

Morgan Lewis

Kenneth M. Kulak

Partner
+1.215.963.5384
ken.kulak@morganlewis.com

January 19, 2024

VIA eFILING

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

**Re: Pennsylvania Public Utility Commission v.
Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 and R-2023-3043190**

Dear Secretary Chiavetta:

Enclosed please find, in the above-captioned proceeding, the **Answer of Pennsylvania-American Water Company in Opposition to the Office of Consumer Advocate's Motion to Dismiss Objections and Compel Answers to Interrogatories (Set XXVI) - Public version (the "Answer")**.

The Confidential version of the Answer will only be provided to those parties that have executed a confidentiality agreement in this case.

If you have any questions, please do not hesitate to contact me directly at 215.963.5384.

Very truly yours,



Kenneth M. Kulak

KMK/ap
Enclosures

c: Per Certificate of Service (w/encls.)

Morgan, Lewis & Bockius LLP

2222 Market Street
Philadelphia, PA 19103-3007
United States

T +1.215.963.5000
F +1.215.963.5001

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PENNSYLVANIA PUBLIC UTILITY COMMISSION : **DOCKET NOS.: R-2023-3043189 (Water)**
: **R-2023-3043190 (Wastewater)**
v. :
PENNSYLVANIA-AMERICAN WATER COMPANY :
:

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served a true and correct copy of the **Answer of Pennsylvania-American Water Company in Opposition to the Office of Consumer Advocate’s Motion to Dismiss Objections and Compel Answers to Interrogatories (Set XXVI)** on the following persons, in the manner specified below, in accordance with the requirements of 52 Pa. Code Section 1.54:

VIA ELECTRONIC MAIL

Erin L. Gannon*
Melanie J. El Atieh*
David T. Evrard*
Andrew J. Zerby*
Christopher M. Andreoli*
Office of Consumer Advocate
Forum Place – 5th Floor
555 Walnut Street
Harrisburg, PA 17101
OCAPAWC2023@paoca.org
Counsel for OCA

Carrie B. Wright*
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commerce Keystone Building
400 North Street, 2nd Floor
Harrisburg PA 17120
carwright@pa.gov
Counsel for I&E

Steven C. Gray*
Rebecca Lyttle*
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
sgray@pa.gov
relyttle@pa.gov
Counsel for OSBA

Joseph L. Vullo*
Burke Vullo Reilly Roberts
1460 Wyoming Avenue
Forty Fort, PA 18704
jlullo@bvrrlaw.com
Counsel for Commission on Economic Opportunity

Adeolu A. Bakare*
Charis Mincavage*
McNees Wallace & Nurick LLC
100 Pine Street
Harrisburg, PA 17101
abakare@mcneeslaw.com
cmincavage@mcneeslaw.com
*Counsel for Pennsylvania-American Water
Large Users Group*

Kurt J. Boehm
Jody Kyler Cohn
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, OH 45202
kboehm@bkllawfirm.com
jkylercohn@bkllawfirm.com
Counsel for Cleveland-Cliffs Steel

Joan E. London
Kozloff Stoudt
2640 Westview Drive
Wyomissing, PA 19610
jlondon@kozloffstoudt.com
*Counsel for Borough of St. Lawrence,
Berks County*

Karen O. Moury
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101
kmoury@eckertseamans.com
Counsel for Victory Brewing Company

Jessica Eskra
Katherine "Katie" Kennedy
City of Scranton Law Department
340 North Washington Avenue
Scranton, PA 18503
jeskra@scrantonpa.gov
kkennedy@scrantonpa.gov
Counsel for City of Scranton
Robert Ralls
254 Red Haven Road

Ria Pereira*
John Sweet*
Elizabeth Marx*
Lauren Berman*
The Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
rpereira@pautilitylawproject.org
jsweet@pautilitylawproject.org
emarx@pautilitylawproject.org
lberman@pautilitylawproject.org
pulp@pautilitylawproject.org
Counsel for CAUSE-PA

Sean M. Gallagher
Gallagher Law Group
110 East Diamond Street, Suite 101
Butler, PA 16001
smgallagher@gallagher.legal
Counsel for Cleveland-Cliffs Steel

J. Chadwick Schnee
Schnee Legal Services, LLC
74 East Main Street, #648
Lititz, PA 17543
chadwick@schneelegal.com
Counsel for Exeter Township

Lauren M. Burge
Eckert Seamans Cherin & Mellott, LLC
600 Grant Street, 44th Floor
Pittsburgh, PA 15219
lburge@eckertseamans.com
Counsel for Victory Brewing Company

Kyle Donahue
621 Gibbons Street
Scranton, PA 18505
kyle.23.donahue@gmail.com

New Cumberland, PA 17070
rralls73@yahoo.com

CONSULTANTS – WITNESSES

Ralph C. Smith*
Mark S. Dady*
Megan Eliaz*
Dawn Bisdorf*
Larkin & Associates, PLLC
15728 Farmington Road
Livonia, MI 48154
OCAPAWC2023@paoca.org
Consultant for OCA

Jerome D. Mierzwa*
Exeter Associates, Inc.
10480 Little Patuxent Parkway, Suite 300
Columbia, MD 21044
OCAPAWC2023@paoca.org
Consultant for OCA

Barbara Alexander*
Barbara Alexander Consulting, LLC
44 Beech Street
Hallowell, ME 04347
OCAPAWC2023@paoca.org
Consultant for OCA

Lisa Gumby*
lgumby@pa.gov
Consultant for I&E

Joseph Kubas*
jkubas@pa.gov
Consultant for I&E

DC Patel*
dupatel@pa.gov
Consultant for I&E

Christian Yingling*
chryinglin@pa.gov
Consultant for I&E

David Garrett*
Resolve Utility Consulting PLCC
101 Park Avenue, Suite 1125
Oklahoma City, OK 73102
OCAPAWC2023@paoca.org
Consultant for OCA

Terry L. Fought*
780 Cardinal Drive
Harrisburg, PA 17111
OCAPAWC2023@paoca.org
Consultant for OCA

Roger Colton*
Fisher Sheehan & Colton
34 Warwick Road
Belmont, MA 02478
OCAPAWC2023@paoca.org
Consultant for OCA

Christine Wilson*
cswilson@pa.gov
Consultant for I&E

Ethan Cline*
etcline@pa.gov
Consultant for I&E

Vanessa Okum*
vokum@pa.gov
Consultant for I&E

Alicia Claypool*
alclaypool@pa.gov
Consultant for I&E

Brian Kalcic*
d/b/a Excel Consulting
7330 Dorset Avenue
St. Louis, MO 63130
excel.consulting@sbcglobal.net
Consultant for OSBA

Kevin Higgins*
Courtney Higgins*
Shantell Garrett
Energy Strategies
111 East Broadway, Suite 1200
Salt Lake City, UT 84111
khiggins@energystrat.com
chiggins@energystrat.com
sgarrett@energystrat.com
Consultants for OSBA

Harry Geller*
118 Locust Street
Harrisburg, PA 17101
hgeller@pautilitylawproject.org
Consultant for CAUSE-PA

Richard A. Baudino
J. Kennedy & Associates
1347 Frye Road
Westfield, NC 27053
rbaudino@jkenn.com
Consultant for Cleveland-Cliffs Steel

Billie S. LaConte*
Kitty A. Turner*
J. Pollock, Inc.
bsl@jpollockinc.com
kat@jpollockinc.com
Consultants for PAWLUG

Robert J. May, P.E.
Council President
Allison Leinbach
Borough Manager
3540 St. Lawrence Avenue
Reading, PA 19606
rjmay@aol.com
aleinbach@ptd.net
Consultants for Borough of St. Lawrence



Kenneth M. Kulak (Pa. No. 75509)
Mark A. Lazaroff (Pa. No. 315407)
Catherine G. Vasudevan (Pa. No. 210254)
Brooke E. McGlenn (Pa. No. 204918)
Morgan, Lewis & Bockius LLP
2222 Market Street
Philadelphia, PA 19103
215.963.5384 (bus)
215.963.5001 (fax)
ken.kulak@morganlewis.com
mark.lazaroff@morganlewis.com
catherine.vasudevan@morganlewis.com
brooke.mcglenn@morganlewis.com

*Counsel for
Pennsylvania-American Water Company*

Dated: January 19, 2024

*=executed confidentiality agreement

DB1/ 143779839.1

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PENNSYLVANIA PUBLIC UTILITY COMMISSION	:	
	:	
v.	:	DOCKET NOS. R-2023-3043189 R-2023-3043190
	:	
PENNSYLVANIA-AMERICAN WATER COMPANY	:	
	:	

**ANSWER OF PENNSYLVANIA-AMERICAN WATER COMPANY IN OPPOSITION
TO THE OFFICE OF CONSUMER ADVOCATE’S MOTION TO DISMISS
OBJECTIONS AND COMPEL ANSWERS TO INTERROGATORIES (SET XXVI)**

Pursuant to 52 Pa. Code § 5.342(g)(1), Pennsylvania-American Water Company (“PAWC” or the “Company”) hereby files this Answer opposing the Office of Consumer Advocate’s (“OCA’s”) Motion to Dismiss Objections and Compel Answers to its Set XXVI Interrogatories (“Set 26”), Question Nos. 6-7, 12, 17-19 and 21, subparts a. and b. (the “Motion”).¹ A copy of PAWC’s Objections is attached to this Answer as Appendix A. For the reasons set forth in the Company’s Objections and in its Answer, below, the OCA’s Motion should be denied and PAWC’s Objections should be sustained.

I. BACKGROUND

Since 2000, American Water Resources (“AWR”) has offered optional non-utility products and services, such as water line, sewer line and in-home plumbing warranty services, to PAWC customers. AWR offers similar services to residential water utility customers in 42 other states and the District of Columbia. In December 2021, the Company’s parent, American Water Works, Inc. (“American Water”), sold its interest in AWR to Oncourse Home Solutions

¹ On January 18, 2024, the OCA withdrew the portions of its Motion relative to Question Nos. 17, 18, and 19. *See* Letter from Melanie J. El Atieh to ALJs Coogan and Pell (January 18, 2024).

(“Oncourse”). Accordingly, AWR is no longer an affiliate of American Water or PAWC. Under a trademark licensing agreement entered into between American Water and AWR as part of the sale of AWR to Oncourse (the “Licensing Agreement”),² [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED] [END

CONFIDENTIAL]. PAWC is not a party to the Licensing Agreement and does not have any ownership interest in the licensed trademarks.

Under a Utility Agreement by and between PAWC and AWR dated December 9, 2021, PAWC provides “on-bill” billing for AWR’s non-utility services for the benefit of PAWC customers in exchange for compensation in an amount equal to [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL].³ The services provided by PAWC under the Utility Agreement are consistent with the services provided by PAWC prior to December 2021 pursuant to an affiliated interest arrangement between PAWC and AWR, which was approved by the Pennsylvania Public Utility Commission (“Commission”) over 20 years ago.⁴ All revenues associated with AWR’s payments for the Company’s services provided under the Utility Agreement are credited to Account 471 – Miscellaneous Service Revenues and offset PAWC’s operating expenses recovered through rates. [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED] [END CONFIDENTIAL]

² PAWC provided the Trademark License Agreement in its response to OCA Interrogatories Set XXV, No. 3 on January 16, 2024.

³ See Motion, Attachment C, § 3.1.

⁴ *In re Request of PAWC Under Chapter 21 of the Public Utility Code for Approval of a Contract with American Water Resources, Inc.*, 2000 WL 35799666 (Pa. P.U.C. Aug. 17, 2000).

On January 5, 2024, the OCA served Set 26 on PAWC, which consists of 32 questions. Questions 6 and 7 request information about non-utility services provided by PAWC, American Water Works Service Company (“Service Company”), and the Company’s affiliates under contracts between PAWC customers and AWR. Question 12 seeks information about the prices charged by AWR for non-utility products and services. Question 21 seeks information related to gains and losses realized by PAWC’s parent, American Water Works, Inc. (“American Water”) and other American Water companies affiliated with PAWC for the use of American Water trademarks.

PAWC objected to the OCA Set 26 Interrogatories only to the extent they related to subjects that are not relevant to any matters properly at issue in this proceeding. The objectionable interrogatories probe into matters related to American Water’s sale of an unregulated business, non-utility products and services offered by out-of-state affiliates, and unregulated AWR pricing. None of these topics are related to the examination of PAWC’s existing and proposed base rates in this proceeding within the statutory period specified by 66 Pa.C.S. § 1308(d).

II. ARGUMENT

In its Motion, the OCA attempts to defend its Set 26 interrogatories by emphasizing that matters are discoverable if they “may lead to admissible evidence in the instant proceeding”. However, while the scope of discovery under the Commission’s regulations is certainly broad,⁵ it is not boundless. Matters outside the scope of a proceeding – such as arrangements between PAWC’s out-of-state affiliates and an unregulated entity related to non-utility products and services – are not “relevant” to the Company’s request for rate relief and, therefore, are not a

⁵ See, e.g., *City of Pittsburgh v. Pa. Pub. Util. Comm’n*, 526 A.2d 1243, 1249 (Pa. Commw. Ct. 1987).

valid subject for the issuance of discovery.⁶ Since these matters are entirely outside the scope of this base rate proceeding, the OCA's interrogatories cannot lead to the discovery of relevant material.

The OCA does not – and cannot – argue that the services provided by AWR are utility services.⁷ And where the Commission recently considered the billing of such services, the issue was not utility billing of non-utility services but utility discrimination in the provision of billing services for such products to third parties.⁸ The non-utility products and services themselves, their terms and conditions, prices, etc. remain beyond the scope of the Public Utility Code. Matters outside the scope of Commission jurisdiction are necessarily outside the scope of a Commission base rate proceeding.

PAWC's approach to OCA's AWR-related discovery is wholly consistent with Commonwealth Court and Commission precedent on non-utility products and services. PAWC answered all of OCA's questions related to PAWC's billing, revenues, cost allocation, etc. that are AWR-related. In fact, PAWC answered OCA's Questions 6-7, 12 and 21 in so far as they relate to PAWC, allowing the OCA to evaluate whether PAWC's Commission-jurisdictional actions are consistent with the Public Utility Code. PAWC's objections are limited to only those

⁶ See, e.g., *Re Structural Separation of Bell Atlantic-Pennsylvania, Inc. Retail and Wholesale Operations*, Docket No. M-00001353, 2000 Pa. PUC LEXIS 59 at *7-9 (Order entered Sept. 28, 2000) (affirming the Administrative Law Judge's decision to reject evidence as "beyond the scope of the proceeding."); *Pa. P.U.C. v. Pennsylvania-American Water Co.*, Docket Nos. R-00932670, *et al.*, 1994 Pa. PUC LEXIS 120 at *158 (Order entered July 26, 1994) ("The ALJ concluded as follows: 'I agree with OTS that the issues raised by OCA are outside the scope of this investigation. . . .'"); *Re Gas Cost Rate No. 5*, 57 Pa. P.U.C. 158, 160 (1983) ("The testimony stricken by the ALJ addresses, in part, matters broader than the scope of the instant proceeding.").

⁷ See *PPL Elec. Utils. Corp. v. Pa. Pub. Util. Comm'n*, 912 A.2d 386, 408 (Pa. Commw. Ct. 2006) (holding that an unregulated energy consulting service offered by an unregulated affiliate of PPL is not a regulated public utility service and that competition among unregulated services is not an objective of the regulatory scheme of the Public Utility Code).

⁸ *Pa. Pub. Util. Comm'n v. Columbia Gas of Pennsylvania, Inc.*, Docket No. R-2018-2647577 (Order entered Dec. 16, 2018), pp. 42-49.

portions of OCA's questions that are irrelevant and beyond the scope of this proceeding; specifically: (i) information related to American Water's sale of a nonregulated business (a sale between two parties who are not regulated by the Commission); (ii) arrangements between PAWC's out-of-state affiliates and AWR, all of whom are unregulated by the Commission, related to non-jurisdictional non-utility products and services, and (iii) AWR's pricing practices related to non-utility products and services, which are outside the scope of the Public Utility Code. Each of these subjects is outside the scope of the Commission's jurisdiction, irrelevant, and entirely unlikely to lead to any admissible evidence in this proceeding.

III. ANSWERS TO THE AVERMENTS IN THE NUMBERED PARAGRAPHS OF THE OCA'S MOTION

1.-7. Admitted.

8.-11. It is not necessary to specifically admit or deny averments of law. In further answer, the OCA has not provided an accurate portrayal of controlling legal authority by generally averring that the "relevancy test" should be applied liberally and that information, to be discoverable, need only be "reasonably calculated" to lead to "admissible evidence". Those broadly-stated rules cannot be invoked to inquire into matters that do not have a reasonable relationship to legitimate issues in this rate case into permissible discovery for the reasons discussed in Sections I and II above, which are incorporated herein by reference as if set forth at length.

12. Denied. It is denied that the OCA's responsibility to protect the interests of PAWC's customers provides a valid basis for the OCA to inquire into American Water's sale of an unregulated business, arrangements between AWR and PAWC's affiliates, and the marketing and pricing of optional, non-utility products and services provided by an unregulated entity to PAWC customers that have no relevance to this base rate proceeding. As previously explained

in Sections I and II above, the objectionable Set 26 interrogatories request information that is outside the scope of this proceeding and not reasonably calculated to lead to admissible evidence.

13. It is not necessary to specifically admit or deny averments of law.

14. Denied in part, admitted in part. It is admitted that the subject matter involved in this case includes the expenses and revenues claimed by PAWC to support its claimed revenue requirement and its general rate increase request. It is further admitted that PAWC's billing practices are subject to Commission jurisdiction. It is denied that the marketing of non-utility goods and services by an unaffiliated entity that is not regulated by the Commission is a utility service that is subject to the Public Utility Code.

15. Denied in part, admitted in part. **[BEGIN CONFIDENTIAL]** [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **[END**

CONFIDENTIAL]

16.-17. Admitted

18. Denied as stated. By way of further answer, following the sale of AWR in December 2021, AWR is owned and operated by Oncourse Home Solutions and not American Water. PAWC has objected only to the request in Questions 6 and 7 that seek information about arrangements between its affiliates and AWR. PAWC answered these Questions with respect to PAWC and its relationship with AWR.

19. Denied. As already explained, PAWC has answered Questions 6 and 7 with respect to its costs related to AWR. PAWC is fully compensated for costs incurred or allocated to perform billing services for AWR's products and services through service fee payments under the Utility Agreement. These payments have been reflected in the Company's revenue requirement in this case to offset operating expenses recovered through rates. However, the Questions go outside the bounds of permissible discovery where they seek similar information about PAWC's affiliates and AWR who are not subject to Commission jurisdiction. The OCA still has not explained why information about PAWC's affiliates' arrangements with an unregulated third party for non-utility products and services that were not used to develop the Company's revenue requirement is necessary to assess the legitimacy of the Company's claim for Service Company costs in this case, or PAWC's long-standing billing practices on behalf of AWR. This type of information is far outside the bounds of permissible discovery (see 52 Pa. Code § 5.323), has no conceivable relevance to the issues in this case and, to the Company's knowledge, has never been required of a utility in discovery.

20. Admitted.

21. Admitted.

22. Denied for the reasons set forth in Sections I and II and the answer to Paragraph No. 19 above, which are incorporated herein by reference as if set forth at length. By way of further answer, the fact that PAWC provides billing and collection services to AWR under the Utility Agreement does not justify the OCA's inquiry into the pricing of non-utility products and services, a subject which is clearly outside the regulatory scheme of the Public Utility Code. PAWC is not involved in the arrangements between AWR and customers and has no rights or obligations relative to setting those prices. Under the billing arrangement set forth in the Utility

Agreement, the Company simply passes through the dollar amount of charges provided by AWR for its unregulated products and services on the PAWC customer's bill. PAWC does not track or retain AWR pricing information as compared to the pricing presented on AWR's website.

23. Admitted. By way of further answer, OCA withdrew the portion of its Motion relative to Question 17.

24. Denied for the reasons set forth above in Paragraph 23.

25. Denied for the reasons set forth above in Paragraph 23.

26. Admitted. By way of further answer, OCA withdrew the portion of its Motion relative to Question 18.

27. Denied for the reasons set forth above in Paragraph 26.

28. Denied for the reasons set forth above in Paragraph 26.

29. Admitted. By way of further answer, OCA withdrew the portion of its Motion relative to Question 19.

30. Denied. PAWC will answer Question 19, as Paragraph 31 of the Motion clarified that the OCA is only seeking information regarding customer complaints related to AWR's non-utility products and services of which PAWC is aware.

31. Denied for the reasons set forth above in Paragraph 29 and 30.

32. Admitted.

33. Admitted.

34. Denied for the reasons set forth in Sections I and II, which are incorporated herein by reference as if set forth at length. By way of further answer, American Water's realization of profits or losses relative to the sale of AWR, a wholly unregulated entity providing non-utility services, to Oncourse, an unregulated third party, have no connection to the Company's claims in

this case. PAWC already answered Question 21 in so far as it related to PAWC. Specifically, PAWC stated (i) that no gain or loss related to the sale of AWR to was allocated to PAWC; and (ii) no Service Company costs related to the AWR sale were allocated to PAWC. Additional information related to a transaction between two entities unregulated by the Commission is far outside the scope of this proceeding.⁹

35. Denied in part, admitted in part. It is admitted PAWC's revenue requirement includes PAWC's claims for expenses and revenues related to billing services that PAWC provides. The remaining averments are denied.

36. Denied for the reasons set forth in Sections I and II, which are incorporated herein by reference as if set forth at length. PAWC has answered Questions 6-7, 12 and 21 in so far as they relate to PAWC. Therefore, the OCA has already received the information needed to determine if it has any concerns related to PAWC's affiliate interests,¹⁰ consumer protections, or billing practices. To be very clear, affiliate arrangements not involving PAWC, and consumer protections and billing practices of unregulated entities and out-of-state utilities are fully outside the scope of this proceeding. None of this information sought by the OCA is reasonably calculated to lead to admissible evidence in this proceeding as the Commission does not have the authority to evaluate the reasonableness of agreements between affiliates of PAWC and an unregulated third party, non-utility products and services, or the pricing of an unregulated entity offering non-utility products and services.

37. Denied for the reasons set forth in Sections I and II and the answers to Paragraphs 19, 22, 25, 28, 31, 34, and 36, which are incorporated herein by reference as if set forth at length.

⁹ The Company denies that it took any inconsistent positions in its response to Question 21. PAWC answered this question in so far as it related to PAWC only.

¹⁰ AWR is no longer an affiliate of PAWC and, therefore, there are no apparent affiliate interest issues.

By way of further response, PAWC is unable to produce documents that are not within its custody or control.

38. Paragraph No. 38 of the Motion is a request for relief to which an answer is not required.

39. Admitted.

WHEREFORE, for the foregoing reasons, the OCA's Motion should be denied, the Objections of Pennsylvania-American Water Company to OCA's Interrogatories (Set XXVI) Question Nos. 6-7, 12, and 21, subparts a. and b. should be sustained, and the ALJs should issue an Order directing that the Company is not required to furnish answers to those Interrogatories.

Respectfully submitted,



Elizabeth R. Triscari (PA I.D. No. 306921)
Teresa Harrold (PA I.D. No. 311082)
Erin K. Fure (PA I.D. No. 312245)
Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055
717.550.1570 (bus)
elizabeth.triscari@amwater.com
teresa.harrold@amwater.com

Kenneth M. Kulak (Pa. No. 75509)
Catherine G. Vasudevan (Pa. No. 210254)
Brooke E. McGlinn (Pa. No. 204918)
Mark A. Lazaroff (Pa. No. 315407)
Morgan, Lewis & Bockius LLP
2222 Market Street
Philadelphia, PA 19103-3007
215.963.5384 (bus)
215.963.5001 (fax)
ken.kulak@morganlewis.com
catherine.vasudevan@morganlewis.com
brooke.mcglinn@morganlewis.com
mark.lazaroff@morganlewis.com

Dated: January 19, 2024

*Counsel for
Pennsylvania-American Water Company*

APPENDIX A

PAWC OBJECTIONS TO OCA INTERROGATORIES (SET XXVI)

Morgan Lewis

Kenneth M. Kulak

Partner

+1.215.963.5384

ken.kulak@morganlewis.com

January 10, 2024

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**Re: Pennsylvania Public Utility Commission v.
Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 and R-2023-3043190**

Dear Secretary Chiavetta:

Enclosed please find, in the above-captioned proceeding, the **Certificate of Service** evidencing service upon the parties of record of the **Objections of Pennsylvania-American Water Company to the Interrogatories (Set XXVI) of the Office of Consumer Advocate**.

If you have any questions, please do not hesitate to contact me directly at 215.963.5384.

Very truly yours,



Kenneth M. Kulak

KMK/ap

Enclosures

c: Per Certificate of Service (w/encls.)

DB1/ 143569856.1

Morgan, Lewis & Bockius LLP

2222 Market Street
Philadelphia, PA 19103-3007
United States

T +1.215.963.5000
F +1.215.963.5001

Morgan Lewis

Kenneth M. Kulak

Partner

+1.215.963.5384

ken.kulak@morganlewis.com

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Erin L. Gannon
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2222 Market Street
Philadelphia, PA 19103-3007
United States

T +1.215.963.5000
F +1.215.963.5001

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PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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v.	:	DOCKET NOS.: R-2023-3043189 (Water)
PENNSYLVANIA-AMERICAN WATER COMPANY	:	R-2023-3043190 (Wastewater)
	:	

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Office of Consumer Advocate
Forum Place – 5th Floor
555 Walnut Street
Harrisburg, PA 17101
OCAPAWC2023@paoca.org
Counsel for OCA

Carrie B. Wright
Bureau of Investigation and & Enforcement
Pennsylvania Public Utility Commission
Commerce Keystone Building
400 North Street, 2nd Floor
Harrisburg PA 17120
carwright@pa.gov
Counsel for I&E

Steven C. Gray
Rebecca Lyttle
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
sgray@pa.gov
relyttle@pa.gov
Counsel for OSBA

Joseph L. Vullo
Burke Vullo Reilly Roberts
1460 Wyoming Avenue
Forty Fort, PA 18704
jlvullo@bvrrlaw.com
*Counsel for Commission on Economic
Opportunity*

Adeolu A. Bakare
Charis Mincavage
McNees Wallace & Nurick LLC
100 Pine Street
Harrisburg, PA 17101
abakare@mcneeslaw.com
cmincavage@mcneeslaw.com
*Counsel for Pennsylvania-American Water
Large Users Group*

Ria Pereira
John Sweet
Elizabeth Marx
Lauren Berman
The Pennsylvania Utility Law Project
Harry Geller
118 Locust Street
Harrisburg, PA 17101
rpereira@pautilitylawproject.org
jsweet@pautilitylawproject.org
emarx@pautilitylawproject.org
lberman@pautilitylawproject.org
pulp@pautilitylawproject.org
Counsel for CAUSE-PA

Kurt J. Boehm
Jody Kyler Cohn
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, OH 45202
kboehm@bkllawfirm.com
jkylercohn@bkllawfirm.com
Counsel for Cleveland-Cliffs Steel

Sean M. Gallagher
Gallagher Law Group
110 East Diamond Street, Suite 101
Butler, PA 16001
smgallagher@gallagher.legal
Counsel for Cleveland-Cliffs Steel

Joan E. London
Kozloff Stoudt
2640 Westview Drive
Wyomissing, PA 19610
jlondon@kozloffstoudt.com
*Counsel for Borough of St. Lawrence,
Berks County*

J. Chadwick Schnee
Schnee Legal Services, LLC
74 East Main Street, #648
Lititz, PA 17543
chadwick@schneelegal.com
Counsel for Exeter Township

Karen O. Moury
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101
kmoury@eckertseamans.com
Counsel for Victory Brewing Company

Lauren M. Burge
Eckert Seamans Cherin & Mellott, LLC
600 Grant Street, 44th Floor
Pittsburgh, PA 15219
lburge@eckertseamans.com
Counsel for Victory Brewing Company

Jessica Eskra
Katherine Kennedy
City of Scranton Law Department
340 North Washington Avenue
Scranton, PA 18503
jeskra@scrantonpa.gov
kkennedy@scrantonpa.gov
Counsel for City of Scranton

Kyle Donahue
621 Gibbons Street
Scranton, PA 18505
kyle.23.donahue@gmail.com

Robert Ralls
254 Red Haven Road
New Cumberland, PA 17070
rralls73@yahoo.com

CONSULTANTS – WITNESSES

Ralph C. Smith
Mark S. Dady
Megan Elias
Dawn Bisdorf
Larkin & Associates, PLLC
15728 Farmington Road
Livonia, MI 48154
OCAPAWC2023@paoca.org
Consultant for OCA

David Garrett
Resolve Utility Consulting PLCC
101 Park Avenue, Suite 1125
Oklahoma City, OK 73102
OCAPAWC2023@paoca.org
Consultant for OCA

Jerome D. Mierzwa
Exeter Associates, Inc.
10480 Little Patuxent Parkway, Suite 300
Columbia, MD 21044
OCAPAWC2023@paoca.org
Consultant for OCA

Terry L. Fought
780 Cardinal Drive
Harrisburg, PA 17111
OCAPAWC2023@paoca.org
Consultant for OCA

Barbara Alexander
Barbara Alexander Consulting, LLC
44 Beech Street
Hallowell, ME 04347
OCAPAWC2023@paoca.org
Consultant for OCA

Roger Colton
Fisher Sheehan & Colton
34 Warwick Road
Belmont, MA 02478
OCAPAWC2023@paoca.org
Consultant for OCA

Lisa Gumby
lgumby@pa.gov
Consultant for I&E

Christine Wilson
cswilson@pa.gov
Consultant for I&E

Joseph Kubas
jkubas@pa.gov
Consultant for I&E

Ethan Cline
etcline@pa.gov
Consultant for I&E

DC Patel
dupatel@pa.gov
Consultant for I&E

Vanessa Okum
vokum@pa.gov
Consultant for I&E

Christian Yingling
chyinglin@pa.gov
Consultant for I&E

Alicia Claypool
alclaypool@pa.gov
Consultant for I&E

Brian Kalcic
d/b/a Excel Consulting
7330 Dorset Avenue
St. Louis, MO 63130
excel.consulting@sbcglobal.net
Consultant for OSBA

Kevin Higgins
Courtney Higgins
Shantell Garrett
Energy Strategies
111 East Broadway, Suite 1200
Salt Lake City, UT 84111
khiggins@energystrat.com
chiggins@energystrat.com
sgarrett@energystrat.com
Consultants for OSBA

Harry Geller
118 Locust Street
Harrisburg, PA 17101
hgeller@pautilitylawproject.org
Consultant for CAUSE-PA

Richard A. Baudino
J. Kennedy & Associates
1347 Frye Road
Westfield, NC 27053
rbaudino@jkenn.com
Consultant for Cleveland-Cliffs Steel

Billie S. LaConte
Kitty A. Turner
J. Pollock, Inc.
bsl@jpollockinc.com
kat@jpollockinc.com
Consultants for PAWLUG

Robert J. May, P.E.
Council President
Allison Leinbach
Borough Manager
3540 St. Lawrence Avenue
Reading, PA 19606
rjmay@aol.com
aleinbach@ptd.net
Consultants for Borough of St. Lawrence



Kenneth M. Kulak (Pa. No. 75509)
Mark A. Lazaroff (Pa. No. 315407)
Catherine G. Vasudevan (Pa. No. 210254)
Brooke E. McGlinn (Pa. No. 204918)
Morgan, Lewis & Bockius LLP
2222 Market Street
Philadelphia, PA 19103
215.963.5384 (bus)
215.963.5001 (fax)
ken.kulak@morganlewis.com
mark.lazaroff@morganlewis.com
catherine.vasudevan@morganlewis.com
brooke.mcglinn@morganlewis.com

*Counsel for
Pennsylvania-American Water Company*

Dated: January 10, 2024

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PENNSYLVANIA PUBLIC UTILITY COMMISSION	:	
	:	
	:	DOCKET NOS. R-2023-3043189
v.	:	R-2023-3043190
	:	
PENNSYLVANIA-AMERICAN WATER COMPANY	:	
	:	

**OBJECTIONS OF PENNSYLVANIA-AMERICAN WATER COMPANY
TO THE INTERROGATORIES (SET XXVI)
OF THE OFFICE OF CONSUMER ADVOCATE**

Pursuant to 66 Pa.C.S. § 333(d) and 52 Pa. Code § 5.342, Pennsylvania-American Water Company (“PAWC” or the “Company”) hereby objects to the Twenty-Sixth Set of Interrogatories (“Set XXVI”), Nos. 6-7, 12, 17-19 and 21 (subparts a.-b.) propounded by the Office of Consumer Advocate (“OCA”) on January 5, 2024. A copy of the OCA’s Set XXVI Interrogatories is attached to these Objections as Appendix A.

I. RELEVANT BACKGROUND

1. On November 8, 2023, the Company filed Supplement No. 45 to Tariff Water – Pa. P.U.C. No. 5 (“Water Tariff Supplement”) and Supplement No. 47 to Tariff Wastewater – Pa. P.U.C. No. 16 (“Wastewater Tariff Supplement”), requesting an increase in its total annual operating revenues to become effective January 7, 2024. The amount of the requested increase equals \$203.9 million above the level of pro forma revenues for the fully projected future test year (“FPFTY”) ending June 30, 2025. The Company’s filing included the detailed supporting data required by the Pennsylvania Public Utility Commission’s (“Commission’s”) regulations at 52 Pa. Code §§ 53.52 et seq.

2. To date, the OCA has served on the Company 27 sets of interrogatories comprising a cumulative total of 591 questions with 1,327 subparts.

3. As previously noted, on January 5, 2023, the OCA issued its Set XXVI interrogatories containing Question Nos. Nos. 6-7, 12, 17-19 and 21 (subparts a.-b.) to which PAWC hereby objects because those interrogatories requests information that is not relevant to any matters properly at issue in this base rate proceeding and/or is beyond the Company's possession, custody and control.

II. OBJECTIONS

4. Section 333(d) of the Public Utility Code states, in pertinent part, as follows:

Interrogatories. – Any party to a proceeding may serve written interrogatories upon any other party for purposes of discovering *relevant*, unprivileged information.

66 Pa.C.S. § 333(d) (emphasis added)

5. The Commission's regulations at 52 Pa. Code § 5.321(c) define the permissible scope of discovery in proceedings before the Commission as follows:

Scope. Subject to this subchapter, a party may obtain discovery regarding any matter, not privileged, *which is relevant to the subject matter involved in the pending action*, whether it relates to the claim or defense of the party seeking discovery or to the claim or defense of another party, including the existence, description, nature, content, custody, condition and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of a discoverable matter. It is not ground for objection that the information sought will be inadmissible at hearing if the information sought appears reasonably calculated to lead to the discovery of admissible evidence. (Emphasis added.)

6. OCA Interrogatory (Set XXVI) No. 6 states as follows:

Do PAWC or American Water Works Service Company (AWWSC) or any other affiliates of PAWC perform services under contracts between PAWC customers and Oncourse Home Solutions?

- a) If so, identify the personnel at PAWC that perform such services.
- b) Identify the personnel at AWWSC that perform such services.
- c) If not, identify which entity performs the services under such contracts.

7. PAWC objects to Interrogatory (Set XXVI) No. 6 because it would require production of information that is not reasonably related to matters addressed in this proceeding and, in particular, non-commodity services provided by American Waterworks Service Company and the Company's utility affiliates operating in other jurisdictions to an unregulated third party, Oncourse Home Solutions, and, therefore, are outside the permissible bounds of discovery set forth in 66 Pa.C.S. § 333(d) and the Commission's applicable regulations. PAWC's claims in this rate case must be assessed by reference to Pennsylvania law and the Commission's regulations and orders, not those of the 12 other states where American Water Works Company, Inc. ("American Water") utilities operate. Notwithstanding its objection, the Company is willing to state whether PAWC performs non-commodity services under contracts between PAWC customers and Oncourse Home Solutions.

8. OCA Interrogatory (Set XXVI) No. 7 states as follows:

Do PAWC or American Water Works Service Company (AWWSC) or any other affiliates of PAWC perform services under contracts between PAWC customers and American Water Resources?

- a) If so, identify the personnel at PAWC that perform such services.
- b) Identify the personnel at AWWSC that perform such services.
- c) If not, identify which entity performs the services under such contracts.

9. PAWC objects to Interrogatory (Set XXVI) No. 7 requesting information regarding non-commodity services provided by the Company’s affiliates operating in other jurisdictions to an unregulated third party, American Water Resources (“AWR”), for the same reasons set forth in Paragraph No. 7 above. AWR and Oncourse Home Solutions are the same entity. Notwithstanding its objection, the Company is willing to state whether PAWC performs non-commodity services under contracts between PAWC customers and AWR.

10. OCA Interrogatory (Set XXVI) No. 12 states as follows:

Please refer to the following information from the American Water Resources web site:

Program Name	Starts at	Description
Water Line Protection Program	\$5.49 / Month	Cover your repairs to leaks and breaks of a covered water line caused by normal wear and tear.
Sewer Line Protection Program	\$9.00 / Month	Cover your repairs to clogs and blockages of a covered sewer line caused by normal wear and tear.
Water Line and Sewer Line Protection Program	\$12.49 / Month	Cover your repairs to leaks and breaks of a covered water line, or repairs to leaks.

For each month of 2022 and 2023, did PAWC apply the following charges on the bills of PAWC customers that had warranty contracts:

- a) \$5.49 per month for water line protection?
- b) \$9 per month for sewer line protection?
- c) \$12.49 per month for combined water and sewer line protection?
- d) If not, identify the amounts per month that PAWC applied on customer bills for each type of warranty contract/water and sewer line protection service.

11. PAWC objects to Interrogatory (Set XXVI) No. 12 because it would require production of information that is not reasonably related to matters addressed in this proceeding and, in particular, the prices charged by a nonregulated third party for non-commodity services under contracts with PAWC customers, and, therefore, are outside the permissible bounds of discovery set forth in 66 Pa.C.S. § 333(d) and the Commission's applicable regulations. In addition, the requested information regarding monthly pricing for water and sewer line protection services agreed to under contracts between PAWC customers and AWR, which is no longer affiliated with American Water or PAWC, is beyond the Company's possession, custody and control because PAWC is not a party to those agreements.

12. OCA Interrogatory (Set XXVI) No. 17 states as follows:

In 2022 or 2023 did PAWC or any affiliate of PAWC receive any compensation from American Water Resources or Oncourse Home Solutions for the use of the "American Water" name or the American Water Works logo?

- a) If not, explain fully why not.
- b) If so, identify the amounts recorded by (1) PAWC and (2) American Water in each period.

13. PAWC objects to Interrogatory (Set XXVI) No. 17 because it would require production of information that is not reasonably related to matters addressed in this

proceeding and, in particular, trademark licensing arrangements between PAWC's parent, American Water, and an unregulated third party, and, therefore, are outside the permissible bounds of discovery set forth in 66 Pa.C.S. § 333(d) and the Commission's applicable regulations. Notwithstanding its objection, the Company is willing to state whether PAWC received any compensation in 2022 and 2023 from AWR or Oncourse Home Solutions for the use of the American Water name or logo.

14. OCA Interrogatory (Set XXVI) No. 18 states as follows:

Please confirm that the American Water name and logo is shown below:



a) Also please confirm that the American Water name and logo is being used on the American Water Resources/Oncourse Home Solutions web site that markets the water line, sewer line and combined water and sewer line protection plans.

15. PAWC objects to Interrogatory (Set XXVI) No. 18 because it would require production of information that is not reasonably related to matters addressed in this proceeding and, in particular, trademark licensing arrangements between PAWC's parent, American Water, and an unregulated third party, and, therefore, are outside the permissible bounds of discovery set forth in 66 Pa.C.S. § 333(d) and the Commission's applicable regulations. Notwithstanding its objection, the Company is willing to confirm that the American Water name and logo is shown in Interrogatory (Set XXVI) No. 18.

16. OCA Interrogatory (Set XXVI) No. 19 states as follows:

Have there been any complaints to the Department of Insurance in 2022 or 2023 related to American Water

Resources? If so, please identify and provide each such complaint?

17. PAWC objects to Interrogatory (Set XXVI) No. 19 because it would require production of information that is not reasonably related to matters addressed in this proceeding and, in particular, complaints filed with the Department of Insurance against an unregulated entity that is not a party to this rate proceeding, and, therefore, are outside the permissible bounds of discovery set forth in 66 Pa.C.S. § 333(d) and the Commission's applicable regulations. As previously noted, AWR is no longer affiliated with American Water or PAWC. Thus, the information requested about AWR's complaint history with the Department of Insurance is also beyond the Company's possession, custody and control.

18. OCA Interrogatory (Set XXVI) No. 21 states as follows:

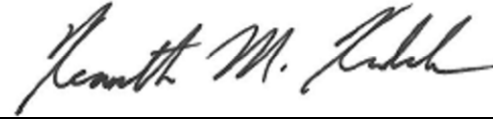
How much gain or loss was realized by American Water related to the sale of American Water Resources to Oncourse Home Solutions? Identify the amount and show how it was calculated?

- a) Also show how the gain (or loss) upon the sale of American Water Resources to Oncourse Home Solutions was allocated to PAWC. Include detailed calculations showing the allocation with your response.
- b) In the accounting year in which the sale of American Water Resources to Oncourse Home Solutions, how was that reported by American Water Works in the AWW SEC Form 10-K.
- c) In the accounting year in which the sale of American Water Resources to Oncourse Home Solutions, what was the allocation of American Water Works Service Company costs to PAWC? Include detailed calculations showing the allocation with your response.

19. PAWC objects to Interrogatory (Set XXVI) No. 21, subparts (a) and (b) because it would require production of information that is not reasonably related to matters addressed in this proceeding and, in particular, gains or losses realized by PAWC's parent, American Water, related to the sale of an unregulated business to a third party, and, therefore, are outside the permissible bounds of discovery set forth in 66 Pa.C.S. § 333(d) and the Commission's applicable regulations. Notwithstanding its objection, the Company is willing to provide a link to download the American Water Form SEC 10-K that reports the sale of AWR to Oncourse Home Solutions, which is publicly available on the American Water website.

WHEREFORE, for the foregoing reasons, PAWC's Objections to the OCA's Interrogatories (Set XXVI), No. 6-7, 12, 17-19, 21 (subparts a.-b.) should be granted.

Respectfully submitted,



Elizabeth R. Triscari (PA I.D. No. 306921)
Teresa Harrold (PA I.D. No. 311082)
Erin K. Fure (PA I.D. No. 312245)
Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055
717.550.1570 (bus)
elizabeth.triscari@amwater.com
teresa.harrold@amwater.com

Kenneth M. Kulak (Pa. No. 75509)
Catherine G. Vasudevan (Pa. No. 210254)
Brooke E. McGlinn (Pa. No. 204918)
Mark A. Lazaroff (Pa. No. 315407)
Morgan, Lewis & Bockius LLP
2222 Market Street
Philadelphia, PA 19103-3007
215.963.5384 (bus)
215.963.5001 (fax)
ken.kulak@morganlewis.com
catherine.vasudevan@morganlewis.com
brooke.mcglinn@morganlewis.com
mark.lazaroff@morganlewis.com

Dated: January 10, 2024

Counsel for
Pennsylvania-American Water Company

Appendix A

COMMONWEALTH OF PENNSYLVANIA



PATRICK M. CICERO
Consumer Advocate

OFFICE OF CONSUMER ADVOCATE
555 Walnut Street, 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923
(717) 783-5048
(800) 684-6560

 @pa_oca
 /pennoca
FAX (717) 783-7152
consumer@paoca.org
www.oca.pa.gov

January 5, 2024

Via Electronic Mail Only

Kenneth M. Kulak, Esquire
Brooke E. McGlinn, Esquire
Catherine Vasudevan, Esquire
Mark A. Lazaroff, Esquire
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921
ken.kulak@morganlewis.com
brooke.mcglinn@morganlewis.com
catherine.vasudevan@morganlewis.com
mark.lazaroff@morganlewis.com

Re: Pennsylvania Public Utility Commission
v.
Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)

Dear Counsel:

Enclosed you will find Interrogatories of the Office of Consumer Advocate, Set 26, in this matter.

In accordance with the discovery modifications ordered at the Prehearing Conference held on January 3, 2024, we request Pennsylvania-American Water Company provide verified answers to these inquiries within ten (10) days of service. Also, please forward the verified answers as they are completed, rather than waiting until the responses to the full set are completed.

We would appreciate it if you would communicate any objections you may have to these interrogatories as soon as possible.

Kenneth M. Kulak, Esquire
Brooke E. McGlinn, Esquire
Catherine Vasudevan, Esquire
Mark A. Lazaroff, Esquire
January 5, 2024
Page 2

We also request that you send a copy of the answers directly to our group e-mail, as listed below:

OCAPAWC2023@paoca.org

If you have any questions, please call us. By copy of this letter, copies of these interrogatories have been served upon all parties. A certificate of service showing service of these interrogatories on all parties has been filed with Secretary Chiavetta of the Pennsylvania Public Utility Commission as required by 52 Pa. Code §5.341(b).

Sincerely,



Erin L. Gannon
Senior Assistant Consumer Advocate
PA Attorney I.D. # 83487
egannon@paoca.org

Enclosures:

cc: PUC Secretary Rosemary Chiavetta (Letter and Certificate of Service Only)
Certificate of Service

4866-2602-7162

CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission :
 : Docket Nos. R-2023-3043189 (Water)
 v. : R-2023-3043190 (Wastewater)
 :
 :
 Pennsylvania-American Water Company :

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate’s Interrogatories to Pennsylvania-American Water Company, Set 26, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below. This document was filed electronically on the Commission’s electronic filing system.

Dated this 5th day of January, 2024.

SERVICE BY E-MAIL ONLY

Carrie B. Wright, Esquire
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120
carwright@pa.gov
Counsel for I&E

Elizabeth Rose Triscari, Esquire
Teresa K. Harrold, Esquire
Erin K. Fure, Esquire
Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055
elizabeth.triscari@amwater.com
teresa.harrold@amwater.com
erin.fure@amwater.com
Counsel for PAWC

Steven C. Gray, Esquire
Rebecca Lyttle, Esquire
Office of Small Business Advocate
555 Walnut Street
1st Floor, Forum Place
Harrisburg, PA 17101-1923
sgray@pa.gov
relyttle@pa.gov
Counsel for OSBA

Kenneth M. Kulak, Esquire
Brooke E. McGlinn, Esquire
Catherine Vasudevan, Esquire
Mark A. Lazaroff, Esquire
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921
ken.kulak@morganlewis.com
brooke.mcglinn@morganlewis.com
catherine.vasudevan@morganlewis.com
mark.lazaroff@morganlewis.com
Counsel for PAWC

SERVICE BY E-MAIL ONLY (continued)

Ria M. Pereira, Esquire
Lauren N. Berman, Esquire
John W. Sweet, Esquire
Elizabeth R. Marx, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
pulp@pautilitylawproject.org
Counsel for CAUSE-PA

Kurt J. Boehm, Esquire
Jody Kyler Cohn, Esquire
Boehm, Kurtz, & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202
kboehm@bkllawfirm.com
jkylercohn@bkllawfirm.com

Counsel for Cleveland-Cliffs Steel

Joseph L. Vullo, Esquire
Burke Vullo Reilly Roberts
1460 Wyoming Avenue
Forty Fort, PA 18704
jlvullo@bvrrlaw.com
Counsel for CEO

Joan E. London, Esquire
Kozloff Stoudt, PC
2640 Westview Drive
Wyomissing, PA 19610
jlondon@kozloffstoudt.com
*Counsel for Borough of
St. Lawrence, Berks County*

Melanie J. El Atieh
Senior Assistant Consumer Advocate
Christopher M. Andreoli
David T. Evrard
Andrew J. Zerby
Assistant Consumer Advocates
OCAPAWC2023@paoca.org

Dated: January 5, 2024

Adeolu A. Bakare, Esquire
Charis Mincavage, Esquire
Ryan Block, Esquire
McNees Wallace & Nurick LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
abakare@mcneeslaw.com
cmincavage@mcneeslaw.com
rblock@mcneeslaw.com
Counsel for PAWLUG

Sean M. Gallagher, Esquire
Gallagher Law Group
110 East Diamond Street, Suite 101
Butler, PA 16001
smgallagher@gallagher.legal
Counsel for Cleveland-Cliffs Steel

J. Chadwick Schnee, Esquire
Schnee Legal Services, LLC
74 E. Main Street, #648
Lititz, PA 17543
chadwick@schneelegal.com
Counsel for Exeter Township

Robert K. Ralls
254 Red Haven Road
New Cumberland, PA 17070
rralls73@yahoo.com

Kyle Donahue
kyle.23.donahue@gmail.com



Erin L. Gannon
Senior Assistant Consumer Advocate
PA Attorney I.D. # 83487
egannon@paoca.org

Counsel for:
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
717-783-5048

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	Docket Nos. R-2023-3043189 (Water)
v.	:	R-2023-3043190 (Wastewater)
	:	
Pennsylvania-American Water Company	:	

INTERROGATORIES
OF THE
OFFICE OF CONSUMER ADVOCATE
SET 26

Pursuant to 52 Pa. Code § 5.341, the Office of Consumer Advocate hereby propounds the following Interrogatories to Pennsylvania-American Water Company (PAWC) to be answered by those officers, employees, agents, or contractors who have knowledge of the requested facts and who are authorized to answer on behalf of the Company. Each interrogatory is to be verified by the responding witness in accordance with 52 Pa. Code § 5.342(a)(6).

DATED: January 5, 2024

Instructions

- 1) These interrogatories shall be construed as a continuing request. The Respondent is obliged to change, supplement and correct all answers to interrogatories to conform to available information, including such information as first becomes available to the Respondent after the answers hereto are filed.
- 2) Restate the interrogatory immediately preceding each response.
- 3) Identify the name, title, and business address of each person(s) providing each response.
- 4) Provide the date on which the response was created.
- 5) Divulge all information that is within the knowledge, possession, control, or custody of Respondent or may be reasonably ascertained thereby. The term “Pennsylvania-American Water Company”, “Pennsylvania-American”, “PAWC”, “the Company”, or “you” as used herein includes Pennsylvania-American Water Company, its attorneys, agents, employees, contractors, or other representatives, to the extent that the Company has the right to compel the action requested herein.
- 6) Provide a verification by the responsible witness that all facts contained in the response are true and correct to the best of the witness’ knowledge, information and belief.
- 7) As used herein, but only to the extent not protected by 52 Pa. Code Section 5.323, the word “document” or “workpaper” includes, but is not limited to, the original and all copies in whatever form, stored or contained in or on whatever media or medium, including computerized memory, magnetic, electronic, or optical media, regardless of origin, and whether or not including additional writing thereon or attached thereto, and may consist of:
 - a) notations of any sort concerning conversations, telephone calls, meetings or other communications;
 - b) bulletins, transcripts, diaries, analyses, summaries, correspondence and enclosures, circulars, opinions, studies, investigations, questionnaires and surveys;
 - c) worksheets, and all drafts, preliminary versions, alterations, modifications, revisions, changes, amendments and written comments concerning the foregoing.

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

Payroll and Vacant Positions

1. Vacant Positions. Refer to the responses to OCA 09-070, OCA 18-013, OCA 18-015 and the table below.

Line No.	Cost Center	Cost Center Description	Job	Terminated Date	Employee Subgroup	Gross Annual Payroll
1	240121	CORP-Com Relations	Community Public Relations Rep	7/18/2023	Non-Collective Bargaining Unit Hourly	\$ 48,442
2	245406	SUSQ-Field Services	Utility Technician	7/20/2023	Non-Collective Bargaining Unit Hourly	\$ 68,549
3	240106	CORP-Field Services	Admin Support Rep (N)	7/20/2023	Non-Collective Bargaining Unit Hourly	\$ 37,814
4	245106	NORR-Field Services	Utility Person A F473N	7/21/2023	Collective Bargaining Unit Hourly	\$ 64,248
5	245506	BNGR-Field Services	Utility Technician	7/21/2023	Non-Collective Bargaining Unit Hourly	\$ 68,570
6	246106	MECH-Field Services	Supvr Field Operations	7/21/2023	Non-Collective Bargaining Unit Salary	\$ 87,493
7	242106	MCMR-Field Services	Subforeperson U5370	7/31/2023	Collective Bargaining Unit Hourly	\$ 75,732
8	249106	WILK-Field Services	Leak Detection Specialist U648S	7/31/2023	Collective Bargaining Unit Hourly	\$ 67,275
9	245103	NORR-Cust Service	Serviceperson F473N	7/31/2023	Collective Bargaining Unit Hourly	\$ 67,839
10	245206	YARD-Field Services	Utility B F473Y	7/31/2023	Collective Bargaining Unit Hourly	\$ 55,144
11	245601	NAZA-Production	Lead Plant Operator	8/4/2023	Non-Collective Bargaining Unit Hourly	\$ 75,147
12	246206	HSHY-Field Services	Supvr Field Operations	8/9/2023	Non-Collective Bargaining Unit Hourly	\$ 80,176
13	246152	MECH-Silver Springs	Maint & Relief U648R	8/11/2023	Collective Bargaining Unit Hourly	\$ 61,888
14	241106	PITT-Field Services	Auto Mechanic U437P	8/18/2023	Collective Bargaining Unit Hourly	\$ 72,495
15	241151	PITT-Production Hays	Assistant Operator/Maintenance (Rotating)	8/18/2023	Collective Bargaining Unit Hourly	\$ 65,041
16	241201	MCKEWW-Production	Operator UWUA 433	8/21/2023	Collective Bargaining Unit Hourly	\$ 76,358
17	241152	PITT-Production Aldr	Head Maintenance Person (Non-Rotating) U	8/31/2023	Collective Bargaining Unit Hourly	\$ 75,857
18	249161	WILK-Huntville	Plant Operator U648S	8/31/2023	Collective Bargaining Unit Hourly	\$ 71,284
19	249158	WILK-Lake Scranton	Maintenance/Relief Operator U648S	8/31/2023	Collective Bargaining Unit Hourly	\$ 69,196
20	245106	MECH-Field Services	Utility A U648R	8/31/2023	Collective Bargaining Unit Hourly	\$ 69,259
21	241103	PITT-Cust Service	Field Representative U537P	8/31/2023	Collective Bargaining Unit Hourly	\$ 73,790
22	242306	UNTN-Field Services	Utility Person U5370	8/31/2023	Collective Bargaining Unit Hourly	\$ 75,189
23	241106	PITT-Field Services	Utility Equipment Operator U537P	8/31/2023	Collective Bargaining Unit Hourly	\$ 64,164
24	245101	NORR-Production	Maint & Relief F473N	9/1/2023	Collective Bargaining Unit Hourly	\$ 60,322
25	240117	CORP-Water Quality	Supvr WQ & Env Compliance	9/3/2023	Non-Collective Bargaining Unit Salary	\$ 78,660
26	246151	MECH-ProdWestShore	Supvr Production	9/12/2023	Non-Collective Bargaining Unit Salary	\$ 76,808
27	249201	Scranton WW-Prod	Maintenance Relief Operator	9/22/2023	Collective Bargaining Unit Hourly	\$ 60,510
28	241301	EXTRWW-Production	Wastewater Operator	9/22/2023	Non-Collective Bargaining Unit Hourly	\$ 75,377
29	246206	HSHY-Field Services	Utility Person	9/29/2023	Non-Collective Bargaining Unit Hourly	\$ 71,451
30	249206	Scrntn-WW-Fld Svc	Operations Specialist	9/29/2023	Non-Collective Bargaining Unit Hourly	\$ 60,218
31	241106	PITT-Field Services	Supvr Field Operations	9/29/2023	Non-Collective Bargaining Unit Salary	\$ 80,000
32	245206	YARD-Field Services	Utility A F437Y	9/30/2023	Collective Bargaining Unit Hourly	\$ 65,166
33	240116	CORP-Maint Services	Sr Automation & Controls Tech	9/30/2023	Non-Collective Bargaining Unit Hourly	\$ 87,195
34	240117	CORP-Water Quality	Supvr WQ & Env Compliance	10/4/2023	Non-Collective Bargaining Unit Salary	\$ 82,000
35	249150	WILK-Other	Operations Specialist	10/6/2023	Non-Collective Bargaining Unit Hourly	\$ 64,728
36	240114	CORP-Engineering	Engineering Project Manager	10/9/2023	Non-Collective Bargaining Unit Salary	\$ 81,510
37	248701	Nw Cmbmind WW Prod	Lead Plant Operator	10/20/2023	Non-Collective Bargaining Unit Hourly	\$ 69,029
38	240114	CORP-Engineering	GIS Analyst	10/27/2023	Non-Collective Bargaining Unit Hourly	\$ 54,288
39	241106	PITT-Field Services	Maintenance Mechanic/Welder U537P	10/31/2023	Collective Bargaining Unit Hourly	\$ 74,040
40	243103	NEWC-Cust Service	Distribution System Serviceperson U5370	10/31/2023	Collective Bargaining Unit Hourly	\$ 75,419
41	241106	PITT-Field Services	Utility Person U537P	10/31/2023	Collective Bargaining Unit Hourly	\$ 73,706
42	249103	WILK-Cust Service	Serviceperson U648S	10/31/2023	Collective Bargaining Unit Hourly	\$ 69,155
43	249106	WILK-Field Services	Regulation Utility Person U648S	11/7/2023	Collective Bargaining Unit Hourly	\$ 65,960
44	245801	POWW-Production	Maintenance/Relief Operator	11/8/2023	Non-Collective Bargaining Unit Hourly	\$ 59,445
45	249152	WILK-Ceasetown	Plant Operator U648S	11/19/2023	Collective Bargaining Unit Hourly	\$ 66,064
46	240106	CORP-Field Services	Spec Bill/Pymt Collection (N)	11/20/2023	Non-Collective Bargaining Unit Hourly	\$ 50,718
47	247150	MILT-Prod Other	Maintenance/Relief Operator	11/20/2023	Non-Collective Bargaining Unit Hourly	\$ 62,661
48	249152	WILK-Ceasetown	Plant Operator U648S	11/24/2023	Collective Bargaining Unit Hourly	\$ 67,108
49	247150	MILT-Prod Other	Maintenance/Relief Operator	11/27/2023	Non-Collective Bargaining Unit Hourly	\$ 66,837
50					Total	\$ 3,369,328

Source: OCA 09-070 Attachment, page 3 of 3

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

- a) Referring to the above table (from page 3 of the OCA 09-070 Attachment), please reconcile each of the 49 positions listed to the Volume 4, 4c Compensation Adjustment Excel file. Identify, quantify and explain each reconciling item.
- b) For each of the 49 terminated/vacant positions listed in the above table, which positions have been filled to date? For each such position, identify the annual payroll amount in the FPFTY and the date upon which each position was filled.
- c) Please identify in a manner similar to page 3 of the OCA 09-070 Attachment, any additional positions that became vacant after November 27, 2023. For each additional position that has become vacant, provide the related annual payroll amounts in the FPFTY.

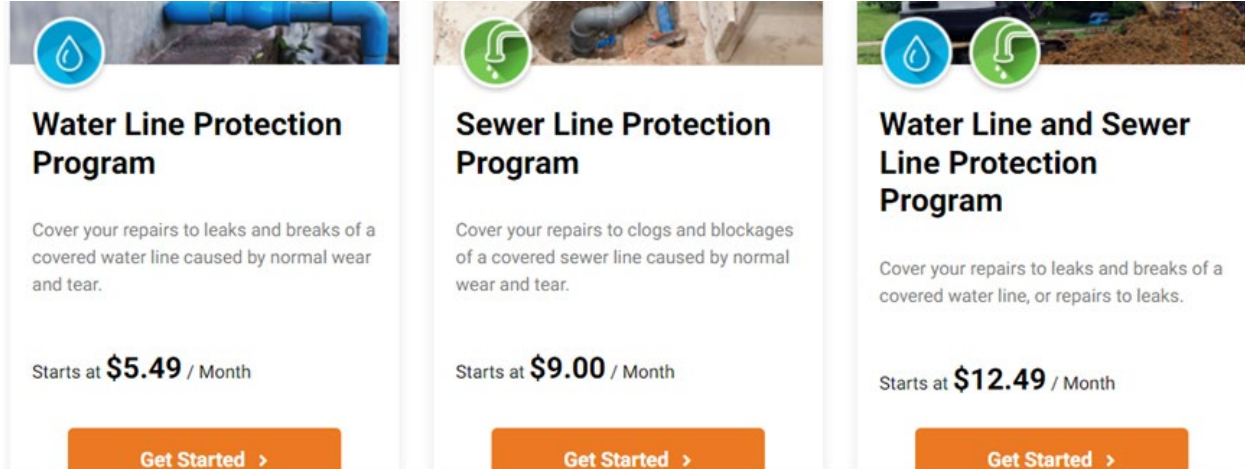
Accounting Information Related to Oncourse Home Solutions and American Water Resources

Refer to the responses to OCA 20-016, OCA 20-018, OCA 20-010 and OCA 20-023.

2. Identify and provide all invoices to and from Oncourse Home Solutions in 2022 and 2023.
3. Identify and provide all invoices to and from American Water Resources in 2022 and 2023.
4. Identify by amount and account all amounts recorded in PAWC's books by month in 2022 and 2023 related to Oncourse Home Solutions.
5. Identify by amount and account all amounts budgeted/forecasted by PAWC's books by related to Oncourse Home Solutions for the FTY and the FPFTY.
6. Do PAWC or American Water Works Service Company (AWWSC) or any other affiliates of PAWC perform services under contracts between PAWC customers and Oncourse Home Solutions?
 - a) If so, identify the personnel at PAWC that perform such services.
 - b) Identify the personnel at AWWSC that perform such services.
 - c) If not, identify which entity performs the services under such contracts.
7. Do any PAWC or American Water Works Service Company (AWWSC) or any other affiliates of PAWC perform services under contracts between PAWC customers and American Water Resources?
 - a) If so, identify the personnel at PAWC that perform such services.

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

- b) Identify the personnel at AWWSC that perform such services.
 - c) If not, identify which entity performs the services under such contracts.
8. During each month of 2022 and 2023 how many PAWC customers had warranty contracts with American Water Resources for (1) water, (2) sewer, and (3) water and sewer?
9. During each month of 2022 and 2023 how many PAWC customers had warranty contracts with Oncourse Home Solutions for (1) water, (2) sewer, and (3) water and sewer?
10. During each month of 2022 and 2023 how many PAWC customers did PAWC bill for warranty contracts with American Water Resources for (1) water, (2) sewer, and (3) water and sewer?
11. During each month of 2022 and 2023 how many PAWC customers did PAWC bill for warranty contracts with Oncourse Home Solutions for (1) water, (2) sewer, and (3) water and sewer?
12. Please refer to the following information from the American Water Resources web site:



For each month of 2022 and 2023, did PAWC apply the following charges on the bills of PAWC customers that had warranty contracts:

- a) \$5.49 per month for water line protection?
- b) \$9 per month for sewer line protection?
- c) \$12.49 per month for combined water and sewer line protection?
- d) If not, identify the amounts per month that PAWC applied on customer bills for each type of warranty contract/water and sewer line protection service.

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

13. During 2022 and 2023 did PAWC have any uncollectibles related to warranty service?
 - a) If so, how much? Show amounts that PAWC recorded in each account in each year.
14. For the FTY and the FPFTY did PAWC budget/forecast any uncollectibles related to warranty service?
 - a) If so, how much? Show amounts that PAWC recorded in each account in each period.
15. For the HTY and separately for calendar 2022 and calendar 2023, what amounts of (1) revenue and (2) expenses did PAWC record related to warranty services?
16. For the FTY and the FPFTY what amounts has PAWC budgeted/forecasted for (1) revenue and (2) expenses related to warranty service?
 - a) Show amounts that PAWC budgeted/forecasted in each account in each period.
17. In 2022 or 2023 did PAWC or any affiliate of PAWC receive any compensation from American Water Resources or Oncourse Home Solutions for the use of the “American Water” name or the American Water Works logo?
 - a) If not, explain fully why not.
 - b) If so, identify the amounts recorded by (1) PAWC and (2) American Water in each period.
18. Please confirm that the American Water name and logo is shown below:



- a) Also please confirm that the American Water name and logo is being used on the American Water Resources/Oncourse Home Solutions web site that markets the water line, sewer line and combined water and sewer line protection plans.
19. Have there been any complaints to the Department of Insurance in 2022 or 2023 related to American Water Resources? If so, please identify and provide each such complaint.
20. Refer to the response to OCA 20-023 and to Exhibit 3-A. Referring to the amounts shown for account 471, Misc. Service Revenues, for the 12-month ended periods June 30, 2023, June 30, 2024 and June 30, 2025 respectively:
 - a) How much of those revenues in each period are for the American Water Resources/Oncourse Home Solutions protection services?

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

- b) How much of those revenues in each period are for PAWC providing billing and collection services for American Water Resources/Oncourse Home Solutions?
 - c) What other amounts (not covered in parts a or b) are included in the account 471 amounts? Identify and explain in detail.
21. How much gain or loss was realized by American Water related to the sale of American Water Resources to Oncourse Home Solutions? Identify the amount and show how it was calculated.
- a) Also show how the gain (or loss) upon the sale of American Water Resources to Oncourse Home Solutions was allocated to PAWC. Include detailed calculations showing the allocation with your response.
 - b) In the accounting year in which the sale of American Water Resources to Oncourse Home Solutions, how was that reported by American Water Works in the AWW SEC Form 10-K?
 - c) In the accounting year in which the sale of American Water Resources to Oncourse Home Solutions, what was the allocation of American Water Works Service Company costs to PAWC? Include detailed calculations showing the allocation with your response.

Call Center Related Accounting Information Requests

Refer to pages 80-84 of the Management Audit Report and to PAWC's responses to the following DRs: OCA set 6, items 5, 6, 7, 8 and OCA set 20, items 1, 3, 8 and 10.

22. For each third party call center contractor listed in the responses to OCA 06-005 and OCA 06-006 provide the following information:
- a) by amount and account all amounts recorded in PAWC's books by month in 2022 and 2023.
 - b) by amount and account all amounts recorded in PAWC's books by month in the HTY.
 - c) by amount and account all amounts budgeted/forecasted by PAWC for (1) the FTY and (2) the FPPTY.
23. For each third party call center contractor listed in the responses to OCA 06-005 and OCA 06-006 provide all 2022 and 2023 invoices, including invoice attachment detail.

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

24. The Management Audit report at page 80 states that “AWWSC Customer Care maintains a virtual call center that routes calls through an interactive Voice Response system, offering both self-service options and CSR assistance.” Identify by account and amount the charges to PAWC for the AWWSC Customer Care call center:
- a) Recorded by PAWC by account in each year, 2022 and 2023.
 - b) Identify by account and amount the charges recorded by PAWC for the AWWSC call center in the HTY.
 - c) Identify by account and amount the charges budgeted/forecast by PAWC for the AWWSC call center in (1) the FTY and (2) the FPFTY.
 - d) Identify and provide invoices and billing detail from AWWSC to PAWC for the amounts shown in the responses to parts a, b and c, above.

Depreciation Rates and Depreciation Expense

25. Please confirm that in its last rate case PAWC proposed water depreciation rates for the HTY (calendar 2021), FTY(calendar 2022) and FPFTY (calendar 2023) in that case as summarized in the following table. If any of this cannot be confirmed, please show the water depreciation rates that PAWC proposed in its last rate case for each period (HTY, FTY and FPFTY):

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

Account No.	Description	2022 Rate Case		
		December 31, 2021 (A)	December 31, 2022 (B)	December 31, 2023 (C)
303.14	WATER RIGHTS - HIBERNIA	25-SQ	25-SQ	25-SQ
303.35	WASTE HANDLING AND TREATMENT LAND	100-R2	100-R2	100-R2
303.99	COMPREHENSIVE PLANNING STUDIES	5-SQ	5-SQ	5-SQ
304.15	OTHER WATER SOURCE STRUCTURES	60-R1.5	60-R1.5	60-R1.5
304.20	POWER AND PUMING STRUCTURES			
	LARGE STRUCTURES	75-R2	75-R2	75-R2
	OTHER STRUCTURES	55-R3	55-R3	55-R3
304.30	PURIFICATION BUILDINGS			
	LARGE STRUCTURES	70-S0.5	70-S0.5	70-S0.5
	OTHER STRUCTURES	60-R3	60-R3	60-R3
304.36	WASTE HANDLING AND TREATMENT STRUCTURES	60-S2.5	60-S2.5	60-S2.5
304.38	WASTE HANDLING AND TREATMENT STRUCTURES PAINTING	10-SQ	10-SQ	10-SQ
304.39	PURIFICATION BUILDINGS - TANK PAINTING	10-SQ	10-SQ	10-SQ
304.61	OFFICE BUILDINGS			
	LARGE STRUCTURES	55-R1.5	55-R1.5	55-R1.5
	OTHER STRUCTURES	50-R3	50-R3	50-R3
304.62	STORES, SHOP AND GARAGE BUILDINGS			
	LARGE STRUCTURES	55-S0.5	55-S0.5	55-S0.5
	OTHER STRUCTURES	45-R3	45-R3	45-R3
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	35-S0.5	35-S0.5	35-S0.5
305.00	COLLECTING AND IMPOUNDING RESERVOIRS			
	LARGE RESERVOIRS	125-R2	125-R2	125-R2
	OTHER RESERVOIRS	75-R3	75-R3	75-R3
306.00	LAKE, RIVER AND OTHER INTAKES			
	LARGE RESERVOIRS	55-S1	55-S1	55-S1
	OTHER RESERVOIRS	50-S0.5	50-S0.5	50-S0.5
307.00	WELLS AND SPRINGS	55-S0	55-S0	55-S0
310.00	POWER GENERATION EQUIPMENT	43-S1	43-S1	43-S1
	PUMPING EQUIPMENT			
311.20	ELECTRIC	42-S0	42-S0	42-S0
311.50	OTHER	42-S0	42-S0	42-S0
311.52	SOURCE OF SUPPLY	42-S0	42-S0	42-S0
311.53	WATER TREATMENT	42-S0	42-S0	42-S0
311.54	TRANSMISSION AND DISTRIBUTION	42-S0	42-S0	42-S0
	PURIFICATION SYSTEM			
320.10	LARGE STRUCTURES			
	LARGE STRUCTURES	60-S0.5	60-S0.5	60-S0.5
	OTHER STRUCTURES	55-R3	55-R3	55-R3
320.18	LARGE STRUCTURES PAINT	10-SQ	10-SQ	10-SQ
320.19	LARGE STRUCTURES PAINT	10-SQ	10-SQ	10-SQ
320.20	CHEMICAL TREATMENT	36-R0.5	36-R0.5	36-R0.5
320.29	CHEMICAL TREATMENT PAINT	FULLY ACCRUED	FULLY ACCRUED	FULLY ACCRUED
320.30	GRANULAR ACTIVATED CARBON	7-L2	7-L2	7-L2
320.37	WASTE HANDLING AND TREATMENT - EQUIPMENT	30-R3	30-R3	30-R3
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	65-S0.5	65-S0.5	65-S0.5
330.10	ELEVATED TANKS AND STANDPIPES	65-S0.5	65-S0.5	65-S0.5
330.20	GROUND LEVEL FACILITIES	65-S0.5	65-S0.5	65-S0.5
330.30	BELOW GRADE FACILITIES	65-S0.5	65-S0.5	65-S0.5
330.40	CLEARWELL	65-S0.5	65-S0.5	65-S0.5
330.58	DISTRIBUTION RESERVOIRS AND STANDPIPES - PAINTING	10-SQ	10-SQ	10-SQ
330.59	DISTRIBUTION RESERVOIRS AND STANDPIPES - PAINTING	10-SQ	10-SQ	10-SQ
331.00	MAINS AND ACCESSORIES	110-R2	110-R2	110-R2
333.00	SERVICES	70-R2.5	70-R2.5	70-R2.5
334.00	METERS AND METER INSTALLATIONS	21-L1	21-L1	21-L1
335.00	FIRE HYDRANTS	75-R2.5	75-R2.5	75-R2.5

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

340.00	OFFICE FURNITURE AND EQUIPMENT			
	FURNITURE	20-SQ	20-SQ	20-SQ
	COMPUTERS AND PERIPHERAL EQUIPMENT	5-SQ	5-SQ	5-SQ
	COMPUTER SOFTWARE	5-SQ	5-SQ	5-SQ
	COMPUTER SOFTWARE - BUSINESS TRANSFORMATION	10-SQ	10-SQ	10-SQ
	OTHER OFFICE EQUIPMENT	10-SQ	10-SQ	10-SQ
341.00	TRANSPORATION EQUIPMENT			
	NOT CLASSIFIED	7-L3	7-L3	7-L3
	LIGHT DUTY TRUCKS	7-L3	7-L3	7-L3
	EQUIPMENT	7-L3	7-L3	7-L3
	AUTOS	7-L3	7-L3	7-L3
	OTHER	7-L3	7-L3	7-L3
342.00	STORES EQUIPMENT	20-SQ	20-SQ	20-SQ
343.00	TOOLS AND WORK EQUIPMENT	20-SQ	20-SQ	20-SQ
344.00	LABORATORY EQUIPMENT	20-L0.5	20-L0.5	20-L0.5
345.00	POWER OPERATED EQUIPMENT	19-S0.5	19-S0.5	19-S0.5
346.00	COMMUNICATION EQUIPMENT			
	EQUIPMENT	15-SQ	15-SQ	15-SQ
	NON-TELEPHONE	15-SQ	15-SQ	15-SQ
	REMOTE CONTROL AND INSTRUMENTATION	10-SQ	10-SQ	10-SQ
	TELEPHONE	10-SQ	10-SQ	10-SQ
347.00	MISCELLANEOUS EQUIPMENT	25-SQ	25-SQ	25-SQ
348.00	OTHER TANGIBLE EQUIPMENT	25-SQ	25-SQ	25-SQ

Notes and Source:

Col. A: 2022 PAWC Rate Case, Exhibit 11-A
Col. B: 2022 PAWC Rate Case, Exhibit 11-B
Col. C: 2022 PAWC Rate Case, Exhibit 11-C

26. For PAWC's current rate case, for water depreciation rates, please confirm that Gannett Fleming shows the following depreciation rates for each of the accounts listed in the following table. If any of this cannot be confirmed, please show what PAWC believes are the BASA depreciation rates that are being proposed in the current PAWC rate case based on the Gannett Fleming depreciation rate study for each of the following accounts in each period (HTY, FTY and FPFTY):

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

Account No.	Description	2022 Rate Case		
		December 31, 2021 (A)	December 31, 2022 (B)	December 31, 2023 (C)
303.14	WATER RIGHTS - HIBERNIA	25-SQ	25-SQ	25-SQ
303.35	WASTE HANDLING AND TREATMENT LAND	100-R2	100-R2	100-R2
303.99	COMPREHENSIVE PLANNING STUDIES	5-SQ	5-SQ	5-SQ
304.15	OTHER WATER SOURCE STRUCTURES	60-R1.5	60-R1.5	60-R1.5
304.20	POWER AND PUMING STRUCTURES			
	LARGE STRUCTURES	75-R2	75-R2	75-R2
	OTHER STRUCTURES	55-R3	55-R3	55-R3
304.30	PURIFICATION BUILDINGS			
	LARGE STRUCTURES	70-S0.5	70-S0.5	70-S0.5
	OTHER STRUCTURES	60-R3	60-R3	60-R3
304.36	WASTE HANDLING AND TREATMENT STRUCTURES	60-S2.5	60-S2.5	60-S2.5
304.38	WASTE HANDLING AND TREATMENT STRUCTURES PAINTING	10-SQ	10-SQ	10-SQ
304.39	PURIFICATION BUILDINGS - TANK PAINTING	10-SQ	10-SQ	10-SQ
304.61	OFFICE BUILDINGS			
	LARGE STRUCTURES	55-R1.5	55-R1.5	55-R1.5
	OTHER STRUCTURES	50-R3	50-R3	50-R3
304.62	STORES, SHOP AND GARAGE BUILDINGS			
	LARGE STRUCTURES	55-S0.5	55-S0.5	55-S0.5
	OTHER STRUCTURES	45-R3	45-R3	45-R3
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	35-S0.5	35-S0.5	35-S0.5
305.00	COLLECTING AND IMPOUNDING RESERVOIRS			
	LARGE RESERVOIRS	125-R2	125-R2	125-R2
	OTHER RESERVOIRS	75-R3	75-R3	75-R3
306.00	LAKE, RIVER AND OTHER INTAKES			
	LARGE RESERVOIRS	55-S1	55-S1	55-S1
	OTHER RESERVOIRS	50-S0.5	50-S0.5	50-S0.5
307.00	WELLS AND SPRINGS	55-S0	55-S0	55-S0
310.00	POWER GENERATION EQUIPMENT	43-S1	43-S1	43-S1
	PUMPING EQUIPMENT			
311.20	ELECTRIC	42-S0	42-S0	42-S0
311.50	OTHER	42-S0	42-S0	42-S0
311.52	SOURCE OF SUPPLY	42-S0	42-S0	42-S0
311.53	WATER TREATMENT	42-S0	42-S0	42-S0
311.54	TRANSMISSION AND DISTRIBUTION	42-S0	42-S0	42-S0
	PURIFICATION SYSTEM			
320.10	LARGE STRUCTURES			
	LARGE STRUCTURES	60-S0.5	60-S0.5	60-S0.5
	OTHER STRUCTURES	55-R3	55-R3	55-R3
320.18	LARGE STRUCTURES PAINT	10-SQ	10-SQ	10-SQ
320.19	LARGE STRUCTURES PAINT	10-SQ	10-SQ	10-SQ
320.20	CHEMICAL TREATMENT	36-R0.5	36-R0.5	36-R0.5
320.29	CHEMICAL TREATMENT PAINT	FULLY ACCRUED	FULLY ACCRUED	FULLY ACCRUED
320.30	GRANULAR ACTIVATED CARBON	7-L2	7-L2	7-L2
320.37	WASTE HANDLING AND TREATMENT - EQUIPMENT	30-R3	30-R3	30-R3
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	65-S0.5	65-S0.5	65-S0.5
330.10	ELEVATED TANKS AND STANDPIPES	65-S0.5	65-S0.5	65-S0.5
330.20	GROUND LEVEL FACILITIES	65-S0.5	65-S0.5	65-S0.5
330.30	BELOW GRADE FACILITIES	65-S0.5	65-S0.5	65-S0.5
330.40	CLEARWELL	65-S0.5	65-S0.5	65-S0.5
330.58	DISTRIBUTION RESERVOIRS AND STANDPIPES - PAINTING	10-SQ	10-SQ	10-SQ
330.59	DISTRIBUTION RESERVOIRS AND STANDPIPES - PAINTING	10-SQ	10-SQ	10-SQ
331.00	MAINS AND ACCESSORIES	110-R2	110-R2	110-R2
333.00	SERVICES	70-R2.5	70-R2.5	70-R2.5
334.00	METERS AND METER INSTALLATIONS	21-L1	21-L1	21-L1
335.00	FIRE HYDRANTS	75-R2.5	75-R2.5	75-R2.5

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

340.00	OFFICE FURNITURE AND EQUIPMENT			
	FURNITURE	20-SQ	20-SQ	20-SQ
	COMPUTERS AND PERIPHERAL EQUIPMENT	5-SQ	5-SQ	5-SQ
	COMPUTER SOFTWARE	5-SQ	5-SQ	5-SQ
	COMPUTER SOFTWARE - BUSINESS TRANSFORMATION	10-SQ	10-SQ	10-SQ
	OTHER OFFICE EQUIPMENT	10-SQ	10-SQ	10-SQ
341.00	TRANSPORATION EQUIPMENT			
	NOT CLASSIFIED	7-L3	7-L3	7-L3
	LIGHT DUTY TRUCKS	7-L3	7-L3	7-L3
	EQUIPMENT	7-L3	7-L3	7-L3
	AUTOS	7-L3	7-L3	7-L3
	OTHER	7-L3	7-L3	7-L3
342.00	STORES EQUIPMENT	20-SQ	20-SQ	20-SQ
343.00	TOOLS AND WORK EQUIPMENT	20-SQ	20-SQ	20-SQ
344.00	LABORATORY EQUIPMENT	20-L0.5	20-L0.5	20-L0.5
345.00	POWER OPERATED EQUIPMENT	19-S0.5	19-S0.5	19-S0.5
346.00	COMMUNICATION EQUIPMENT			
	EQUIPMENT	15-SQ	15-SQ	15-SQ
	NON-TELEPHONE	15-SQ	15-SQ	15-SQ
	REMOTE CONTROL AND INSTRUMENTATION	10-SQ	10-SQ	10-SQ
	TELEPHONE	10-SQ	10-SQ	10-SQ
347.00	MISCELLANEOUS EQUIPMENT	25-SQ	25-SQ	25-SQ
348.00	OTHER TANGIBLE EQUIPMENT	25-SQ	25-SQ	25-SQ

Notes and Source:

Col. A: 2022 PAWC Rate Case, Exhibit 11-A
Col. B: 2022 PAWC Rate Case, Exhibit 11-B
Col. C: 2022 PAWC Rate Case, Exhibit 11-C

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

27. For PAWC’s proposed acquisition of BASA in Docket No. A-2022-3037047, please confirm that Gannett Fleming used the following depreciation rates for each of the accounts listed in the following table. If any of this cannot be confirmed, please show what PAWC believes were the Gannett Fleming depreciation rates in the BASA acquisition case for each of the following accounts:

Account No.	Description	Survivor Curve
353.00	LAND AND LAND RIGHTS	NONDEPRECIABLE
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	65-R3
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT	70-R2.5
355.00	POWER GENERATION EQUIPMENT	30-S2
360.10	FORCE MAINS	70-R2.5
361.10	GRAVITY MAINS	65-R2.5
361.12	MANHOLES	60-R3
363.20	SERVICES TO CUSTOMERS	55-R2.5
364.30	METERS	30-L3
371.30	PUMPING EQUIPMENT	40-R1.5
371.40	GRINDER PUMP EQUIPMENT	10-R1.5
380.00	TREATMENT AND DISPOSAL EQUIPMENT	45-S0.5
382.00	OUTFALL SEWERS	70-R2.5
390.00	OFFICE FURNITURE AND EQUIPMENT	20-SQ
390.70	COMPUTERS AND PRINTERS	5-SQ
391.70	TRANSPORTATION EQUIPMENT	11-S1.5
395.70	POWER OPERATED EQUIPMENT	15-L2.5
396.00	COMMUNICATION EQUIPMENT	15-SQ
397.70	MISCELLANEOUS EQUIPMENT	15-SQ

Notes and Source:

PAWC-BASA Section 1329, Docket No. A-2022-3037047, Gannett Fleming Exhibit 7, page 3

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

28. For PAWC’s current rate case, for BASA sewer depreciation rates, please confirm that Gannett Fleming shows the following depreciation rates for each of the accounts listed in the following table. If any of this cannot be confirmed, please show what PAWC believes are the BASA depreciation rates that are being proposed in the current PAWC rate case based on the Gannett Fleming depreciation rate study for each of the following accounts in each period (HTY, FTY and FPFTY):

Account No.	Description	2023 Rate Case	
		June 30, 2024 (A)	June 30, 2025 (B)
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	45-R3	45-R3
354.30	STRUCTURES AND IMPROVEMENTS - SPP	55-S0	55-S0
354.40	STRUCTURES AND IMPROVEMENTS - TDP	55-S0	55-S0
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	35-S1	35-S1
355.00	POWER GENERATING EQUIPMENT	35-S0.5	35-S0.5
360.10	COLLECTION SEWERS - FORCE MAINS	75-R3	75-R3
361.10	COLLECTION SEWERS - GRAVITY MAINS	80-R2.5	80-R2.5
361.20	MANHOLES	50-S2.5	50-S2.5
363.00	SERVICES	47-R3	47-R3
364.00	FLOW MEASURING DEVICES	15-L2.5	15-L2.5
371.00	PUMPING EQUIPMENT	30-S0.5	30-S0.5
380.00	TREATMENT EQUIPMENT	35-S1.5	35-S1.5
382.00	OUTFALL SEWER LINES	50-R3	50-R3
390.00	OFFICE FURNITURE AND EQUIPMENT	20-SQ	20-SQ
390.20	COMPUTER AND PERIPHERAL EQUIPMENT	5-SQ	5-SQ
391.00	TRANSPORTATION EQUIPMENT	14-L4	14-L4
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	20-SQ
395.00	POWER OPERATED EQUIPMENT	22-R2	22-R2
396.00	COMMUNICATION EQUIPMENT	15-SQ	15-SQ
397.00	MISCELLANEOUS EQUIPMENT	15-SQ	

Notes and Source:

Col. A: 2023 PAWC Rate Case, Exhibit 11-G
Col. B: 2023 PAWC Rate Case, Exhibit 11-H

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

29. For PAWC’s proposed acquisition of Brentwood in Docket No. A-2021-3024058, please confirm that Gannett Fleming used the following depreciation rates for each of the accounts listed in the following table. If any of this cannot be confirmed, please show what PAWC believes were the Gannett Fleming depreciation rates in the Brentwood acquisition case for each of the following accounts:

Account No.	Description	Survivor Curve
353.20	LAND AND LAND RIGHTS	NONDEPRECIABLE
361.10	GRAVITY MAINS	70-R2.5
361.12	COLLECTION SEWERS - GRAVITY - MAINS RELINING	50-R2.5
361.20	GRAVITY MAINS MANHOLES	65-R3
363.20	SERVICES TO CUSTOMERS	60-R2.5

Notes and Source:

PAWC-Brentwood Section 1329, Docket No. A-2021-3024058, Gannett Fleming Exhibit 7, page 3

30. For PAWC’s current rate case, for BASA sewer depreciation rates, please confirm that Gannett Fleming shows the following depreciation rates for each of the accounts listed in the following table. If any of this cannot be confirmed, please show what PAWC believes are the BASA depreciation rates that are being proposed in the current PAWC rate case based on the Gannett Fleming depreciation rate study for each of the following accounts in each period (FTY and FPFTY):

Account No.	Description	2023 Rate Case	
		June 30, 2024 (A)	June 30, 2025 (B)
361.10	COLLECTION SEWERS - GRAVITY MAINS	80-R2.5	80-R2.5
361.20	MANHOLES	50-S2.5	50-S2.5
363.00	SERVICES	47-R3	47-R3
390.00	OFFICE FURNITURE AND EQUIPMENT	20-SQ	20-SQ
391.00	TRANSPORTATION EQUIPMENT	14-L4	14-L4
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	20-SQ

Notes and Source:

Col. A: 2023 PAWC Rate Case, Exhibit 11-I

Col. B: 2023 PAWC Rate Case, Exhibit 11-J

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

31. Please refer to the table below:

Account No.	Description	2023 Rate Case		
		June 30, 2023 (A)	June 30, 2024 (B)	June 30, 2025 (C)
304.20	POWER AND PUMING STRUCTURES LARGE STRUCTURES	75-S0.5	75-R2	75-R2
304.30	PURIFICATION BUILDINGS LARGE STRUCTURES	55-S1	70-S0.5	70-S0.5
304.36	WASTE HANDLING AND TREATMENT STRUCTURES	55-S1	60-S2.5	60-S2.5
304.61	OFFICE BUILDINGS LARGE STRUCTURES	55-S0	55-R1.5	55-R1.5
305.00	COLLECTING AND IMPOUNDING RESERVOIRS LARGE RESERVOIRS	130-R2	125-R2	125-R2
306.00	LAKE, RIVER AND OTHER INTAKES LARGE RESERVOIRS	55-S1.5	55-S1	55-S1
320.10	PURIFICATION SYSTEM LARGE STRUCTURES LARGE STRUCTURES	50-S1	60-S0.5	60-S0.5

Notes and Source:

Col. A: 2023 PAWC Rate Case, Exhibit 11-A
Col. B: 2023 PAWC Rate Case, Exhibit 11-B
Col. C: 2023 PAWC Rate Case, Exhibit 11-C

- a) Please explain fully and in detail why the survivor curve changed from 2023 to 2024 and 2025 for each of the accounts in the table above.
- b) Please explain fully and in detail why the useful lives changed from 2023 to 2024 and 2025 for each of the accounts in the table above.

Pa. P.U.C. v. Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Interrogatories of the Office of Consumer Advocate to PAWC
Set 26

32. Please refer to the table below and explain fully and in detail why the useful lives changed for each of the following accounts:

Account No.	Description	2022 Rate Case December 31, 2023 (A)	2023 Rate Case June 30, 2023 (B)
304.15	OTHER WATER SOURCE STRUCTURES	60-R1.5	50-S0.5
304.30	PURIFICATION BUILDINGS LARGE STRUCTURES	70-S0.5	55-S1
304.36	WASTE HANDLING AND TREATMENT STRUCTURES	60-S2.5	55-S1
305.00	COLLECTING AND IMPOUNDING RESERVOIRS LARGE RESERVOIRS	125-R2	130-R2
320.10	PURIFICATION SYSTEM LARGE STRUCTURES LARGE STRUCTURES	60-S0.5	50-S1
320.20	CHEMICAL TREATMENT	36-R0.5	42-R0.5
331.00	MAINS AND ACCESSORIES	110-R2	90-R2
333.00	SERVICES	70-R2.5	65-R2.5
335.00	FIRE HYDRANTS	75-R2.5	60-R2

Notes and Source:

Col. A: 2022 PAWC Rate Case, Exhibit 11-C

Col. B: 2023 PAWC Rate Case, Exhibit 11-A