7 of the LSLR Plan, Veolia Water indicated that it anticipates leaving lead pipes in the ground as full removal would be cost prohibitive. Please respond to the following:
- a. Quantify the estimated average incremental cost for Veolia Water to remove the LSL concurrently with the installation of the new service line; and
 - b. Explain how this anticipated procedure complies with industry best practices and how Veolia Water determined this procedure to abandon the LSL would be in the public interest.
- P-10. In the Communications, Outreach, and Education's Section 1 of the LSLR Plan, Veolia Water indicated that as of this date, print and broadcast materials are still being developed. Pursuant to 52 Pa. Code § 65.56(c)(1), Veolia Water's LSLR Plan must include copies of all printed and broadcast material to be distributed under the LSLR program. Please submit a revised LSLR Plan that includes copies of all printed and broadcast material to be distributed under the LSLR Program.
- P-11. In the Communication, Outreach and Education's Section 2 of the LSLR Plan, Veolia Water indicated that once approved, the Company will add any additional information required by the regulation. Veolia Water also indicated the company's website at <http://mywater.veolia.us/new-york/pennsylvania/water-in-my-area/pa-service-line-information> already describes the health effects of lead and the customer's and Veolia Water's responsibility related to service lines. Please state whether the information required by 52 Pa. Code § 65.56(c)(2)(i) through (iv) will be added to Veolia Water's website within 12 months of Commission approval of the LSLR Program.
- P-12. The LSLR Program included a copy of Veolia Water's *pro forma* tariff supplement (Pro Forma Tariff) as the Petition's Attachment C. 52 Pa. Code § 65.58(b)(1) requires that an entity's *pro forma* tariff or tariff supplement must include a definition for customer-owned LSL for purposes of the entity's LSLR Program that is consistent with 52 Pa. Code § 65.52. The Pro Forma Tariff does not include a definition for customer-owned LSL for purposes of Veolia Water's LSLR Program that is consistent with 52 Pa. Code § 65.52. Please provide a revised Pro Forma Tariff that is consistent with 52 Pa. Code § 65.52.

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- P-13. The Pro Forma Tariff's Section 50.2, Original Page 50A, did not specify the length of pipe within a structure after which Veolia Water may install a shutoff valve. 52 Pa. Code § 65.58(b)(2) provides that an entity may specify in its tariff or tariff supplement that, if a shutoff valve is not located along a specific length of pipe within a structure, the entity may install a shutoff valve to serve as a point of demarcation between the property's service line and the property's interior water distribution piping. Please provide a revised Pro Forma Tariff that is consistent with 52 Pa. Code § 65.58(b)(2) and that defines the specific length of pipe within a structure after which Veolia Water may install a shutoff valve.
- P-14. 52 Pa. Code § 65.58(d)(1)(iii)(A) requires reimbursements for LSLR expenses for customers or property owners, if the customer is not the property owner, located within a LSLR project area who replaced their LSL within one year before or from LSLR project commencement. Also, 52 Pa. Code § 65.52 defines a LSLR project area as "the area encompassing an entity's scheduled [LSLR] activities, which includes the area within a 1-mile radius of a [LSLR] project if served by the entity", defines a LSLR project as "An entity-scheduled [LSLR] activity either in conjunction with main replacements or as part of a [LSLR] program.", and defines LSLR project commencement as "Installation of the first [LSLR] within a [LSLR] project area". However, the Pro Forma Tariff defines LSLR project commencement as the date the company begins physical main replacement work in the project area that includes the Customer's premise. Thus, the Pro Forma Tariff's definition for LSLR project commencement does not ensure that required reimbursements will be provided per 52 Pa. Code § 65.58(d)(1)(iii)(A) for projects involving scheduled LSLR activities that are under Veolia Water's LSLR Program, but that don't involve main replacement work. Please provide a revised Pro Forma Tariff that provides reimbursements for LSLR expenses for customers or property owners, if the customer is not the property owner, located within a within a 1-mile radius of a Veolia Water-scheduled LSLR activity who replace their LSL within 1 year before or from the installation of the first LSLR within that LSLR project area.
- P-15. 52 Pa. Code § 65.62(c)-(d) require Veolia Water to terminate service in accordance with its tariff for certain customers that refuse or fail to accept a LSLR or where service is being provided using a partial LSLR installed after July 23, 2022. Also, 52 Pa. Code § 65.58(c)(1) specifies that a partial LSLR must result in termination of service until the entity can replace the entity-owned LSL. Please respond to the following:
- a. Identify the specific sections of the Pennsylvania Public Utility Code and/or provisions of Veolia Water's tariff or Pro Forma Tariff that permit Veolia Water to terminate service in compliance with 52 Pa. Code §§ 65.58(c)(1) and 65.62(c)-(d); and
 - b. Provide a revised Pro Forma Tariff that includes Veolia Water's processes and procedures based upon a customer's refusal of a LSLR where the property owner is the customer and, separately, where the property owner is not the customer.

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- P-16. Please identify the specific sections of the Pennsylvania Public Utility Code and/or provisions of Veolia Water's tariff or Pro Forma Tariff that permit Veolia Water to terminate service in compliance with 52 Pa. Code §§ 65.58(c)(1) and 65.62(c)-(d).
- P-17. Please confirm that Veolia Water does not require any waivers of any Commission regulations to terminate service per 52 Pa. Code §§ 65.58(c)(1) and 65.62(c)-(d). Otherwise, please provide the information required by 52 Pa. Code § 5.43(a) for each regulation that Veolia Water requires a waiver to terminate service per 52 Pa. Code §§ 65.58(c)(1) and 65.62(c)-(d).
- P-18. 52 Pa. Code § 65.58(e)(3) requires the Pro Forma Tariff to include defined maximum coverage amounts under the warranty. The Pro Forma Tariff does not specify maximum coverage amounts under the warranty, such as a coverage amount in dollars or a provision indicating that the coverage amount is unlimited. Please provide a revised Pro Forma Tariff that is consistent with 52 Pa. Code § 65.58(e)(3) and that specifies a warranty coverage amount.
- P-19. The modified long-term infrastructure improvement plan (Modified LTIIIP) included as Attachment A addressed Veolia Water's LSLR Plan. However, the Modified LTIIIP did not update the table of contents, other applicable sections, charts, and graphs to reflect the company's name change from Suez Water Pennsylvania Inc. (Suez) to Veolia Water. Please submit final and redlined copies of a Modified LTIIIP that includes the necessary updates to the table of contents, applicable sections, charts and graphs to reflect the company's name change from Suez to Veolia Water.
- P-20. In the Planning and Replacement's Section 1 of the LSLR Plan, Veolia Water indicated that it anticipates the funding for potential LSLR's to be incorporated into its capital plan (i.e., LTIIIP). Please indicate when the company anticipates filing a new or modified LTIIIP that incorporates these changes.