

COMMONWEALTH OF PENNSYLVANIA
(Public Utility Commission)

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PENNSYLVANIA PUBLIC UTILITY :
COMMISSION : Case No.:
Complainant, : R-2023-3042804
vs. : R-2023-3042805
COMMUNITY UTILITIES OF :
PENNSYLVANIA :
Respondent. :
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Pages 270 through 377 IN-PERSON HEARING
The Glen at Tamiment
Community Center
314 Under Hill Drive
Tamiment, PA 18371

Thursday, February 1, 2024
Met, pursuant to notice, at 6:00 p.m.

BEFORE: THE HONORABLE ALPHONSO ARNOLD, III
THE HONORABLE STEVEN K. HAAS

Administrative Law Judges

INDEX TO EXHIBITS
Docket Nos.: R-2023-3042804; R-2023-3042805
Hearing Date: February 1, 2024

EXHIBITS INDEX

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Public Input Hearing Exhibit No. 9

NIM 9
Ex



October 27, 2021

Fire Chief
Bushkill Volunteer Fire Dept.
124 Evergreen Dr
PO Box 1206
Bushkill, PA 18324-1206

Dear Chief:

As you are likely aware, Community Utilities of Pennsylvania which provides water service within the boundary map enclosed to the Tamiment community, **does not provide fire flow protection to the customers of this water system.** The water service delivered to these customers is provided by groundwater wells. The water system was not designed to meet fire flow standards. Per State Statute, water systems that provide fire flow must meet certain requirements including water main sizes, water storage, capacity, and/or pressure. Community Utilities of Pennsylvania - Tamiment was not designed, nor does it operate, with these specifications. Therefore, any hydrants within the water system are intended to serve for **maintenance purposes ONLY** for utility personnel such as for flushing efforts, water quality control, etc.

In addition, we ask the fire department staff to communicate with us prior to any planned fire department exercises within the water system to allow for proper planning by the utility.

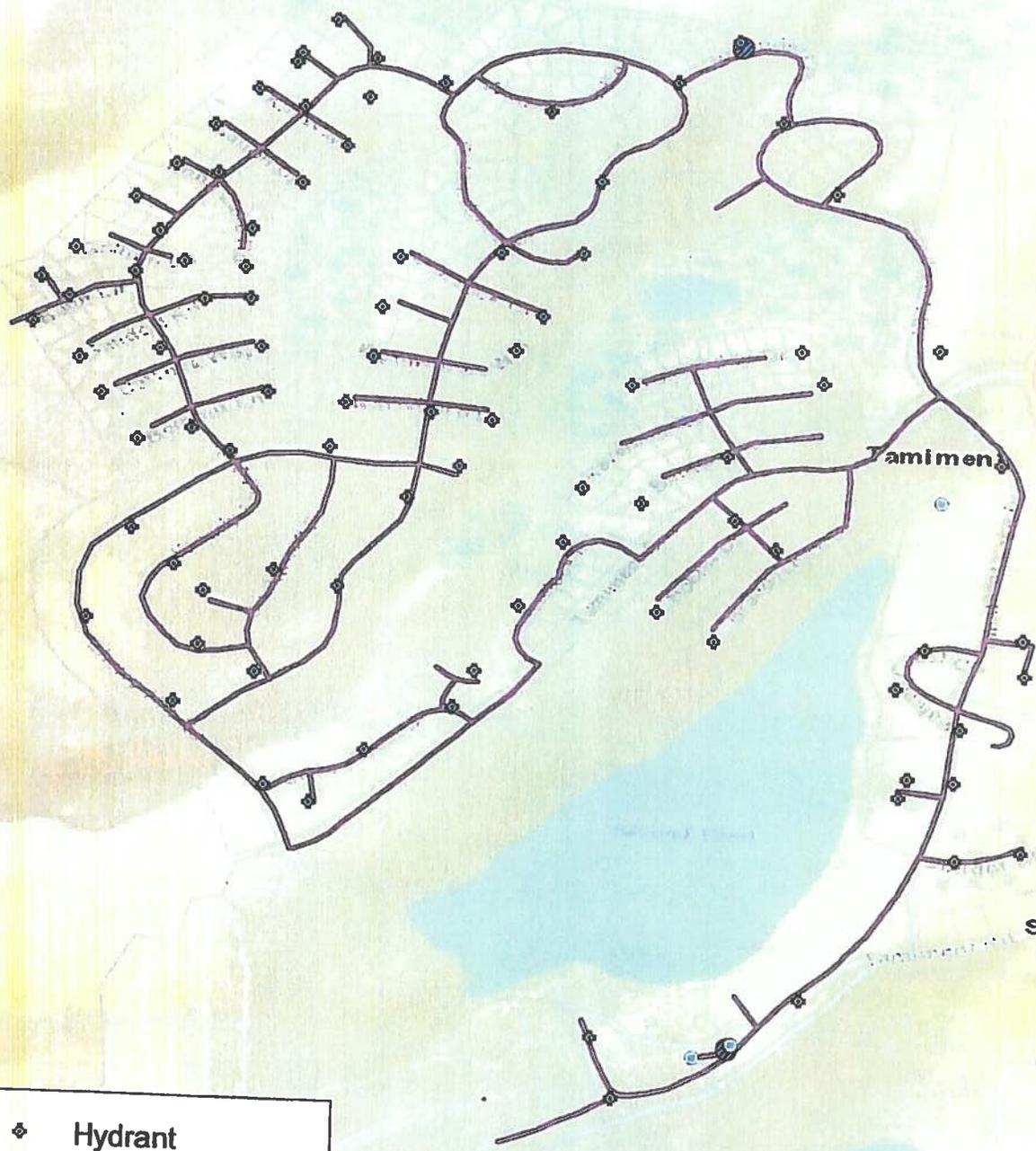
We appreciate the service and effort of the local fire department. We would be happy to discuss this further and/or conduct a site visit if needed. Please contact our office with any questions or concerns.

Sincerely,

A handwritten signature in cursive script that reads "Emily A. Long".

Emily A. Long
State Manager
Community Utilities of PA - Tamiment
570-213-1447

Utilities Inc of Tamiment Water System



Lehman

Tamiment

Sandyville

◆ Hydrant
○ Well
● Tank

Material
— Polyvinyl Chloride

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Public Input Hearing Exhibit No. 10

11410

Christ R Nielsen
513 GANDOLF RD
TAMIMENT PA 18371
570-431-0727 / 239-222-1527
C.Nielsen4u@yahoo.com

THE GLEN AT TAMIMENT, PA [Utilities of Pennsylvania]

Dec. 10, 2023

MATTERS OF CONCERN TO INVESTIGATE C.U.PA [CUPA] WATER AND WASTEWATER RATE INCREASE REQUEST: CASES

R-2023-3042804 and R-2023-3042805

1. Separate customer complaints are isolated from the group's overall visual problem of rate increases for all customers. The proposed base water usage rate is a 340 percent increase since 2021 and the proposed wastewater base rate is a 111 percent increase since 2021. How is that defensible?
2. Increasing the BASE RATE per METER is a disincentive for conserving water consumption for life-sustaining resources and the hope of cutting homeowner expenses on its own. The average water bill for the state of Pennsylvania is \$31 monthly. The average customer bill for 3,400 gallons of monthly use with this proposed rate increase will be \$212.72 monthly *for u.s.*
3. There seems to be no visible individual customer equity measurement in rate setting structure- only costs and revenues for the company.
4. How will the merged/acquired company's overhead not be a part of the forecasted costs for calculating the proposed rates? It doesn't appear that the acquisition of the accounting firm is factored into the overhead projections correctly.
5. *Why* is the lack of FIRE PROTECTION capacity/over-build calculations affecting the rate charge calculation method of choice per AWWA M1 procedures for the new rates. The past included fire protection as a configuration feature. The Glen at Tamiment customers do not have fire protection *but is used as rate request.*
6. Prior Rate Increase Requests included FIRE PROTECTION capacities with Capital and O&M costs for our community. This likely resulted in years of overbilling for a configuration not installed nor supported as equipment. The *R-2021-3025206 AND 5207* are relevant. # *5206* states in data 61 HYDRANTS are for FIRE PROTECTION on pages 23,24 financial. Our hydrants are all painted yellow and this would indicate they are Class B, 500-1000 GPM flow capable per

53pg Rate Request

household but certainly not in a higher-income township or community with an average per capita income below \$30,000.

10. During our community meeting with CUPA management and skilled labor in November a question was asked about what code or standard of service the company used in our water delivery. No one on the CUPA panel answered what their measures of successful water delivery service standards were. [Attestant #4, Emily Long and Attestant #5, Amber Capwen were both present.] *PA+ NJ OPS MGR. as were other executives and service maintenance persons.*

11.

Rate filing Testimony # 8 by Matthew R. Howard CRRA [pdf pg 705] starts with optimistic EQUITY, but refers only to a discussion of capital and cost of equity NOT for our community but for comparable risk enterprises.

The M1 manual 5th edition, Value of Service Pricing (pgs. 161-164) chapter is clear. It is a complicated method and involves customer's perception and values:

Reading from their manual

"Some forms of value of service pricing might be considered highly inequitable in terms of their effects on different customer groups. For example, pricing approaches that allocate costs to the least price-elastic (or most captive) customers might be considered inequitable."

We as a community are most captive. The inability to seek other sources of this life sustaining resource is a problem and also adversely affects home values as it becomes known and the lack of fire protection service water contributes to a downward pressure. The new ^{600 GPM} well is only certified for 300 GPM and Class B hydrants require 500-1000 GPM to qualify.

12.

Our HOA does not allow water well drilling or septic systems and despite extensive amateur community activism the rules/CCRs still stand. We live in the protected Bushkill Watershed area and have some of the highest quality rated streams in the state. *Even with this* ~~the fact~~ we have only one source of this life-sustaining resource- a single for-profit company...no choice and no alternative. CUPA. For this vital utility to be granted such a ludicrous increase **is** unconscionable and monopolistic.

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Public Input Hearing Exhibit No. 11

PIA Ex 11

micragnov / 1699076

Desktop

Community Utilities of Pennsylvania Inc.

Water Operations

Operating Revenue for the Base Year Ended December 31, 2020 Under Present Rates, the Future Test Year Ended December 31, 2021, and the FPFTY Ended December 31, 2022. Under Present Rates. Answer to 52 Pa. Code 53.52 (b)(2)

Customer Classification	Base Year Ended 12/31/2020	Pro-forma Revenue at Present Rates Future Test Year Ended 12/31/2021	Pro-forma Revenue at Present Rates FPFTY Ended 12/31/2022
<u>Volumetric Revenue</u>			
Residential	\$ 1,312,552	\$ 1,294,307	\$ 1,276,316
Commercial	18,296	18,041	17,806
Total Volumetric Revenue	<u>1,330,847</u>	<u>1,312,349</u>	<u>1,294,122</u>
<u>Flat/Base Rate Revenue</u>			
Residential	\$ 687,585	\$ 687,585	\$ 687,585
Commercial	17,562	17,562	17,562
Availability	35,394	35,394	35,394
Total Flat Rate Revenue	<u>765,372</u>	<u>765,372</u>	<u>765,372</u>
Forfeited Discounts	(1,407)	6,137	6,137
Miscellaneous Service Revenues	4,905	3,810	3,810
Purchased Services			
Accruals	(56,290)		
Total Operating Revenues	<u>\$ 2,043,427</u>	<u>\$ 2,087,668</u>	<u>\$ 2,069,441</u>



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Community Utilities of Pennsylvania Inc.
 Water Operations

Number of Customer Equivalents served at December 31, 2020,
 and the Future Test Year Ended December 31, 2021, and FPFTY Ended December 31, 2022
 Answer to 52 Pa. Code 53.52 (b)(3)

Water Operations	Total Customers 12/31/2020	Pro-forma Customers 12/31/2021	Pro-forma Customers 12/31/2022
[1]			
Customers			
Residential	3,191	3,191	3,191
Commercial	50	50	50
School	0	0	0
Availability	110	110	110
Fire Hydrant (# of Hydrants)	61	61	61
Total Flat Rate Customers	3,412	3,412	3,412

PIH Ex \$ 12

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Public Input Hearing Exhibit No. 13





