



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

IN REPLY PLEASE  
REFER TO OUR FILE

December 27, 2023

Docket No. P-2023-3044459

Utility Code 210104

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RE: Petition of Aqua Pennsylvania, Inc. for Approval of its Lead Service Line Replacement Program at Docket No. P-2023-3044459

Dear Attorneys Hassell, Lent and Rulli:

On November 27, 2023, Aqua Pennsylvania, Inc. (Aqua) 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](mailto: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](mailto:ra-oca@paoca.org)  
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## TUS Data Request Set 1

### Petition of Aqua Pennsylvania, Inc. for Approval of its Lead Service Line Replacement Program at Docket No. P-2023-3044459

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. Attachment A of Aqua’s Petition for Approval of its Third Long-Term Infrastructure Improvement Plan (LTIIP)<sup>1</sup> for 2023-2027 included a copy of Aqua’s Lead Service Line Replacement Plan (LSLR Plan). The LSLR Plan’s Section II.A. indicated that Aqua’s Service Line Inventory is continuing to be developed at this time with 90% of company-owned service line material and 73% of customer-owned service line material identified. Please provide responses to the following:
- a. Provide a current copy of Aqua’s Service Line Inventory in a live electronic spreadsheet format pursuant to 52 Pa. Code § 65.56(a)(1); and
  - b. Quantify the projected annual expenditure to complete the Service Line Inventory.
- P-2. In Section II.A.1 of the LSLR Plan, Aqua indicated that its tariff, from 1956 to current, required the installation of Type K copper on both the company and customer side of the service line for 49 municipalities within the Hatboro and Main Systems and therefore Aqua would assume homes built during 1956 or later for these water systems would be assigned a “non-lead” designation. Please provide responses to the following:
- a. Indicate whether Aqua will implement a field verification process based on a mathematical model to ensure the veracity of the aforementioned assumption to a defined confidence level and, if so, provide a detailed explanation of the field verification process; and
  - b. Confirm that Aqua intends to complete a full inventory of the service line material of both the company and customer sides for homes built prior to 1956 within the Hatboro and Main Systems.
- P-3. In Section II.B.2. of the LSLR Plan, Aqua is projecting a replacement schedule during the term of the LTIIP of customer-owned LSLs as follows: 500 in 2023, 1,200 in 2024 and 1,500 thereafter in 2025, 2026 and 2027, respectively, for a total of 6,200 [500 + 1,200 + (3 x 1,500) = 6,200]. Additionally, Aqua indicated it believes approximately 2% or approximately 2,340 of the unknown customer side service lines are potentially lead or galvanized requiring replacement (GRR) that will need to be replaced. Considering this projection and assumption, please provide responses to the following:
- a. Explain the apparent discrepancy between the total number of customer-owned LSLs that are projected to be replaced during the term of the LTIIP with the significantly lower number of customer-owned LSLs that Aqua believes will need to be replaced based on the service line inventory; and

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<sup>1</sup> See *Petition of Aqua Pennsylvania, Inc. for Approval of its Third Long-Term Infrastructure Improvement Plan* at Docket No. P-2023-3043755.

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- b. Submit a revised LSLR Plan and/or LTIP to reflect the number of customer-owned LSLs Aqua projects will need to be replaced based on its service line inventory and, correspondingly, indicate the planned programmatic replacement schedule in the LTIP term of 2023 through 2027 by year. Please note that the total number of planned customer-owned LSLs projected to be replaced in the LTIP should be equal to or less than the total number of customer-owned LSLs projected to be identified in the completed service line inventory.
  
- P-4. In Section II.B.4. of the LSLR Plan, Aqua indicated that when it uncovers a company-owned LSL while completing emergency repairs to its system, Aqua will replace its service line up to the curb stop, which will reveal the customer-side material. The LSLR Plan indicated that if the customer-owned portion of the service line is lead, then Aqua will contact the customer/owner and provide them with information and materials. This provision appears to allow for partial LSLRs depending on the success of contacting the customer and obtaining permission to concurrently replace the customer-owned LSL. Additionally, 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 a water main replacement or repair, regardless of whether the main replacement activities were planned or an emergency, that reveals a LSL would require a complete LSLR prior to the service line being placed back into service as the reconnection of a LSL to a new main segment or a new Company-owned service line would be considered a partial LSLR. Please provide responses to the following:
  - a. Clarify whether Aqua will maintain the proper equipment and tools necessary for its staff, or if it intends to maintain third party contracts, to complete emergency LSLRs; and
  - b. Submit a revised LSLR Plan that includes Aqua's processes and procedures to address emergency repairs or replacements which reveal LSLs that eliminates any partial LSLRs and that fully describes Aqua's procedures to fulfill its duty to communicate to customers and/or property owners that failure to allow Aqua to complete the LSLR or to replace the customer-owned LSL concurrent with Aqua replacing the main or company-owned service line will lead to termination of water service.
  
- P-5. In Section II.B.7. of the LSLR Plan, Aqua indicated that in most replacements of customer-owned LSLs, it does not excavate and remove the existing LSL, and instead abandons it in place when the new service line is installed. 52 Pa. Code § 65.62(7) requires that the LSLR Plan include lead/material recycling and disposal efforts, including a description of what the entity will do with proceeds from recycling and disposal efforts. Please provide a revised LSLR Plan which complies with the requirements of 52 Pa. Code § 65.62(7).

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- P-6. In Section II.B.10 of the LSLR Plan, Aqua indicated that if a customer refuses replacement of a customer-owned LSL or is non-responsive to the customer outreach described in Section II.B.5 of the LSLR Plan, Aqua will initiate its termination procedures. Aqua also indicated that it will provide the customer with a Customer Refusal Letter (Exhibit Q), its lead fact sheet describing the health hazards of lead service lines (Exhibit H), and the lead service line program information sheet (Exhibit I). Please provide a revised LSLR Plan that clarifies how these materials will be provided to the customer and if these materials will be provided before or after Aqua initiates its termination procedures.
- P-7. Exhibit A of Aqua's Petition for a Lead Service Line Replacement Program (LSLR Program) included a copy of Aqua's pro forma tariff supplement (Tariff Supplement). The Tariff Supplement does not appear to include certain information pursuant to 52 Pa. Code § 65.58. Please provide a revised Tariff Supplement that includes and addresses the following and that is consistent with the requirements of 52 Pa. Code § 65.58:
- a. A definition of customer-owned lead service line;
  - b. A description of how Aqua will perfect its ownership of the portion of the service line located within the then-existing right-of-way in conformance with its Commission-approved tariff to ensure that Aqua can obtain necessary permits during the planning phase of a LSLR project, if necessary;
  - c. The defined length of pipe within a structure after which Aqua may install a shutoff valve pursuant to 52 Pa. Code § 65.58(b), in linear inches or feet;
  - d. The defined length of time by which Aqua will issue a reimbursement for an eligible reimbursement request, in days;
  - e. That a verified statement from a contractor attesting to the completion of a LSLR may be a sufficient form of LSLR verification;
  - f. That if reimbursement would cause the Aqua to exceed its current annual cap, the entity must increase its current annual cap by the amount of the reimbursement and decrease its next annual cap by this amount; and
  - g. The defined maximum coverage amounts under the LSLR warranty, such as a coverage amount in dollars or a provision indicating that the coverage amount is unlimited.
- P-8. In Section 22 of Aqua's LSLR Program, Aqua indicated that when evidence-based data is not available, Aqua will assign material designations of "non-lead" based on its knowledge of when the use of lead was discontinued or banned in new construction for certain geographic areas. Additionally, in Section II.A of Aqua's LSLR Plan, Aqua indicated that it intends to assume that all homes that were built during or after 1991 have non-lead service lines. Please provide responses to the following:

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- a. Confirm that Aqua will inventory the service lines of all homes built before 1991 for potential LSLs;
  - b. Explain why it is reasonable for Aqua to assume that all homes built during or after 1991 contained only “non-lead” service line materials realizing the ban occurred in early 1991 and the prohibition may not have been equally enforced in different geographic locations across Pennsylvania based on available lead materials held on hand in inventory prior to 1991 with suppliers and builders;
  - c. Explain how Aqua will modify the assumptions of its service line inventory and implement a field verification process if LSLs are discovered in a home built during or after 1991 (e.g., complete a service line inventory for homes built in the same year for a defined geographic area surrounding the home with the LSL.); and
  - d. Provide a revised LSLR Plan that confirms Aqua will complete a service line inventory of all homes built before 1991 and details how Aqua will address expanding its service line inventory when a LSL is discovered in homes built during or after 1991.
- P-9. Paragraph 44 of Aqua’s LSLR Program and Section 20.2 of the Tariff Supplement indicated that Aqua is proposing to use “Step In Rights” in limited circumstances to avoid termination of service to a customer when the property owner is unknown or has not responded to multiple attempts to contact and offer replacement of the customer-owned LSL under the program. Please explain the legal standard under which Aqua would be permitted to complete a LSLR under the undefined “Step In Rights.”

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P-10. In Tables 18, 19, 21 and 22 of the LTIP, Aqua indicated the following in a consolidated table for the replacement of customer-owned LSLs:

<b>Historic Replacement Schedule of Other Property</b>				
Year	No. of Customer-Owned LSLs	DSIC Expenditure	Cost per LSLR <sup>2</sup>	YoY% (+/-) <sup>3</sup>
2021	66	\$342,424	\$5,188	--
2022	200	\$1,134,417	\$5,672	+9.3%
<b>Projected Annual Expenditure</b>				
2023	500	\$1,900,000	\$3,800	-49.3%
2024	1200	\$8,152,149	\$6,793	+78.8%
2025	1500	\$11,741,638	\$7,828	+15.2%
2026	1500	\$12,093,887	\$8,063	+3.0%
2027	1500	\$12,456,704	\$8,304	+3.0%

Please explain the factors that are projected to increase the cost per LSLR from 2023 to 2024 and, correspondingly, from 2024 and 2025.

<sup>2</sup> The cost per LSLR was calculated by dividing the DSIC expenditure by the number of customer-owned LSLs.

<sup>3</sup> YoY% equals the year over year increase (+) or decrease (-) in either the historic or projected cost per LSLR expressed as a percentage.