



# **PENNSYLVANIA-AMERICAN WATER COMPANY**

## **IMPLEMENTATION PLAN**

in Response to the

## **2022-23 FOCUSED MANAGEMENT AND OPERATIONS AUDIT**

October 2023

# Pennsylvania-American Water Company Implementation Plan

October 2023

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## **INTRODUCTION AND ACKNOWLEDGEMENT**

Beginning in late 2022, the Pennsylvania Public Utility Commission (“PUC” or “Commission”) conducted a Management and Operations Audit of Pennsylvania-American Water Company (“PAWC” or “Company”). The audit was conducted pursuant to Section 516 of the Pennsylvania Public Utility Code, which requires the Commission to periodically examine the management effectiveness and operating efficiency of jurisdictional utilities whose plant in service is valued at not less than \$ 10,000,000. In response to the Management and Operations Audit Final Report (“Final Report”) dated October 2023, the Company is pleased to submit its Implementation Plan.<sup>1</sup>

The Implementation Plan is organized to address each recommendation contained in the Final Report, and states whether the recommendation is accepted, accepted in part, or rejected. In this case, PAWC has either accepted or accepted in part all recommendations in the Final Report. For each recommendation accepted or accepted in part by PAWC, the Implementation Plan describes the actions to be taken, the individuals responsible, and the expected completion dates.

The Company notes that some aspects of the recommendations pertain to American Water Works Company, Inc. (“American Water”), American Water Works Service Company, Inc. (“Service Company” or “AWWSC”), or other American Water entities over which the Commission does not have jurisdiction. The boards of directors and management of these entities have legal obligations, fiduciary duties and responsibilities separate from and different than PAWC. Responses to the recommendations affecting those entities have been considered in that context.

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<sup>1</sup> Please note that the field work for the Management and Operations Audit concluded in May 2023. Accordingly, some of the audit recommendations do not reflect the current state of the Company’s operations.

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Finally, the Company expresses its appreciation to the Commission and the Commission's Bureau of Audits for conducting this Management and Operations Audit to provide recommendations to the Company in an effort to help improve its operations. The Company has accepted, or accepted in part, 31 recommendations. The Implementation Plan demonstrates our commitment to take appropriate actions resulting from this important effort.

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## Chapter III

### Executive Management and Organizational Structure

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## Chapter III

### Executive Management and Organizational Structure

Recommendation III-1 Include version control documentation on all policies, procedures, manuals, etc. and explore additional tools to ensure documentation is kept up to date.

PAWC Response The Company accepts this recommendation.

Benefit Low

#### Discussion:

The Company is updating its process for reviewing and managing policies and adding a heading to updated policies to assist with version control.

#### Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Add a heading to updated policies to assist with version control.	04/01/2024	E

#### Personnel Responsible:

Holly Rotkowitz, Senior Director, HR Operations

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## Chapter III

### Executive Management and Organizational Structure

Recommendation III-2      Develop metrics for the Service Company and other externally provided services to fully assess PAWC's overall performance.

PAWC Response              The Company accepts, in part, this recommendation.

Benefit                          Medium

#### Discussion:

The Service Company has adopted several metrics to allow for continued performance improvement. Accordingly, the Company accepts the recommendation to evaluate and, as needed, develop additional metrics for its Service Company and other externally provided services.

#### Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Evaluate and, as needed, develop additional metrics for the Service Company and third-party service providers.	07/31/2024	E

#### Personnel Responsible:

Benjamin Morris, Senior Director, Business Performance

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## Chapter III

### Executive Management and Organizational Structure

Recommendation III-3 Document and clearly delineate PAWC's expected performance standards for all department levels on executive level reporting metrics.

PAWC Response The Company accepts, in part, this recommendation.

Benefit Low

#### Discussion:

PAWC agrees that continued communication regarding metrics to PAWC leadership is important. Accordingly, the Company accepts the recommendation to continue to communicate metrics to the PAWC leadership team.

#### Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Continue to communicate metrics to PAWC leadership team.	07/31/2024	E

#### Personnel Responsible:

Benjamin Morris, Senior Director, Business Performance



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## Chapter III

### Executive Management and Organizational Structure

Recommendation III-4 Complete and ratify the updated ERM policy and charter.

PAWC Response The Company accepts this recommendation.

Benefit Low

#### Discussion:

The Enterprise Risk Management (“ERM”) Policy and Charter are scheduled to be reviewed, revised, and ratified.

#### Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Ratify updated ERM Policy and Charter.	04/01/2024	O

#### Personnel Responsible:

Jimmy Sheridan, Senior Vice President, Enterprise Risk, Internal Audit & Corporate Strategy

Shash Dave, Director, Enterprise Risk Management

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Chapter IV  
Corporate Governance

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## Chapter IV

### Corporate Governance

Recommendation IV-1      Perform a market comparison for local board compensation to ensure PAWC Board fees are at market rates.

PAWC Response              The Company accepts this recommendation.

Benefit                              Medium

Discussion:

PAWC is in the process of evaluating whether it should continue to maintain external Board members. If PAWC continues with external Board members, PAWC will re-evaluate whether its external Board compensation fees are at market rates.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Evaluate market rate for external Board member compensation if PAWC continues to maintain external Board members.	11/01/2024	E

Personnel Responsible:

Andrew Swope, Vice President, Managing General Counsel

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Chapter V

Cost Allocations and Affiliated Interests

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## Chapter V

### Cost Allocations and Affiliated Interests

Recommendation V-1      File a new or amended affiliated interest agreement that accurately reflects the current company structure and the intercompany transactions occurring between PAWC and AWWSC.

PAWC Response              The Company accepts, in part, this recommendation.

Benefit                              Low

Discussion:

PAWC does not believe it is necessary to update its affiliated interest agreement with its Service Company. The affiliated interest agreement was drafted to have flexibility to accommodate reorganizations, changes in nomenclature and technologies that occur routinely and in the normal course of business, and to accommodate the provision of services by the Service Company. PAWC will provide an updated list of existing major services and current nomenclature applicable to PAWC’s affiliated interest agreement with Service Company.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Submit information update to the Commission regarding PAWC/Service Company affiliated interest agreement.	10/31/2024	E

Personnel Responsible:

Andrew Swope, Vice President, Managing General Counsel

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## Chapter V

### Cost Allocations and Affiliated Interests

Recommendation V-2      Update AWWSC’s Cost Allocation Manual to define all allocation factors, updates in billing for services, and description of supporting processes.

PAWC Response              The Company accepts this recommendation.

Benefit                              Medium

Discussion:

The Cost Allocation Manual is updated annually. The Final Report will be used as a resource during the Company’s next update.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Update the Cost Allocation Manual.	08/31/2024	E

Personnel Responsible:

Brian Holbert, Chief Financial Officer, Operations  
Agata Szynglarz, Director, Corporate FP&A

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## Chapter V

### Cost Allocations and Affiliated Interests

Recommendation V-3      Establish SLAs for all critical functions provided through the service company, including IT, Customer Service, Fleet, Central Lab, etc.

PAWC Response              The Company accepts, in part, this recommendation.

Benefit                              Medium

Discussion:

The Service Company has adopted several metrics to continue performance improvement. The Company will continue to review the critical functions provided by the Service Company to evaluate whether additional metrics for these functions should be adopted.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Continue to evaluate whether additional metrics for critical functions should be adopted.	11/01/2024	E

Personnel Responsible:

Benjamin Morris, Senior Director, Business Performance

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## Chapter V

### Cost Allocations and Affiliated Interests

Recommendation V-4      Require mandatory refresher training on time sheet entry and periodically review preset allocators for shared employees.

PAWC Response              The Company accepts, in part, this recommendation.

Benefit                          Low

#### Discussion:

Refresher time entry training for shared service employees will be provided.

#### Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Develop and deliver refresher time entry training.	09/01/2024	E

#### Personnel Responsible:

Brian Holbert, Chief Financial Officer, Operations  
Agata Szynglarz, Director, Corporate FP&A



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Chapter VI  
Financial Management

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## Chapter VI

### Financial Management

Recommendation VI-1 Update American Water’s Internal Audit Charter to accurately reflect the administrative reporting relationship of the Vice President of Enterprise Risk and Internal Audit

PAWC Response The Company accepts this recommendation.

Benefit Low

Discussion:

The Internal Audit Charter reflects the independent reporting relationship of the Senior Vice President of Enterprise Risk, Internal Audit, and Corporate Strategy to the Audit Finance and Risk Committee. In addition, the Audit, Finance, and Risk Committee Charter highlights this reporting relationship.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Confirm that the Internal Audit Charter accurately reflects the reporting relationship of personnel reporting to the Chair.	04/01/2024	E

Personnel Responsible:

Jimmy Sheridan, Senior Vice President, Enterprise Risk, Internal Audit & Corporate Strategy

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Chapter VII

Water Operations

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## Chapter VII Water Operations

Recommendation VII-1 Reduce UFW below the 20% threshold and report UFW correctly.

PAWC Response The Company accepts this recommendation.

Benefit High

Discussion:

The Company continues to strive to reduce its UFW below the 20% threshold. PAWC’s UFW reduction efforts include, but are not limited to, documenting UFW within the Company’s Work Management Program; offering a robust UFW training program on unmetered and unbilled water loss; and repairing leaks sensed by fixed based logger systems. In addition, PAWC intends to factor consumption using the UFW methodology on its Form 500 Annual Reports filed with the Commission.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Continue to repair leaks sensed by fixed based logger system.	12/31/2024	O
Continue to offer the UFW training program.	12/31/2024	O
Develop a form to track and report UFW separately from non-revenue water	12/31/2024	A

Personnel Responsible:

Jim Runzer, Vice President, Operations

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## Chapter VII

### Water Operations

Recommendation VII-2    Meet or exceed an 80% compliance threshold for testable backflow prevention devices.

PAWC Response            The Company accepts this recommendation.

Benefit                      High

Discussion:

PAWC partnered with Backflow Solutions Inc., (“BSI”) to manage its annual customer communications and test entries of backflow prevention devices. With these tasks now handled by BSI, internal employees have an increased focus on enforcement when a customer fails to comply with the annual testing requirements for backflow prevention devices.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Increase focus on enforcement of backflow testing requirements.	12/01/2024	E

Personnel Responsible:

Jim Runzer, Vice President, Operations

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## Chapter VII

### Water Operations

Recommendation VII-3 Reduce line hits to company underground facilities.

PAWC Response The Company accepts this recommendation.

Benefit High

Discussion:

The Company continues to strive to reduce line hits to PAWC’s underground facilities. PAWC’s internal Underground Damage Prevention Program includes training for mark-out employees and contractors; the development and updating of an Underground Damage Prevention Manual; and regular meetings of a cross-functional team to discuss performance trends, alleged violation reports, technical issues, and training.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Continue updating the Underground Damage Prevention Manual.	04/01/2024	E
Continue ongoing training for mark-out employees and contractors.	11/01/2024	O
Continue regular cross-functional damage prevention meetings.	11/01/2024	O

Personnel Responsible:

Jim Runzer, Vice President, Operations

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Chapter VIII

Wastewater Operations

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## Chapter VIII

### Wastewater Operations

Recommendation VIII-1 Update PennDOT specifications to the latest version in the Collections System Operations and Maintenance Manuals.

PAWC Response The Company accepts this recommendation.

Benefit Low

Discussion:

The Company will revise its Collections System Operations and Maintenance (“O&M”) Manuals to include updated PennDOT specifications.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Update PennDOT specifications to the latest version in Collections Systems O&M Manuals.	04/01/2024	E

Personnel Responsible:

Bruce Aiton, Vice President, Engineering



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## Chapter VIII

### Wastewater Operations

**Recommendation VIII-2** Conduct a staffing study for Water and Wastewater Operations with cost/benefit analysis weighing current and future expected workloads, analysis of overtime utilization, and strategic use of contractors.

**PAWC Response** The Company accepts, in part, this recommendation.

**Benefit** Medium

**Discussion:**

The Company will perform a pilot staffing study for one regional service area. If PAWC determines information from additional regions would be beneficial, the study will be replicated for additional service areas.

**Milestones/Full Implementation Date**

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Complete pilot staffing study.	06/30/2025	E
Perform staffing study for additional service areas if warranted.	12/31/2026	E

**Personnel Responsible:**

Holly Rotkowitz, Senior Director, HR Operations

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## Chapter VIII

### Wastewater Operations

**Recommendation VIII-3** Correct the growth budget development process to account for predicted growth in wastewater.

**PAWC Response** The Company accepts, in part, this recommendation.

**Benefit** Low

**Discussion:**

The Company will analyze its wastewater investment and operational costs for the following year's budget for both current and future opportunities.

**Milestones/Full Implementation Date**

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Conduct annual budget analysis for current and future wastewater investment opportunities.	04/01/2024	E

**Personnel Responsible:**

Brian Holbert, Chief Financial Operator, Operations  
Bruce Aiton, Vice President, Engineering

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## Chapter VIII

### Wastewater Operations

Recommendation VIII-4 Create and document a robust leak detection and repair program by creating a manual with policies and procedures, including use of the GIS system to track current known breaks, leaks, and repairs.

PAWC Response The Company accepts this recommendation.

Benefit Medium

#### Discussion:

The Company maintains robust systems for leak detection and record keeping for defects in its wastewater systems. The Company will evaluate the cost versus benefit of transferring leak information into GIS rather than maintaining this data in the system assessment records.

#### Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Evaluate transferring information into GIS.	11/01/2024	E

#### Personnel Responsible:

Jim Runzer, Vice President, Operations  
Bruce Aiton, Vice President, Engineering

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Chapter IX

Emergency Preparedness

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## Chapter IX

### Emergency Preparedness

Recommendation IX-1 Correct minor deficiencies in physical security.

PAWC Response The Company accepts this recommendation.

Benefit High

#### Discussion:

The Company will correct the minor physical security deficiencies noted by the Bureau of Audits during its inspections of PAWC's facilities.

#### Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Correct minor deficiencies in physical security.	04/01/2024	O

#### Personnel Responsible:

Jim Runzer, Vice President, Operations  
Bill Bowers, Senior Director, Chief Security Officer  
Phil Landreth, Manager Physical Security

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## Chapter IX

### Emergency Preparedness

Recommendation IX-2      Incorporate a table of contents and tabs labelled with chapter titles to the printed ERPs.

PAWC Response              The Company accepts this recommendation.

Benefit                              Low

Discussion:

PAWC will incorporate a table of contents and labeled tabs into printed emergency response plans (“ERPs”) accessible at water and wastewater facilities.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Incorporate a table of contents and labeled tabs into printed ERPs accessible at water and wastewater facilities.	04/01/2024	E

Personnel Responsible:

Jim Runzer, Vice President, Operations

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## Chapter IX

### Emergency Preparedness

Recommendation IX-3 Establish a scheduled fence inspection program with training for operations personnel to accomplish thorough inspections.

PAWC Response The Company accepts this recommendation.

Benefit Medium

Discussion:

Fence inspections are part of PAWC’s current physical security inspection process. The Company intends to conduct periodic fence inspections and related training for operational personnel.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Conduct periodic fence inspections and related training	11/01/2024	O

Personnel Responsible:

Jim Runzer, Vice President, Operations  
Bill Bowers, Senior Director, Chief Security Officer  
Phil Landreth, Manager Physical Security

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## Chapter IX

### Emergency Preparedness

Recommendation IX-4      Station rescue hooks near any open-topped tank or reactor that is aerated at any time.

PAWC Response              The Company accepts this recommendation.

Benefit                              Medium

Discussion:

PAWC will position rescue hooks at all open topped aerated basins and tanks.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Position rescue hooks near all open topped aerated basins and tanks.	11/01/2024	E

Personnel Responsible:

Jim Runzer, Vice President, Operations



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## Chapter IX

### Emergency Preparedness

**Recommendation IX-5** Improve physical security for control rooms and SCADA systems.

**PAWC Response** The Company accepts this recommendation.

**Benefit** High

**Discussion:**

PAWC has included control rooms, SCADA systems, and technology systems into its continuous improvement security program. Physical security improvements are implemented continuously and prioritized based on risk.

**Milestones/Full Implementation Date**

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Physical security improvements will continue to be prioritized following a risk-based approach.	11/01/2024	O

**Personnel Responsible:**

Bill Bowers, Senior Director, Chief Security Officer  
 Jim Runzer, Vice President, Operations  
 Phil Landreth, Manager Physical Security

# Pennsylvania-American Water Company Implementation Plan

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## Chapter IX

### Emergency Preparedness

Recommendation IX-6 Partner with a trusted third-party security specialist to conduct regular physical penetration testing of PAWC's facilities.

PAWC Response The Company accepts this recommendation.

Benefit Medium

Discussion:

PAWC will work with American Water Enterprise Security to identify a partner to conduct periodic physical penetration testing of PAWC facilities.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Conduct two penetration tests of PAWC facilities.	12/31/2024	O

Personnel Responsible:

Bill Bowers, Senior Director, Chief Security Officer

Jim Runzer, Vice President, Operations

Phil Landreth, Manager Physical Security

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## Chapter IX

### Emergency Preparedness

Recommendation IX-7      Conduct regular tabletop exercises focused primarily on physical security and cybersecurity.

PAWC Response              The Company accepts this recommendation.

Benefit                              Low

Discussion:

The Company will continue to conduct regular tabletop exercises and will focus on both physical security and cybersecurity in future exercises.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Continue to conduct tabletop exercises, including exercises focused on physical security and cyber security.	11/01/2024	E

Personnel Responsible:

Bill Bowers, Senior Director, Chief Security Officer  
 Jim Runzer, Vice President, Operations  
 Phil Landreth, Manager Physical Security

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Chapter X

Purchasing and Materials Management

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## Chapter X

### Purchasing and Materials Management

**Recommendation X-1**     Improve inventory turnover to two or higher turns by gradually reducing stockpiled materials.

**PAWC Response**             The Company accepts, in part, this recommendation.

**Benefit**                             High

**Discussion:**

PAWC is experiencing supplier shortages and materials availability issues in the constrained market. The Company continues to evaluate its inventory turnover and reduce stockpiled materials as supplier shortages and materials availability improves.

**Milestones/Full Implementation Date**

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Evaluate the feasibility of reducing stockpiled material once shortages and materials availability improves.	12/31/2024	O

**Personnel Responsible:**

Jim Runzer, Vice President, Operations

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## Chapter X

### Purchasing and Materials Management

Recommendation X-2 Investigate and implement, if feasible, a framework for transferring materials between regulated affiliates including the appropriate regulatory approval.

PAWC Response The Company accepts this recommendation.

Benefit Medium

#### Discussion:

The Company rarely transfers materials between affiliates unless there is an emergency. The Company will investigate the feasibility of transferring materials between regulated affiliates.

#### Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Investigate the feasibility of transferring materials between regulated affiliates.	07/01/2024	E

#### Personnel Responsible:

Jim Runzer, Vice President, Operations

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Chapter XI

Customer Service

# Pennsylvania-American Water Company Implementation Plan

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## Chapter XI

### Customer Service

Recommendation XI-1     Improve customer service performance at minimum to pre-pandemic levels.

PAWC Response             The Company accepts this recommendation.

Benefit                             High

Discussion:

The Company’s customer service performance has improved significantly in 2023. Primary drivers of this improvement include, but are not limited to, additional self-service options for customers; hiring and training additional front line customer care agents (“CCAs”); optimizing schedules for CCAs based on tenure, skill, and projected call volumes; and proactive electronic outreach to customers. The Company is striving to achieve a service level of 80% of calls answered in 60 seconds or less.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
The Company will strive to achieve a service level of 80% of calls answered in 60 seconds or less.	12/31/2024	O

Personnel Responsible:

Deb Degillio, Vice President, Chief Customer Officer



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## Chapter XI

### Customer Service

**Recommendation XI-2** Continue outreach efforts to engage with payment troubled customers and leverage low-income resources to help reduce the overall level of outstanding customer balances.

**PAWC Response** The Company accepts this recommendation.

**Benefit** High

**Discussion:**

PAWC will continue to identify communities in its footprint with higher concentrations of low-income customers in which to strategically target assistance program outreach through mail and digital channels and in-person events in the communities.

**Milestones/Full Implementation Date**

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
PAWC will continue outreach efforts to payment-troubled customers and leverage assistance programs.	10/01/2024	O

**Personnel Responsible:**

Laura Martin, Senior Director, Government and External Affairs  
Deb Degillio, Vice President, Chief Customer Officer

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Chapter XII  
Information Technology

# Pennsylvania-American Water Company Implementation Plan

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## Chapter XII

### Information Technology

Recommendation XII-1 Work with the Service Company to establish key performance indicators, user metrics, system performance indicators, etc. that are shared with PAWC.

PAWC Response The Company accepts this recommendation.

Benefit Low

Discussion:

The IT Department currently maintains a key performance indicator (“KPI”) dashboard. The KPIs are updated monthly and are accessible to PAWC employees.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Improve communication to PAWC employees on KPIs.	04/01/2024	E

Personnel Responsible:

John Cole, Principal Business Process Specialist, IT Performance  
 Steve Simpson, Associate Director, Technology Field Services  
 Michael Langfels, Manager, Technology Field Services

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Chapter XIII  
Fleet Management

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## Chapter XIII

### Fleet Management

Recommendation XIII-1 Evaluate the business case for implementing telematics in PAWC's fleet and develop specific goals for key performance indicators.

PAWC Response The Company accepts this recommendation.

Benefit Low

Discussion:

PAWC intends to complete an analysis of the net benefits of implementing a Company vehicle telematics solution and evaluate whether to establish additional KPIs related to its telematics deployment.

Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Complete analysis of the net benefits of implementing a Company vehicle telematics solution.	07/01/2024	E
Evaluate whether to establish KPIs for telematics deployment.	07/01/2024	O

Personnel Responsible:

Frank Tagliaferro, Director Fleet & Logistics

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Chapter XIV

Human Resources and Diversity

# Pennsylvania-American Water Company Implementation Plan

October 2023

## Chapter XIV

### Human Resources and Diversity

Recommendation XIV-1 Document company policies and procedures or guidance for the application of remote work.

PAWC Response The Company accepts this recommendation.

Benefit Low

#### Discussion:

PAWC will document Company policies and guidance for the application of remote work.

#### Milestones/Full Implementation Date

<b>Milestones</b>	<b>Date</b> [xx/xx/xxxx]	<b>Delivery</b> E=Estimate A=Actual O=Ongoing
Finalize company policy related to remote work.	04/01/2024	E

#### Personnel Responsible:

Holly Rotkowitz, Senior Director, HR Operations