

3655 Route 202
Suite 105
Doylestown, PA 18902

Thomas J. Walsh III & Associates, P.C.



Phone: 267.247.5024
Fax: 267.247.5668
Email: twalsh@twalshlaw.com

January 12, 2024

Via eFiling Only

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
P.O. Box 3265
Harrisburg, PA 17105-3265

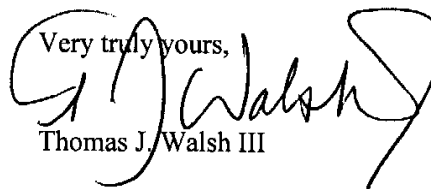
**RE: Newtown Artesian Water Company, Inc.
Petition for Approval of Lead Service Line Replacement Program
Docket No. P-2023-3041859**

Dear Secretary Chiavetta:

Please be advised the I am general counsel to Newtown Artesian Water Company, Inc. ("NAWC"), in the above-referenced matter.

By electronic filing, I am submitting NAWC's Responses to the Bureau of Technical Utility Services Data Request Set 1, Nos. P-1 through P-12, together with all attachments referenced therein. Copies of the filing, together with the Service Line Inventory in live electronic spreadsheet format (Excel), have been forwarded directly to all parties set forth in the Certificate of Service attached to the Responses.

Thank you for your assistance in this matter. If you have any questions or require any information relating to this filing, please feel free to contact me.

Very truly yours,

Thomas J. Walsh III


TJW/

cc: Parties on Certificate of Service (via email, w/enc.)
Daniel Angove (via email, w/enc.)

VERIFICATION

I, **Daniel J. Angove**, General Manager and Chief Executive Officer of Newtown Artesian Water Company, 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).

Date: 1/12/24



Daniel J. Angove

Newtown Artesian Water Company
Docket No. P-2023-3041859

Responses to TUS Data Request Set 1

WITNESS: Daniel J. Angove

P-1. Section D.i.29. of Newtown Artesian Water Company, Inc.'s (NAWC's) Petition for a Lead Service Line Replacement Program (LSLR Program) indicated that when NAWC discovers a customer-owned LSL during a main replacement or other repair project, NAWC advises the customer and encourages the customer to replace the customer-owned lead service line (LSL). Further, NAWC indicated that it will continue this practice as part of its LSLR Program. However, the purpose of the LSLR Program is for an entity to provide an efficient means of replacing customer-owned LSLs. Please clarify whether NAWC will supplement its practice of encouraging the customer to replace customer-owned LSLs with the practice of informing a customer about NAWC's LSLR Program that offers a LSL replacement (LSLR) at no cost to the customer.

RESPONSE:

An essential component of NAWC's practice of encouraging a customer to replace the customer-owned LSL is to advise the customer of NAWC's LSLR Program, under which NAWC will replace the customer-owned LSL for the customer at no cost to the customer.

Section 3.5 (Outreach to Customers) of the Plan has been modified to include a provision that NAWC will advise customers of NAWC's LSLR Program under which NAWC will replace the customer-owned LSL for the customer at no cost to the customer. *See* Section 3.5 of the Revised LSLR Plan attached as Exhibit "A" to these Responses.

Responses to TUS Data Request Set 1

P-2. Sections D.vi.57.(a)-(f) of NAWC's LSLR Program included several terms or provisions that were not included in or may not align with the provisions of NAWC's pro forma tariff supplement (Tariff Supplement), provided as the LSLR Program's Exhibit C, and may not comply with 52 Pa. Code §65.58. Please revise either the LSLR Petition Sections D.vi.57.(a)-(f) or the Tariff Supplement to align and address the following:

RESPONSE:

Sections D.vi.57.(a)-(f) of NAWC's LSLR Petition / Program pertain to NAWC's reimbursement program. See revised *pro forma* Tariff Supplement attached as Exhibit "B" to these Responses.

P-2.(a) Explain if the provision requiring the property owner or customer to provide NAWC with a minimum of 72 hours advanced notice of the installation time is in addition to or in lieu of the requirement of 52 Pa. Code §65.58(c)(2)(i) for the property owner or customer to provide 90 days' notice prior to replacing the customer-owned LSL.

RESPONSE:

The 72 hours' advanced notice is a courtesy request of NAWC, in addition to the 90 days' notice requirement in 52 Pa. Code §65.58(c)(2)(i), to be made aware of the actual date of installation. See Revised Tariff Supplement §11T(1).

P-2.(b) Explain how requiring a property owner or customer to present NAWC with the bill for reimbursement within thirty (30) days of the installation's completion is reasonable, when the property owner or customer may or may not have been billed or submitted payment to their contractor within thirty (30) days of the installation's completion.

RESPONSE:

NAWC is not intending to create an unreasonable reimbursement procedure, and agrees with the comment from TUS. NAWC has revised the *pro forma* Tariff Supplement delete the thirty (30) day provision.

P-2.(c) Clarify as to whether the property owner or customer will be eligible for reimbursement up to 100% of NAWC's average LSLR cost as indicated in Section D.vi.57.(e) or for reimbursement of LSLR expenses up to 125% of the average cost NAWC would have incurred to perform the replacement of a similarly-sized service line, not to exceed the actual cost pursuant to 52 Pa. Code § 65.58(d)(1)(iii)(A) and the revised *pro forma* Tariff Supplement.

RESPONSE:

A customer is eligible for reimbursement of LSLR expenses up to 125% of the average cost NAWC would have incurred to perform the replacement of a similarly-sized service line, not to exceed the customer's actual costs, per 52 Pa. Code §65.58(d)(1)(iii)(A). The *pro forma* Tariff Supplement is revised to be consistent with this regulation. See Revised Tariff Supplement §11T(2)(d).

P-2.(d) Identify the Tariff Supplement language that allows NAWC to impose reimbursement terms and conditions that are identified in the LSLR Petition but that are not identified in the Tariff Supplement pursuant to 52 Pa. Code §Section 65.58(d)(1).

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RESPONSE:

NAWC has removed any language purporting to impose reimbursement terms in the Program that differ from those in the revised *pro forma* Tariff Supplement.

Responses to TUS Data Request Set 1

P-3. The Tariff Supplement does not include certain required 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:

RESPONSE:

The attached revised *pro forma* Tariff Supplement addresses items P-3.a through h.

P-3.a. A definition of customer-owned lead service line;

RESPONSE:

Definition added to the attached revised *pro forma* Tariff Supplement. *See* Revised Tariff Supplement §11J(1).

P-3.b. A description of how NAWC 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 NAWC can obtain necessary permits during the planning phase of a LSLR project, if necessary;

RESPONSE:

Description added to the attached revised *pro forma* Tariff Supplement. *See* Revised Tariff Supplement §11U.

P-3.c. A prohibition of partial LSLRs;

RESPONSE:

Prohibition of partial LSLRs added to the attached revised *pro forma* Tariff Supplement. *See* Revised Tariff Supplement §11V.

P-3.d. A requirement that the customer or property owner, if the customer is not the property owner, shall provide NAWC at least 90 days' notice prior to replacing the customer-owned LSL;

RESPONSE:

Notice required added to the attached revised *pro forma* Tariff Supplement. *See* Revised Tariff Supplement §11T(1)

P-3.e. An explanation of NAWC's reimbursement methods, including the forms of payment to be used by NAWC to distribute reimbursements, and the defined number of days by which NAWC will issue a reimbursement for an eligible reimbursement request;

RESPONSE:

Explanations and other terms added to the attached revised *pro forma* Tariff Supplement. *See* Revised Tariff Supplement §11T(2)(a) – (f).

Responses to TUS Data Request Set 1

P-3.f. That if reimbursement would cause the NAWC to exceed its annual cap, NAWC must increase its current annual cap by the amount of the reimbursement and decrease its next annual cap by the same amount;

RESPONSE:

Provision added to the attached revised *pro forma* Tariff Supplement. See Revised Tariff Supplement §11L(1).

P-3.g. The terms of the warranty described in Section 3.16 of the Lead Service Line Replacement Plan (LSLR Plan), provided as the LSLR Program's Exhibit A;

RESPONSE:

Warranty terms are revised per the attached revised *pro forma* Tariff Supplement. See Revised Tariff Supplement §11S.

P-3.h. Any required terms or provisions to ensure NAWC's or its contractor's access to the property to correct any deficiencies and complete a LSLR.

RESPONSE:

Required right of access provision included in the attached revised *pro forma* Tariff Supplement. See Revised Tariff Supplement §11S.

Responses to TUS Data Request Set 1

- P-4. Section 11S.(1) of the Tariff Supplement requires that, for customer reimbursement, the company must be provided the opportunity to inspect the installation of a LSLR and must reimburse NAWC for the cost of the inspector, which will increase annually. Considering this provision of the Tariff Supplement, please address the following or provide a revised Tariff Supplement that removes the inspection costs:
- P-4.a. Explain how Section 11S.(1) aligns with Section 11S of the Tariff Supplement which indicates that the customer has already replaced the customer-owned LSL;
- P-4.b. Provide a detailed justification of the \$76.78 per hour inspection cost;

RESPONSE:

NAWC agrees with the comment from TUS regarding reimbursement for the cost of the inspector. NAWC has removed the provision from the attached revised *pro forma* Tariff Supplement.

- P-4.c. Confirm that the customer's costs for NAWC to inspect a customer replaced LSL are recoverable under NAWC's proposed LSLR Program reimbursement for LSLR expenses up to 125% of the average cost NAWC would have incurred to perform the replacement a similarly-sized service line pursuant to 52 Pa. Code §65.58(d)(1)(iii)(A);

RESPONSE:

A customer is eligible for reimbursement of LSLR expenses up to 125% of the average cost NAWC would have incurred to perform the replacement of a similarly-sized service line, not to exceed the customer's actual costs, per 52 Pa. Code §65.58(d)(1)(iii)(A). The *pro forma* Tariff Supplement is revised to be consistent with this regulation. See Revised Tariff Supplement §11T(2)(d).

- P-4.d. Explain why it is reasonable for NAWC to recover the cost to inspect customer-replaced LSLs through a separate inspection fee, rather than to incorporate those costs into its base rates and/or distribution system improvement charge; and

RESPONSE:

NAWC agrees with the comment from TUS regarding reimbursement for the cost of the inspector. NAWC HAS removed the provision from the attached revised *pro forma* Tariff Supplement.

- P-4.e. Verify that NAWC will provide 60 days' notice to the Commission pursuant to Section 1308(a) of the Public Utility Code, 66 Pa.C.S. §1308(a), and the information required for tariff supplement filings pursuant to 52 Pa. Code §53.52 prior to changing the stated inspection rate.

RESPONSE:

NAWC agrees with the comment from TUS regarding reimbursement for the cost of the inspector. NAWC has removed the provision from the revised *pro forma* Tariff Supplement.

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- P-5. Section 11L.(2) of the Tariff Supplement indicated NAWC will replace a customer-owned LSL at a customer's request subject to the conditions that the time when the LSLR will occur will be determined by NAWC based on facts determined by NAWC and the annual budgetary and number caps identified in the Tariff Supplement's Section 11J. However, pursuant to 52 Pa. Code § 65.58(c)(2), where a customer or property owner, if the customer is not the property owner, elects to replace the customer-owned LSL, the customer or property owner shall replace the customer-owned LSL concurrent with the entity replacing the entity-owned LSL, subject to the customer or property owner providing the Class A public utility or authority at least 90 days' notice prior to replacing the customer-owned LSL. The Commission notes that an entity is required to facilitate a customer or property owner to replace the customer-owned LSL with 90 days' notice to the entity without additional conditions. Please submit a revised Tariff Supplement that complies with the requirements of 52 Pa. Code § 65.58(c)(2).

RESPONSE:

Required provisions are included in the attached revised *pro forma* Tariff Supplement. See Revised Tariff Supplement §11T(1).

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- P-6. In Sections 2.4 and 2.5 of the LSLR Plan, NAWC indicated it had completed the inventory of all company-owned service lines and determined those service lines contain no materials that qualify as LSLs. Additionally, NAWC identified it has 10,455 customer-owned service lines with approximately 10,234 of those lines with the service line material identified and has planned to inventory the remaining 244 customer-owned service lines of unknown material over the next 10 years at a rate of 10 percent per year. Please provide responses to the following:
- P-6.a. Pursuant to 52 Pa. Code § 65.56(a)(1), submit a current copy of NAWC's Service Line Inventory in a live electronic spreadsheet format;

RESPONSE:

A live electronic spreadsheet (Excel) version of NAWC's Service Line Inventory is included with the electronic submission of these Responses.

- P-6.b. Quantify the projected annual expenditure to complete the Service Line Inventory.

RESPONSE:

NAWC has 224 customer-owned service lines of unknown materials. A single dedicated long-time NAWC employee will work with these customers to identify the service line material. NAWC expects to complete 56 inspections of these unknown service lines per year in order to timely complete the Inventory. The direct labor and overhead costs to NAWC for this employee are \$80.00 per hour. Each inspection generally will take 1 hour. Based on the foregoing, NAWC projects an annual cost of \$4,480.00 per year for the next 4 years to complete the Service Line Inventory.

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- P-7. In Section 2.6, Service Line Inventory, of the LSLR Plan, NAWC indicated any assumptions used by NAWC to complete the service line inventory will be identified and provided with its annual LSLR Program Report. Pursuant to 52 Pa. Code § 65.56(a)(4), an entity's LSLR plan must contain, at a minimum, the entity's assumptions used in its service line inventory to the Commission (e.g., company-owned and customer-owned service lines in all structures built post January 6, 1991 are non-lead). Please submit a revised LSLR Plan that identifies NAWC's assumptions used in its service line inventory.

RESPONSE:

Section 2.6 of the Revised LSLR Plan sets forth the assumptions used by NAWC when determining its Service Line Inventory.

Responses to TUS Data Request Set 1

P-8. In Section 3, Planning and Replacements, of the LSLR Plan, NAWC did not appear to provide an explanation of the entity's processes and procedures to address emergency repairs or replacements which reveal LSLs. Pursuant to 52 Pa. Code §65.56(b)(4), an entity's LSLR plan is required to contain an explanation of the entity's processes and procedures to address emergency repairs or replacements which reveal LSLs. 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:

P-8.a. Clarify whether NAWC will maintain the proper equipment and tools necessary for its staff, or if it intends to maintain third party contracts, to complete emergency LSLRs;

RESPONSE:

Section 3.6 of the Revised LSLR Plan confirms that NAWC will maintain the proper equipment and tools necessary for its staff, as well as maintain third party contracts, to complete emergency LSL replacements.

P.8.b. Submit a revised LSLR Plan that includes NAWC's processes and procedures to address emergency repairs or replacements which reveal LSLs that eliminates any partial LSLRs and that fully describes NAWC's procedures to fulfill its duty to communicate to customers and/or property owners that failure to allow NAWC to complete the LSLR or to replace the customer-owned LSL concurrent with NAWC replacing the main or company-owned service line will lead to termination of water service.

RESPONSE:

Sections 3.5, 3.6, 3.7, 3.8, 3.9, 3.10 and 3.16 of the Revised LSLR Plan set forth NAWC's processes to address emergency repairs or replacements, eliminate partial LSL replacements, and NAWC's duties.

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- P-9. In Section 3.5, Outreach to Customers, of the LSLR Plan, NAWC will reach out to all Customers with known lead or unknown material service lines within thirty (30) days of submission of the service line inventory and annually thereafter. Please submit a revised LSLR Plan that clarifies NAWC's proposed methods of contact (e.g., door hangers, phone calls, in person meetings) and its proposed number of attempts of customer contact and timeline to obtain acceptance of a LSLR prior to project commencement.

RESPONSE:

Section 3.5 of the Revised LSLR Plan sets forth NAWC's proposed methods of contact and timeline.

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- P-10. In Section 3.7, Coordination with Customer, of the LSLR Plan, NAWC indicated that once an LSLR project has been identified, NAWC staff will notify the affected customer when the replacement is scheduled to occur. Pursuant to 52 Pa. Code § 65.56(b)(5), NAWC is required to provide its processes and procedures to obtain acceptance of a LSLR prior to LSLR project commencement if the customer is the property owner, and its processes and procedures to obtain acceptance prior to LSLR project commencement if the customer is not the property owner. The LSLR plan does not appear to include separately defined processes and procedures to obtain acceptance of an LSLR if the customer is not the property owner. Please submit a revised LSLR plan that complies with the requirements of 52 Pa. Code § 65.56(b)(5).

RESPONSE:

Section 3.8 (Procedures to Obtain Acceptance if the Customer is not the Property Owner) of the Revised LSLR Plan sets forth NAWC's proposed procedures.

Responses to TUS Data Request Set 1

- P-11. In Section 3.9, LSL Replacement Routine Procedures and Restoration, of the LSLR Plan, NAWC indicated that it intends to replace LSLs in a manner to minimize disturbance as much as possible. Pursuant to 52 Pa. Code § 65.56(b)(6)(ii), NAWC is required to provide a brief description of its process for LSLRs under normal conditions and under atypical conditions. The LSLR Plan appears to have described NAWC's process for LSLRs under normal conditions without including a clear description of LSLRs under atypical conditions. Please submit a revised LSLR Plan that complies with 52 Pa. Code § 65.56(b)(6)(ii).

RESPONSE:

Section 3.10 (LSL Replacement Procedures Under Normal and Atypical Conditions) of the Revised LSLR Plan sets forth the description of NAWC's procedures in both conditions.

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P-12. NAWC's LSLR Program included a copy of a Modification to its Long-Term Infrastructure Improvement Plan (Modified LTIIIP) as the LSLR Program's Exhibit B. Please submit a revised Exhibit B that includes updates to tables two, four, five, six and seven from NAWC's Second LTIIIP.¹

RESPONSE:

See Revised Modification of NAWC's Long-Term Infrastructure Improvement Plan (Second LTIIIP) attached as Exhibit "C" to these Responses.

¹ *See Petition of Newtown Artesian Water Company for Approval of its Second Long-Term Infrastructure Improvement Plan.* Commission Order entered December 16, 2021, at Docket No. P-2021-3028377.

EXHIBIT “A”

REVISED LEAD SERVICE LINE REPLACEMENT PLAN

NEWTOWN ARTESIAN WATER COMPANY
LEAD SERVICE LINE REPLACEMENT PLAN

1. Introduction; Goals.

1.1. The Newtown Artesian Water Company (“NAWC” or the “Company”) has developed this Lead Service Line Replacement Plan (“Plan”) in accordance with the Rules and Regulations of the Pennsylvania Public Utility Commission (“PUC”), specifically Chapter 65 – Water Service, Subchapter B - Lead Service Line Replacements, Section 56 – LSLR Plan Requirements.

1.2. The Plan’s goal is to remediate and remove all lead water service lines (“LSL”) within NAWC’s water system no later than July 22, 2047. This includes the portion of the LSL that is owned by the customer. A “water service line” or “service line” means the pipe that connects a water main to a building and any fitting connected to the pipe. A “lead service line” or “LSL” means any service line that is made of lead, galvanized iron, or galvanized steel.

1.3. The Plan’s other goals include satisfying all PUC regulations, all other PUC requirements, as well as complying with regulations issued by the United States Environmental Protection Agency (“EPA”) and Pennsylvania Department of Environmental Protection (“DEP”) regarding the Plan.

2. Service Line Inventory.

2.1. NAWC has prepared its initial Service Line Inventory (“Inventory”) in compliance with EPA regulation 40 CFR 141.1-143.20, as enforced by DEP. The completed Inventory will be submitted on or before October 16, 2024, as required by EPA regulations. Once complete, the Inventory will be provided to the PUC as part of the annual Plan update.

2.2. The Inventory will include all water service lines served by NAWC. The Inventory will be updated annually, or as otherwise required by future changes to the applicable regulations. The Inventory will identify the material types for both the Company-owned and customer-owned portions of the water service line. The Inventory can be sorted by material type. Any known lead components of service lines will be detailed. For purposes of the Plan, LSLs will include water service lines consisting of lead or galvanized material requiring replacement.

2.3. If NAWC acquires any water distribution system in the future, the Inventory will be updated to include the acquired system’s information and meet the deadlines set forth by the PUC and the EPA. The Plan will be updated to include LSLs for any such new service area for completion within the 25-year schedule or as required by future changes to the regulations.

2.4. NAWC has completed the Inventory of the Company-owned portion of all water service lines. See Appendix A. None of the water service lines owned by Company contain lead, galvanized iron, galvanized steel or other materials that qualify as LSLs. All LSLs have been removed from the Company-owned portion of the water distribution system (i.e., mains and service lines) and replaced with copper materials.

2.5. NAWC has 10,641 customers. Utilizing NAWC’s existing historical utility data and records, work orders, Bucks County records, billing software records, and field verifications, NAWC has identified 10,455 of these customers as having a water service line. NAWC has determined and knows the material

types for 10,234 of the total 10,455 customer-owned water service lines. The remaining two hundred twenty four (224) customer-owned water service lines of unknown material will be identified over the next 10 years, at a rate of 10% per year, through review of additional records, and by employing geographic information system (“GIS”) mapping software and modeling techniques, additional field verifications, and/or via mechanical excavation (potholing).

2.6. Any assumptions used by NAWC to complete the Inventory will be identified and provided with the annual LSL Replacement Program Report. Since NAWC will implement the Plan as part of its Long-Term Infrastructure Improvement Plan (“LTIIIP”), future updates will also be provided in their Annual Asset Optimization Plan (“AAOP”). Assumptions used by NAWC are (a) visual confirmation (work order in NAWC’s records associated with the location); (b) existing NAWC records (NAWC water main replacement records and new main installation work orders); (c) year-built Bucks County records (copper installation is presumed for any new dwelling or structure built in 1986 or later); and (d) copper materials assumed based upon GIS modeling.

3. Planning and Replacements.

3.1. *Annual Projections.* NAWC’s Inventory identifies 10 known customer-owned LSLs, and 224 customer-owned water service lines of unknown materials. NAWC estimates less than 50 lead and/or galvanized material service lines requiring replacement will be identified from that unknown quantity throughout NAWC’s water system. NAWC will replace the 10 currently known customer-owned LSLs over the next 2 years, at a rate of 5 per year. Once the Inventory has been updated and completed, the remaining LSLs will be replaced at a rate of 5 per year until all LSLs are removed. NAWC will review this annual projection and adjust it as necessary based on its continuing investigation of unknown service line materials and ensure completion of the Plan by July 22, 2047.

3.2. *Annual Budget.* NAWC’s projected annual investment in LSL replacements is \$50,000. NAWC’s annual budget will include all costs relating to LSL replacements. Budgeted costs will include any outreach costs, mechanical excavations for investigation, replacement costs, sampling following LSL replacement, costs of pitcher filters, and any additional related costs that may be incurred. The costs incurred by NAWC for LSL replacements will be funded with operational revenues.

3.3. *Main Replacements.* Customer-owned LSL replacements in conjunction with a scheduled NAWC water main replacement project will be planned. Prior to commencing the main replacement project, NAWC’s staff will review records and/or physically inspect a portion of the service lines within the targeted area to gauge the likelihood of discovering customer-owned LSLs in that area. NAWC will reach out to the affected customers to determine all service line materials within the affected area, and to provide customers with detailed information regarding the routine procedures and potential health risks. Coordination with municipalities will also take place to minimize costs and minimize impact on roads and neighborhoods.

3.4. *Prioritization.* Prioritization of LSL replacement projects will be based on targeted sensitive populations as defined by the EPA and DEP, which includes schools, nursing homes, large apartment buildings, churches, and industries. These service lines will be detailed as sensitive populations in the Inventory. Homes with multiple meters and multiple family residents will also be prioritized to determine service line material. Other areas for prioritization will include those with elevated levels of

lead in tap water, areas with high concentrations of lead service lines, and/or areas of the distribution system which have elevated corrosion rates.

3.5. *Outreach To Customers.* NAWC will reach out to all customers with known lead or unknown material service lines within thirty (30) days of submission of the Inventory and quarterly thereafter. NAWC's proposed methods of contact will include, but not be limited to (i) direct email messages to the customer (where the email address is known); (ii) direct phone call to the customer; and (iii) letter sent regular mail or door hanger if contact is not made through direct contact. NAWC will make a reasonable number of attempts each quarter to contact the customers. These customers will be provided information explaining (b) the health effects of lead in drinking water and what the customer should do to prevent lead in their water; and (b) existence of NAWC's LSLR Program that offers the replacement of the customer's LSL at no cost to the customer. See Appendix B. For services lines of unknown material, customers will also be provided with information explaining how to help determine the service line material and procedures for providing that information to NAWC. See Appendix C. NAWC will be checking and documenting service line material in conjunction with meter changes. Customers who discover a LSL may schedule to have their service line replaced in accordance with this Plan.

3.6. *Discovery of LSLs; Emergencies.* If a LSL is discovered during an emergency or otherwise, but in good condition and not leaking, the LSL replacement will be scheduled for a later date following standard procedures. If a LSL is leaking or otherwise defective at the time it is discovered, NAWC will coordinate replacement of the LSL with the customer as soon as possible. NAWC will utilize either its own staff and field crew or pre-approved licensed contractors for replacement of the customer-owned LSL portion. NAWC's staff and field crew will maintain the proper equipment and tools necessary for emergency LSL replacements.

3.7. *Coordination with Customer.* Once a LSL replacement project has been determined, NAWC staff will notify the affected customer(s) when the replacement is scheduled to occur. An agreement between NAWC and the customer will be provided with the notification. NAWC will employ the outreach measures set forth in Section 3.5 of this Plan to obtain customer acceptance of the Customer Agreement. The Customer Agreement must be signed prior to the LSL replacement. See Appendix D. The signed Customer Agreement will be kept on file. NAWC will contract with a licensed contractor to perform the LSL replacements on the customer's private property. Replacement will be scheduled with the customer owner upon signing of the Customer Agreement.

3.8. *Procedures to Obtain Acceptance if the Customer is not the Property Owner.* NAWC does not place its accounts in the name of any entity except the property owner. However, NAWC may stand in the shoes of the property owner and is authorized to replace a customer-owned LSL when (1) NAWC has offered to replace at no direct cost to the property owner a customer-owned LSL; (2) the property is not occupied by the legal owner of the property; and (3) NAWC has made attempts to obtain authorization for the LSL replacement pursuant to this Plan and its Tariff and (a) the legal owner cannot be identified; (b) the legal owner cannot be located; or (c) NAWC has notified the legal owner but the owner has never responded. In such instances, and when, in the sole discretion of NAWC, replacing the customer-owned LSL and preventing the termination of water service would be reasonable and in the public interest, NAWC may proceed to make the replacement of the LSL without obtaining authorization from the customer/property owner. If, prior to completing the LSL replacement, a property owner expressly, in writing, refuses to allow the replacement of the customer-owned LSL, NAWC will not proceed with the replacement and will proceed with termination procedures as specified in this Plan.

3.9. If the customer-owned LSL is connected to multiple properties/residences, NAWC will obtain approval from all affected customers prior to performing the LSL replacement. In all instances, no partial LSL replacements will be performed. Replacements will be scheduled so that the entire LSL line is replaced at one time.

3.10. *LSL Replacement Procedures Under Normal and Atypical Conditions.* NAWC intends to replace LSLs in a manner to minimize disturbance as much as possible. NAWC's approved contractor may utilize guided boring to pull a new service line from the curb stop to the residence. A new service line may also be pulled through using the existing service line. This approach removes or displaces existing pipe while simultaneously replacing it with a new pipe. These methods are preferred under normal conditions and circumstances to install a new pipe with minimal disturbance. If unable to use these preferred methods due to atypical site conditions, open trench excavation may be utilized to remove and replace the pipe. The appropriate replacement technique will depend on a combination of many site-specific characteristics, including, but not limited to, soil characteristics, condition of the service line, proximity to other utility services (e.g., electric, gas, cable, sewer, storm water), site conditions (e.g., access, parking, paving, landscaping, overhead obstructions), and conditions inside the home such as limited access to the water meter and plumbing. All new service pipe installation will be copper or plastic. If necessary, NAWC's contractor will restore roadways and public sidewalks, backfill any trenches, and will seal any wall or floor penetrations for the service line.

3.11. *Completion.* When the LSL replacement work has been completed, a LSL Replacement Completion Checklist form ("Checklist") will be completed by the contractor. See Appendix E. The Checklist will contain the address, date of completion, and list of the items provided to the customer including the LSL Replacement Information Sheet and pitcher-filter. The Checklist will be signed by both the contractor and customer, and then provided to NAWC to update its records and keep on file. In addition, customers will be provided with an as-built drawing depicting the location of the customer-owned portion of the water service line between the curb stop and customer-owned structure. As-built drawings will be prepared by the contractor and kept on file with NAWC.

3.12. *Disposal of Lead.* Lead removed during any LSL replacement project will be disposed of at an approved disposal facility to ensure proper disposal of all lead by the plumbing contractor. Scrap receipts will be kept on file. The contractor will provide appropriate documentation, which will be kept on file. The customer will not have any right to the proceeds of a recycled LSL.

3.13. *Post-Replacement Risk Mitigation Measures.* All customers with a LSL replacement will receive documentation explaining the health effects of lead and information on flushing their interior plumbing. See Appendix F. Customers will be given a pitcher-filter prior to or during the LSLR, together with instructions on how to use the pitcher-filter. If the affected service line serves more than one residence, such as a multi-unit building or a non-residential unit, NAWC will provide a pitcher-filter to every unit in the building.

3.14. *Flushing.* NAWC will assist customers with the flushing of the customer's interior plumbing after replacement of a LSL. Information on flushing after having a LSL replacement is provided to all customers that have a LSL replacement. See Appendix F. A detailed description of how to flush will also be found on NAWC's website.

3.15. *Sampling.* NAWC will be offering to collect water samples for all customers who have a LSL replacement. If the customer wants their water sampled, NAWC will provide the customer with sampling procedures and bottles to collect one set of follow-up first draw and fifth liter tap samples. The sampling will be scheduled with the customer and will be collected between three to six months after completion of the LSL replacement. If either of the follow up samples exceed 15 parts per billion (ppb) of lead, NAWC will provide the results of both samples to residents as soon as practicable, but no later than three (3) calendar days after becoming aware of the results. If none of the follow up samples exceed 15 ppb of Lead, NAWC shall provide the results of the samples to residents within 30 days after receiving the results. Accompanying information from NAWC includes an explanation of the effects of lead, a list of steps customers can take to reduce exposure to lead in drinking water, contact information for NAWC, and the maximum contaminant level goal and the action level for lead, as well as the definitions for these two terms. The follow-up sample results, and accompanying information will be delivered to the customer through one of the following methods: electronically, mail, phone, hand delivered, or another method approved by DEP. See Appendix G.

3.16. *Refusal of Lead Service Line Replacement by Customer.* If a customer refuses to grant permission to NAWC to replace the LSL or refuses to have it replaced, NAWC will (a) provide the customer with the disclosure of the known health risks of lead in drinking water and the continued use of the LSL (See Appendix B); (b) inform the customer that refusal or failure accept NAWC's offer will require replacement of the LSL by the customer within one (1) year from commencement of NAWC's LSL replacement project for the customer to be eligible for reimbursement; and (c) communicate to the customer that failure to allow NAWC to replace the LSL or to replace the customer-owned LSL concurrent with NAWC replacing a NAWC-owned LSL will lead to termination of their water service under the provisions of NAWC's tariff. See Appendix B. NAWC will also inform the customer that refusal or failure will require replacement of the customer-owned LSL, at the customer's expense, within one year from the commencement of a LSL replacement project for the customer to be eligible for reimbursement. NAWC will communicate to the customer that failure to allow NAWC to complete the LSL replacement will lead to termination of water service under the provisions of NAWC's tariff. If the customer still refuses replacement of the customer-owned LSL, NAWC will require the customer to sign a form documenting their refusal. See Appendix H. If the customer refuses or fails to sign the refusal form, NAWC will make a record of it to document their refusal. NAWC will then schedule to terminate water service at that location as per the provisions of NAWC's tariff. NAWC will not connect an applicant for water service to the NAWC-owned service line at a property where the customer or property owner previously refused or failed to accept NAWC's offer to replace the LSL until the applicant verifies the replacement of the LSL by providing a paid invoice or a verified statement from a licensed contractor attesting to completion of the LSL replacement.

3.17. *Warranty.* Upon completion of an LSL replacement by the Company or the approved contractor at NAWC's request, the Completion Checklist Form must be signed by the NAWC and the customer or representative of the customer. See Appendix E. From the date the new water service line was put into use as set forth on the Completion Checklist Form, NAWC will provide a two-year warranty for materials and workmanship of the replaced customer-owned portion of the water service line, including restoration of surfaces consistent with this Plan, so long as the customer allows access to the property for repairs. This warranty shall cover repairs conducted by NAWC's approved contractor to replace the customer-owned portion of the water service line. Only material defects and incomplete installation methods are covered by the warranty. The warranty does not cover, among other things, damage caused by natural disasters, acts of God, fires, terrorism, excavation activities, acts of sabotage, or deliberate damage. NAWC shall have no liability for any damages not covered by the warranty.

3.18. *Reimbursements.* If an eligible customer chooses to use their own contractor to replace the customer-owned service line, NAWC shall reimburse the customer for the replacement cost of the customer-owned lead service line. *See Appendix I.* The reimbursement form will be available at the NAWC office or on the NAWC website. Customers are to use this as a guide for determining eligibility for reimbursement, and ensuring they have the correct documentation for reimbursement. For every LSL replaced, a cost form will be completed. *See Appendix J.* NAWC will use these completed forms to establish the reimbursement amount for the customers who choose to use their own contractors. NAWC will reimburse the customer in a manner that is consistent with its tariff and PUC guidelines.

3.19. *Website Information, Communication, Outreach, and Education.* NAWC may establish or participate in, or both, voluntary lead advisory committees, either individually or on an industry-wide basis to further their customer education and outreach efforts. NAWC will add a service line inventory location to its website within twelve (12) months of PUC approval of this Plan. A tab will be created on the main page of NAWC's website that will link a user to a specific page about lead service lines. That tab will include the following:

- This Plan and the Appendices referenced herein.
- An online tool describing the LSL replacement project and schedule by geographic location, at least six (6) months into the future.
- Information regarding reimbursement requirements and a secure online tool that provides customers the ability to determine whether the customer or property owner may be eligible for reimbursement.
- Instructions that provide the ability to determine whether a property may have a LSL, outline the known or reasonably anticipated material types for the customer-owned portions of the service line, and a method to request assistance to determine if the service line is a LSL.
- Information and resources relating to health risks associated with lead in drinking water and LSLs, the status of efforts to replace the lines, and any community meetings.
- Any community outreach programs or coordination efforts.

List of Appendices:

- A. Service Line Inventory
- B. Information About Lead In Drinking Water
- C. How to Check Your Service Line Material
- D. Customer Agreement
- E. Replacement Completion Checklist
- F. Flushing
- G. Sampling
- H. Customer Refusal Form
- I. Reimbursement Form
- J. Cost Form

DATED APPROVED:

EXHIBIT “B”

**REVISED
PRO FORMA TARIFF
SUPPLEMENT**

THE NEWTOWN ARTESIAN WATER COMPANY

Rates and Rules
Governing the Supply
of Water Service
in
Newtown Borough,
the Township of Newtown, and
the Township of Middletown,
Bucks County, Pennsylvania

ISSUED: [DATE], 2024

EFFECTIVE: [DATE], 2024

[NAME]
[TITLE]
The Newtown Artesian Water Company
Newtown, Pennsylvania 18940

NOTICE

THIS TARIFF SUPPLEMENT CHANGES THE EXISTING
RULES AND REGULATIONS REGARDING THE REPLACEMENT
OF CUSTOMER OWNED LEAD SERVICE LINES

NEWTOWN ARTESIAN WATER COMPANY
Newtown, Pennsylvania 18940

Supplement No. PRO FORMA
To
Water-PA P.U.C. No. 9
[NUMBER] Revised Page No. 2
Canceling
[NUMBER] Revised Page No. 2

LIST OF CHANGES MADE BY THIS SUPPLEMENT

This tariff supplement amends the Company's Rules and Regulations to implement new rules and regulations regarding the Company's replacement of Customer-owned lead service lines on pages [#] through [#], inclusive, pursuant to the Company's Lead Service Line Replacement Program approved by the Commission on [DATE], at Docket No. P-2023-3041859.

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(C) Indicates change

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11H. 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 period 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.

Replacement of Customer-Owner Lead Service Lines (COLSL).

11I. The Company shall replace Customer-Owned Lead Service Lines ("COLSL") pursuant to the Company's approved Lead Service Line Replacement Plan (the "Replacement Plan") and as set forth in Rules 11I through 11[xx] herein. Rules 11I through 11V herein supersede all other conflicting provisions of this Tariff for purposes of implementing the Company's Replacement Plan.

11J. Definitions. For purposes of Rules 11I through 11V, the following words and phrases shall have the following definitions:

- (1) "Customer-Owned Lead Service Line" (or "COLSL") means the portion of the lead service line extending from the curb stop, property line or Company's connection to the water meter, or if the Company's water meter is located outside of the structure or building or if the water is not metered by the Company, at the first shutoff valve located within the structure or building.
- (2) "Lead Service Line" (or "LSL") means a service line made of lead that connects the Company's water line to a building inlet, and a lead pigtail, gooseneck, or other fitting that is connected to the lead line. A galvanized service line is considered a lead service line if it ever was or is currently downstream of an lead service line or service line of unknown material.
- (3) "LSLR Project" means a Company-schedule COLSL replacement activity.
- (4) "LRLR Project Area" means the area encompassing a Company's LSLR Project, which includes the area within a one-mile radius of the LSLR Project if served by the Company.
- (5) "Partial lead service line replacement" (or "Partial LSLR") means a lead service line replacement that does not replace both the Company-owned and Customer-owned portions of a lead service line.

11K. Replacement Plan. Notwithstanding the Rules and Regulations set forth elsewhere in this Tariff relating to Customer responsibility for customer-owned service lines, the Company will replace COLSLs pursuant to its Replacement Plan (as approved at Commission Docket Number P-2023-3041859) and set forth in Section 9.0 of the Company's approved Long Term Infrastructure Improvement Plan ("LTIP"), subject to the annual caps set forth in Rule 11L below.

11L. Annual Caps.

- (1) Pursuant to the Replacement Plan, the Company will replace up to FIVE (5) COLSLs per calendar year and within a maximum annual budgeted amount of FIFTY THOUSAND and 00/100 Dollars (\$50,000.00) per calendar year. If Customer reimbursements provided pursuant to this Tariff or an emergency COLSL replacement causes the Company to exceed its annual caps, the Company will increase its current annual cap by the number and cost of emergency repairs and/or reimbursements, and decrease its annual caps by the same for the following year only.
- (2) Any portion of the annual budgetary allotment that is not spent on COLSL replacements in that calendar year will roll over to the next subsequent year, subject to the annual cap of COLSL replacements per calendar year. If the Company does not use the excess budgeted amount that carried over from the previous year, that excess budgeted amount will not carry forward into the following year (i.e., excess budgetary allotments will not carry forward on a cumulative basis).
- (3) The Company may, but shall not be required to, petition the Commission to modify its annual budgeted amount and/or the cap of COLSL replacements per calendar year if, in the Company's sole discretion, the Company determines these amounts are not adequate to meet the needs of the Replacement Plan. Any such petition to modify the budgeted amount and/or maximum number of COLSL replaced per year is subject to Commission approval.

11M. LSL Replacements by Company. The Company will replace a COLSL at no direct cost of the Customer, as follows:

- (1) when the Company is replacing the Company's mains and/or service lines that connect to the COLSL;
- (2) when the Company is replacing a COLSL located within a LSLR Project Area; and
- (3) when the Company's operations crew replaces a Company-owned facility regardless of material, in emergencies, including line breaks, leaks, or other unplanned emergency replacements that is connected to a COLSL.

- 11N. Customer Requests. The Company will replace a COLSL at a Customer's request at no direct cost to the Customer, subject to the following conditions:
- (1) verification that the Customer has a lead service line;
 - (2) the time when the replacement occurs will be determined by the Company based on facts determined by the Company including, without limitation, the number of Customer requests for COLSL replacements during that calendar year;
 - (3) the annual budgetary and number caps identified in section 11L above; and
 - (4) availability of allocated funds not used for COLSL replacements when the Company is replacing its mains and/or service lines.
- 11O. Priority. COLSL replacements performed by the Company when replacing its mains and/or service lines, within a LSLR Project Area, or in emergencies shall have priority on the use of funds under the annual budget allotment. In any calendar year, funds will be used for replacement of COLSLs at a Customer's request only to the extent that funds are available within the budgetary allotment and are not allocated to Company-planned replacements for that year.
- 11P. Customer Agreement. The Customer shall enter into an agreement for any replacement of the COLSL by Company, in a form provided by the Company, prior to the initiation of any work by the Company to replace a COLSL.
- 11Q. Costs. Costs incurred by the Company under the Replacement Plan shall be subject to Act 120 of 2018 (P.L. 738, No. 120) and the accounting and ratemaking treatment approved by the Commission at Docket No. P-2023-3041859. The costs incurred by the Company to undertake remediation efforts pursuant to the Replacement Plan shall be recoverable in the Company's Distribution System Improvement Charge and in base rates, as applicable.
- 11R. Ownership and Responsibility for Replacement Service Line. After a COLSL is removed and replaced by the Company or the Company's approved contractor, the Customer shall own and have full responsibility for the repair, replacement and maintenance of the new service line. Upon installation, the Customer and the new service line shall be subject to the terms and conditions of these rules governing Service Connections.
- 11S. Warranty. Commencing on the date the new service line is put into use, the Company will provide a two (2) year warranty on workmanship, materials, and replacement of surface cover for any COLSL that the Company replaces. The maximum coverage under the warranty shall be the average amount required to replace a COLSL. The Company's liability shall be limited to only those costs necessary to reasonably replace the COLSL and restore the affected portion of the Customer's property to approximately the same condition it was in prior to commencement of the COLSL replacement. The Customer must provide the Company or its approved contractor access to the Customer's property to correct any deficiencies or make any repairs covered under this warranty. The Company shall have no liability for damages, repairs or deficiencies not covered by this warranty. The warranty does not cover, among other things, damage caused by natural disasters, acts of God, fires, terrorism, excavation activities, acts of sabotage, or deliberate damage.

11T. Customer Replacements and Reimbursements.

- (1) Where a Customer elects to replace the COLSL, the Customer shall replace such COLSL concurrent with the Company replacing its main or service line that connects to the COLSL. The Customer shall provide with Company with at least ninety (90) days' notice prior to the replacement of the COLSL. The Customer will also use best efforts to provide the Company, if reasonably possible, a minimum of 72 hours' advanced notice of the actual time when the replacement work will be done.

- (2) If the Company determines that the Customer replaced their COLSL within one (1) year of commencement of a Company LSLR Project within a LSLR Project Area, the Company will reimburse the Customer in accordance with the following:
 - (a) The Customer must submit to the Company a reimbursement form, that can be obtained on the Company's website, by mail, email, fax, or hand delivery, which contains the information and supporting documents required under this subsection.

 - (b) The Customer must submit a paid invoice and a detailed estimate from a licensed plumber or other installer, verifying the replacement. In lieu of a detailed estimate, a Customer may submit a verified statement from the licensed plumber or other installer attesting to the completion of the replacement.

 - (c) The Company will review the completed reimbursement form and related documentation within ninety (90) days of receipt to determine the Customer's eligibility for reimbursement. The Company will contact the Customer during this review period to schedule an opportunity to inspect the installation.

 - (d) The Company will reimburse the Customer's or property owner's (as applicable) reasonable costs up to an amount not to exceed 125% of the cost the Company would have incurred to perform the replacement of a similarly sized service line, with similar attributes of replacement at the property in the Company's sole discretion, not to exceed the actual cost to the Customer or property owner. The Company will determine the average cost of the installation using one of its pre-approved contractors to estimate the replacement cost.

 - (e) The Company will issue the reimbursement via a check paid directly to the Customer or property owner, if the Customer is not the property owner. The Company will issue the reimbursement check within ninety (90) days after the Company verifies that the Customer or property owner is eligible for reimbursement under this subsection.

- (f) The Company shall make reasonable best efforts to assist the Customer through the reimbursement process and, to the extent possible, shall make determinations in favor of the Customer where the Customer has provided reasonable evidence of a COLSL replacement to the Company.

11U. Service Line Demarcation.

- (1) If a shutoff valve is not located within twelve (12) inches of the structure wall of the property, the Company may install a shutoff valve during the replacement of the COLSL to serve as a point of demarcation between the property's service line and the property's interior water distribution piping.
- (2) The Company shall perfect its ownership of the portion of the service line located within the then-existing right-of-way in conformance with this Tariff to ensure that the Company can obtain necessary permits during the planning of any COLSL replacement project.

11V. Prohibition on Partial LSLR.

- (1) Neither a Customer, property owner, nor bill-paying responsible party may install a Partial LSLR. Where the Company has reasonable evidence indicating that a Customer is being served by a Partial LSLR installed on or after July 23, 2022, the Company shall terminate water service to the Customer in accordance with this Tariff until such time as the Partial LSLR is removed.
- (2) If a Customer refuses, or fails to accept, the Company's offer to replace a COLSL, the Company shall replace any Company-owned portion of the LSL in accordance with the Replacement Plan and terminate water service to the Customer in accordance with this Tariff until such time as the Partial LSLR is removed.
- (3) The Company shall not connect any applicant for water service to the Company-owned service line at a property where the Customer or property owner, if the Customer is not the property owner, previously refused or failed to accept the Company's offer to replace the COLSL until the applicant verifies the replacement of the COLSL by providing a paid invoice or a verified statement from a licensed contractor attesting to completion of the COLSL replacement.

Use of Service Must Be in Accordance with Application and Contract

12. The use of water service by a Consumer shall in general be in accordance with the class, scope and type of use, and the purpose stated in this application and service contract. A Consumer shall not use or allow use by others of water service through his service facilities for others or other purposes than covered in his application. (See Rule 39). A new application and contract will make service for other purposes or character of use available.

Availability of the Different Classes of Service and Rates

13. The various classes of service and rates are available to a Consumer in accordance with the obvious intent of, and statements as to application made under the different rates in the schedule of rates.

Metered Consumers

14. Each metered rate Consumer's service shall have a separate meter to register the amount of water consumed, except as provided in Rule 54.
15. All meters will be furnished by, and remain the property of, the Company and shall be accessible to and subject to its control. They shall be conveniently located within the building supplied, at a point approved by the Company, so as to control the entire supply; and, a proper place and protection therefor shall be provided by the Consumer.
16. In any case where it is not convenient to place the meter within the building, as provided in Rule 15, the Company may place it outside the building in a concrete or brick vault provided with a suitable cover and lock and key. Said vault shall be built inside the property line at the expense of the Customer.

(C) Indicates Change

EXHIBIT “C”

MODIFICATION TO LONG-TERM INFRASTRUCTURE IMPROVEMENT PLAN



NEWTOWN ARTESIAN WATER COMPANY

LEAD SERVICE LINE REPLACEMENT (LSLR) PLAN (2024 – 2026)

REVISED JANUARY 2024

Prepared By: Gannett Fleming, Inc.

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1.0 Lead Service Line Replacement Plan

Introduction

In accordance with the requirements of 66 Pa. C.S. § 1311 and the Public Utility Commission's Final Rulemaking Order for the Implementation of Act 120 of 2018 (Public Meeting of February 24, 2022, Docket No. L-2020-3019521), NAWC is submitting this Lead Service Line Replacement Plan (LSLR Plan). NAWC's LSLR Plan addresses the Company's efforts to replace company-owned and customer-owned Lead Service Lines.

Lead is a heavy metal that commonly occurs in our environment. Humans can be exposed to lead through a variety of sources, including dust, soil, or paint chips, as well as through ingestion from drinking water. The deleterious health effects of lead are now well-recognized. Exposure to lead in drinking water can cause serious health effects in all age groups. Infants and children can have decreases in IQ and attention span. Lead exposure can lead to new learning and behavior problems or exacerbate existing learning and behavior problems. The children of women who are exposed to lead before or during pregnancy can have increased risk of these adverse health effects. Adults can have increased risks of heart disease, high blood pressure, kidney or nervous system problems.

In October 2018, Governor Wolf signed into law Act 120 of 2018 ("Act 120"), which became effective on December 23, 2018. Act 120 amended Section 1311(b) of the public Utility Code in order to, inter alia, authorize water utilities to pursue comprehensive replacement of lead service lines that remain in service across Pennsylvania subject to Public Utility Commission (Commission) approval.

Pursuant to Act 120, the Commission promulgated its LSLR Regulations at 52 Pa. Code § 65.51, et seq. 52 Pa. Code § 65.53 states that "[a]n entity...shall remove and replace all LSLs, whether entity-owned or customer-owned, within or connected to its water distribution systems within 25 years from the effective date of this section for a Class A public utility..." Moreover, 52 Pa. Code § 65.54(b) requires that the utility shall include with its LSLR Program a modified Long Term Infrastructure Improvement Plan (LTIIIP) containing the LSLR Plan as a separate and distinct component of the entity's LTIIIP.

NAWC's latest LTIIIP (2022 – 2026) was approved by the Commission at Docket No. P-2021-3028377 on December 16, 2021. NAWC's LSLR Plan is presented herein for approval and will be added to its LTIIIP.

NAWC has begun efforts to identify and replace lead service lines in its system. This LSLR Plan is considered part of the LTIIIP and identifies how NAWC will continue replacing aging infrastructure including the replacement of lead service lines.

Types and Age of Eligible Property

A listing of the eligible property, as defined in 66 Pa. C.S. §1351(3), is provided in this section. NAWC is developing a lead service line inventory to locate, track, and replace company-owned and customer-owned service lines that contain lead, galvanized steel downstream of a lead service line, and lead pigtails, goosenecks, or other fittings connected to lead service lines. NAWC is currently working to incorporate the service line Inventory into its GIS to map and manage these assets.

NAWC owns the following water system components:

Company-Owned Service Lines - Water gets delivered from the water main to the customer's curb stop through a Company-owned, pressurized service line. NAWC owns the service line between the water main and the curb stop ("Company-Owned Service Line"). The Company-Owned Service Lines vary in size from 6-inch down to ¾-inch. All Company-Owned Service Lines are constructed of copper.

The customer owns the following water system components:

Customer-Owned Service lines - The portion of the lead service line extending from the Curb Stop to the meter or one foot inside a building foundation, whichever is further ("Customer-Owned Service Line"). Generally, any replacement of the Customer-Owned Service Line is the responsibility of the customer. However, Customer-Owned Service Lines are included in this LTIP for purposes of the LSLR Plan. The Customer-Owned Service Lines vary in size from 6-inch down to ¾-inch with a majority of Customer-Owned Service Lines being constructed of copper. Copper is used when Customer-Owned Service Lines are replaced pursuant to the LSLR Plan.

Based on the initial inventory, NAWC has identified ten (10) lead service lines on the customer-owned portion of the service line. NAWC estimates the total number of lead service lines that will need to be replaced to be less than 50. NAWC plans to identify, at a minimum, 10% of the initial unknown service materials annually by utilizing additional records, GIS modeling techniques, field verifications, and/or mechanical excavation (potholing).

Schedule for Planned Repair and Replacement of Eligible Property

At this time, NAWC has 224 unknown and 10 known lead service lines that are customer-owned. NAWC estimates ultimately that less than 50 lead service lines will be identified for replacement throughout the water system. NAWC will replace the known lead services lines over the next two years, at a rate of 5 per year. Once the inventory has been updated, the remaining LSLs will be replaced at a rate of 5 per year until all lead services lines are removed from the water system. NAWC will review this annual projection and adjust it as necessary based on the ongoing investigation of unknown service line materials. Based on the estimated quantity of 50 LSLs, completion of the LSLR Plan is anticipated within 10 years, which is well within the 25-year requirement.

The projected annual investment in lead service line replacements is \$50,000. NAWC’s annual budget will include all costs relating to lead service line replacements. Budgeted costs will include any outreach costs, mechanical excavations for investigation, replacement costs, sampling following LSLR, costs of pitcher filters, and any additional related costs that may be incurred.

Location of Eligible Property

There is a limited number of known customer-owned lead service lines throughout the service area of NAWC. Lead service lines are generally in older buildings constructed prior to 1950, which are concentrated within Newtown Borough. However, lead service lines may also be identified within older homes in Newtown Township and Middletown Township.

Reasonable Estimate of the Quantity of Eligible Property to Be Improved

NAWC will replace the known lead services lines over the next two years, at a rate of 5 per year. Once the inventory has been updated, the remaining LSLs will be replaced at a rate of 5 per year until all lead services lines are removed from the water system.

Projected Annual Expenditures and Measures to Ensure Cost-Effective Project Implementation

Year	Projected Number of Lead Service Line Replacements	Projected Annual Expenditures
2024	5	\$50,000
2025	5	\$50,000
2026	5	\$50,000
2027 and Beyond	5/Year	\$50,000/Year

Table 11 – Projected Number and Cost Associated with Lead Service Line Replacements

NAWC will pursue the same cost-effective construction practices as noted in Section 5.0 of its LTIIP.

Acceleration Plan and Maintenance of Safe and Reliable Service

Through the LSLR Plan, NAWC will make a concerted effort to replace existing lead service lines in a timely manner. As noted earlier, NAWC is projecting to complete the lead service line replacements within 10 years, which is well within the time frame set forth in 52 Pa. Code § 65.53(a). The LSLR Plan will take place in conjunction with NAWC’s other infrastructure investments.

Workforce Management and Training Program

Same as LTIIP Section 7.0

Outreach and Coordination with Utilities, PennDOT and Other Governmental Agencies

Same as LTIP Section 8.0

2.0 Updated Tables from 2021 Long Term Infrastructure Investment Plan (LTIIP)

Table 2: NAWC Water Mains Inventory by Diameter & Material

Diameter (inch)	Material	Total Length of Pipe by Diameter and Material		Total Length of Pipe by Diameter Only	
		(feet)	(miles)	(feet)	(miles)
4	CIP	589	0.11	17,051	3.23
	DIP	16,462	3.12		
6	ACP	5,758	1.09	78,323	14.83
	CIP	5,694	1.08		
	DIP	66,797	12.65		
	PVC	74	0.01		
8	ACP	2,807	0.53	330,141	62.53
	CIP	7,507	1.42		
	DIP	318,708	60.36		
	PVC	1,119	0.21		
10	ACP	11,884	2.25	70,708	13.39
	CIP	20,053	3.80		
	DIP	38,771	7.34		
12	CIP	6,821	1.29	158,429	30.01
	DIP	151,002	28.60		
	PVC	606	0.11		
14	DIP	1,435	0.27	1,435	0.27
16	DIP	29,508	5.59	29,508	5.59
20	DIP	6,411	1.21	6,411	1.21
24	DIP	4,751	0.90	4,751	0.90
30	DIP	151	0.03	151	0.03
48	DIP	80	0.02	80	0.02
Total Length of Pipe in the NAWC System				696,988	132.01

Note: Almost 91% of NAWC mains are DIP, followed by CIP (6%), ACP (3%) and PVC (<1%)

Table 4: Eligible Property Summary

Property Type	Quantity	Unit
Water Mains	696,989	LF
Valves ¹	3,266	EA
Hydrants	1,001	EA
Meters	10,550	EA
Water Services	10,455	EA

¹NAWC has identified 30 Critical Valves in their system.

Table 5: Remaining ACP and CIP

Diameter (inches)	Material	Length (feet)	Length (Miles)	Percent of Total
4	CIP	589	0.11	1.0%
6	ACP	5,758	1.09	9.4%
	CIP	5,694	1.08	9.3%
8	ACP	2,807	0.53	4.6%
	CIP	7,507	1.42	12.3%
10	ACP	11,884	2.25	19.4%
	CIP	20,053	3.80	32.8%
12	CIP	6,821	1.29	11.2%
Totals		61,113	11.57	100%

Note: NAWC pipe replacement efforts will target older, undersized, and poor-performing ACP and CIP mains.

Table 6: Vintage of Remaining ACP and CIP

Vintage	Length (feet)	Length (miles)	Percent of Total
1970s	35,064	6.64	57.4%
1960s	24,462	4.63	40.0%
1950s	1,017	0.19	1.7%
1940s	570	0.11	0.9%
1880s to 1930s	0	0.00	0.0%
Totals	61,113	11.57	100%

Note: ACP and CIP installed in and before the 1930s has already been replaced.

Table 7: Meter Replacement Plan

Year	Calendar Year	LTiIP	Cost
1	2016	Pre-LTiIP	\$ 269,229
2	2017	Original LTiIP	\$ 267,646
3	2018		\$ 297,364
4	2019		\$ 397,154
5	2020		\$ 146,420
6	2021		\$ 187,910
7	2022		LTiIP II
8	2023	\$ 210,000	
9	2024	\$ 220,500	
10	2025	\$ 231,525	
11	2026	\$ 243,101	
Totals			\$ 2,743,993

Note: Year 1 was completed in 2016, which is prior to the Original LTiIP.

Table 8: NAWC Five-Year (2022-2026) DSIC Eligible LTIP II

Project Designation & Description	Estimated Total Cost (\$)	Estimated Annual Expenditure (\$)				
		2022	2023	2024	2025	2026
Lafayette Street Main Replacement – 2,000 LF w/ 37 Services/2 Valves/1 Hydrant (4" CIP, 1946 Vintage, Newtown Borough)	457,147	457,147				
Elm Avenue Main Replacement – 1,700 LF w/ 22 Services/3 Valves/1 Hydrant (6" CIP, 1971 Vintage, Newtown Borough)	343,791		343,791			
Elm Avenue Main Replacement – 1,400 LF w/ 19 Services/2 Valves/1 Hydrant (6" CIP, 1971 Vintage, Newtown Borough)	297,276			297,276		
Elm Avenue Main Replacement – 1,400 LF w/ 0 Services/1 Valve/0 Hydrants (12" CIP, 1971 Vintage, Newtown Borough)	357,276			357,276		
Summit Avenue Main Replacement – 670 LF w/ 7 Services/1 Valve/0 Hydrants (6" CIP, 1962 Vintage, Newtown Bor./Twp.)	149,383				149,383	
N. Norwood Ave. Main Replacement – 1,420 LF w/ 11 Services/3 Valves/0 Hydrants (6" CIP, 1972 Vintage, Newtown Borough)	332,436					332,436
Grant Street Main Replacement – 440 LF w/ 6 Services/2 Valves/1 Hydrant (8" CIP, 1972 Vintage, Newtown Township)	103,008					103,008
Fire Hydrants	161,852	48,710	26,250	27,563	28,941	30,388
Meter Replacements	1,178,270	273,144	210,000	220,500	231,525	243,101
Lead Service Line Replacements	150,000	-	-	50,000	50,000	50,000
Service Line Inventory Updates	15,000	-	-	5,000	5,000	5,000
Distribution Improvements (DSIC-Eligible) Total	3,088,292	779,001	580,041	957,615	464,849	763,933

Thomas J. Walsh III, Esquire
Attorney I.D. #73528
3655 Route 202, Suite 105
Doylestown, PA 18902
Email: twalsh@twalshlaw.com

Attorney and Officer for
Newtown Artesian
Water Company

CERTIFICATE OF SERVICE

I, Thomas J. Walsh III, Esq., attorney for and officer of Newtown Artesian Water Company, hereby certify that I am this 12th day of January, 2024, serving copies of the **Responses of Newtown Artesian Water Company to the Bureau of Technical Utility Services Data Request Set 1**, and this Certificate of Service, on the following persons in the manner indicated:

By Electronic Mail:

The Honorable Charles E. Rainey Jr.
Chief Administrative Law Judge
Pennsylvania Public Utility Commission
crainey@pa.gov

By Electronic Mail:

Steven C. Gray, Esq.
Rebecca Lyttle, Esq.
Office of Small Business Advocate
Email: sgray@pa.gov; relyttle@pa.gov

By Electronic Mail:

Paul Diskin, Director
Dan Searfoorce, Manager
Bureau of Technical Utility Services
Pennsylvania Public Utility Commission
Email: pdiskin@pa.gov; dsearfoorc@pa.gov

By Electronic Mail:

Richard A. Kanaski, Director
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Email: rkanaskie@pa.gov

By Electronic Mail:

Harrison W. Breitman, Esq.
Christine Maloni Hoover, Esq.
Officer of Consumer Advocate
Email: hbreitman@paoca.org;
choover@paoca.org

By Electronic Mail

Matthew T. Lamb, P.E.
Bureau of Technical Utility Services
Pennsylvania Public Utility Commission
Email: mlamb@pa.gov

I understand that the statements herein are made subject to the penalties of 18 Pa. C.S.A. §4904 (relating to unsworn falsification to authorities).

/s/THOMAS J. WALSH III, Esq.

By: _____
Thomas J. Walsh III, Esquire
Newtown Artesian Water Company
Email: twalsh@twalshlaw.com