



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

March 13, 2024

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. M-2024-3047018
Utility Code 212285

ELIZABETH ROSE TRISCARI ESQUIRE
PENNSYLVANIA AMERICAN WATER COMPANY
852 WESLEY DRIVE
MECHANICSBURG PA 17055
ELIZABETH.TRISCARI@AMWATER.COM

RE: Pennsylvania-American Water Company 2023 Annual Asset Optimization Plan at
Docket No. M-2024-3047018

Dear Attorney Triscari:

On February 29, 2024, Pennsylvania-American Water Company (PAWC) filed the above-captioned document with the Pennsylvania Public Utility Commission (Commission). For the Commission to complete its analysis of the filing, please respond with the information requested in the attached document.

Please forward the information to the Secretary of the Commission at the address listed below **within ten (10) business days** from the date of this letter. All documents requiring notary stamps must have original signatures. The Commission strongly encourages submission through efilings with the Secretary of the Commission by opening an efilings account through the Commission website and accepting eservice at <https://efiling.puc.pa.gov>. The Commission is accepting all public documents through our efilings system at this time.

If your filing contains confidential material, you are required to either file by overnight delivery or submit to the Secretary's Share Point File system to ensure the timely filing of your submission. Filers should contact the Secretary's Bureau in advance to gain access to the Share Point File system. Make sure to reference the Docket Number listed above when filing your response. The overnight address for hard-copy or confidential responses is:

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

Please note your answers must be verified per 52 Pa. Code § 1.36. Accordingly, you must provide the following statement with your responses:


I, [print name of appropriate company representative], hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Signature _____
Title _____
Date _____

Please contact the below staff person if any problems should arise that prevent a full response within ten business days or if any clarification of these data requests is needed. Please mark the materials “CONFIDENTIAL” in bold or highlighted manner if any of the requested information is deemed to be of a confidential nature.

In addition, to expedite completion of the review, please send a copy of the response to Paul Zander, in the Water/Wastewater Section of the Bureau of Technical Utility Services via e-mail at pzander@pa.gov. Please also direct any questions to Paul Zander at telephone number (717) 783-1372. Thank you in advance for your cooperation.

Sincerely,



Rosemary Chiavetta
Secretary

Enclosure: TUS Data Request Set 1

cc: Patrick Cicero, Office of Consumer Advocate (w/enclosure), ra-oca@paoca.org
Christine Hoover, Office of Consumer Advocate (w/enclosure), choover@paoca.org
NazAarah Sabree, Office of Small Business Advocate (w/enclosure), ra-sba@pa.gov
Allison Kaster, Bureau of Investigation & Enforcement (w/enclosure), akaster@pa.gov

TUS Data Request Set 1

Pennsylvania-American Water Company 2023 Annual Asset Optimization Plan at Docket No. M-2024-3047018

Note: Please restate the data request prior to providing a response. In addition, provide the name and title of the person(s) providing the response and/or information for each data request.

- M-1. The Commission's Order entered October 3, 2019, at Docket No. P-2017-2606100 (October 2019 Order), Ordering Paragraph No. 4, directed that PAWC's Annual Asset Optimization Plan (AAOP) filings shall include the number of Company-owned and customer-owned lead service pipes (LSPs) replaced regarding Parts 1 and 2 of PAWC's plan to replace customer-owned LSPs (Replacement Plan). PAWC's 2023 AAOP did not quantify the number of Company-owned LSPs replaced in coordination with either Part of PAWC's Replacement Plan. Please provide responses for each of the following:
- a. Provide a revised Table 8 that quantifies the number of Company-owned LSPs replaced in coordination with each Part of PAWC's Replacement Plan, respectively;
 - b. Quantify the capital expenditures for replacing Company-owned LSPs during the reporting period of December 2022 through November 2023; and
 - c. Specify whether the values provided in response to Data Request M-1.b. are included in PAWC's investments identified in the AAOP and, if so, whether these values are booked with investments in services that are separate and distinct from investments in customer-owned LSP replacements.
- M-2. In PAWC's 2022-2026 LTIP filed at Docket No. P-2021-3028300, Appendix B, PAWC projected spending \$30 million to replace 5,246 customer-owned LSPs. In its 2022 AAOP, Page 9, PAWC indicated that it spent \$1,605,740 to replace 186 customer-owned LSPs. Also, PAWC's Revised Table 10 filed on April 19, 2023, at Docket M-2023-3038632 specified that for 2023, PAWC projected spending \$5,948,145 to replace 650 customer-owned LSPs. However, PAWC's 2023 AAOP, Table 8 noted that in 2023 PAWC spent \$2,658,988 to replace 302 customer-owned LSPs. In addition, PAWC's 2023 AAOP, Table 10 specified that for 2024, PAWC projected spending \$5,952,180 to replace 650 customer-owned LSPs. Therefore, assuming that PAWC does not continue to spend and replace less than half of its projected amounts, PAWC will have spent \$10,216,908 ($\$1,605,740 + \$2,658,988 + \$5,952,180 = \$10,216,908$) to replace 1,138 customer-owned LSPs by the end of the third year of its five-year LTIP. Please provide responses for each of the following:
- a. Based on PAWC's current and most probable future customer-owned LSP replacement rate, please quantify any changes to the committed \$30 million investment by PAWC in customer-owned LSP replacements during PAWC's current LTIP period; and
 - b. Please quantify any changes to the committed number of customer-owned LSP replacements by PAWC during PAWC's current LTIP period.

TUS Data Request Set 1

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- M-3. In PAWC's 2023 AAOP, Lead Service Lines, PAWC indicated it completed a paid media customer education campaign (Media Campaign), which included TV/cable, Hulu, YouTube, digital audio and social media geotargeted to customers in its service territory. Please quantify the total expenditure for the Media Campaign and indicate whether Media Campaign expenses were included as part of investments identified in the AAOP.