



**Teresa K. Harrold**  
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VIA eFiling

March 27, 2024

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

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

Dear Secretary Chiavetta:

On March 13, 2024, Pennsylvania-American Water Company received Data Request Set 1 from the Bureau of Technical Utility Services for the above-referenced 2023 Water Annual Asset Optimization Plan.

Attached are the Company's responses to the data request. If you have any questions, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Teresa K. Harrold", with a stylized flourish at the end.

Teresa K. Harrold

Enclosures

cc: Certificate of Service  
Paul Zander, Bureau of Technical Utility Services VIA E-Mail at [pzander@pa.gov](mailto:pzander@pa.gov)

Pennsylvania-American Water Company's Responses to the  
Bureau of Technical Utility Services Data Request Set 1

Docket No. M-2024-3047018

2023 Annual Water Asset Optimization Plan

TUS-1-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;

Response: A revised and updated Table 8 showing Lead Service Line Replacements in each Part of PAWC's Replacement Plan in the attached Exhibit TUS-1-M-1a.

b. Quantify the capital expenditures for replacing Company-owned LSPs during the reporting period of December 2022 through November 2023; and

Response: The capital expenditure for replacing the 551 Part 1 and Part 2 Company-owned LSPs is estimated to be \$1.226M based on an average cost to replace Company side services of \$2,225.

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.

Response: The capital expenditures to replace Company-owned LSPs are included in the service replacement cost in Table 5 of the AAOP and the Company-owned LSP replacement counts are included in the service counts in Table 7 of the AAOP. These Company-side LSP replacements are booked with investments in services that are separate and distinct from investments in customer-owned LSPs.

Name: Christopher A. Graf  
Title: Engineering Manager, Planning  
Pennsylvania-American Water Company

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TUS-1-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

Response: PAWC intends to continue to accelerate the rate of LSP replacement and investment. Based on current estimates, PAWC believes it will meet or exceed the committed \$30 million investment in customer-owned LSPs by the end of 2026.

- b. Please quantify any changes to the committed number of customer-owned LSP replacements by PAWC during PAWC's current LTIP period.

Response: See the table below for PAWC's estimated acceleration of LSP replacement.

Year	Customer LSP Replacements	Customer LSP Replacement Investment	Average Cost per LSP replaced
2022	186	\$1,605,740	\$8,633.01
2023	302	\$2,658,988	\$8,804.60
2024	650	\$5,952,180	\$9,157.20
2025	1000	\$9,431,916	\$9,431.92
2026	1544	\$15,000,000	\$9,714.87
TOTAL	3682	\$34,648,824	

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TUS-1-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.

Response: The cost of the media campaign was not included in the investments identified in the AAOP. The total expenditure of the Company's media campaign in 2023 was approximately \$5,400.

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Title: Engineering Manager, Planning  
Pennsylvania-American Water Company

Exhibit TUS-1-M-1.a – Revised Table 8

District	PWSID	Total CUSTOMER "Lead Replacements"			Total COMPANY "Lead Replacements"		
		Part 1	Part 2	TOTAL	Part 1	Part 2	TOTAL
Abington	PA2359001	-	1	1	-	3	3
Bangor	PA3480038	-	-	-	-	3	3
Berwick	PA4190013	-	2	2	-	1	1
Brownsville	PA5260005	-	-	-	-	-	-
Butler	PA5100012	1	-	1	5	4	9
Clarion	PA6160001	-	-	-	1	1	2
Coatesville	PA1150106	-	-	-	-	5	5
Connellsville	PA5260022	-	-	-	-	-	-
Ellwood	PA6370011	-	-	-	-	-	-
Frackville	PA3540032	2	3	5	2	-	2
Glen Alsace	PA3060088	-	-	-	-	-	-
Hershey	PA7220017	31	-	31	14	2	16
Hickory	PA2520034	-	-	-	-	-	-
Indiana	PA5320025	-	-	-	-	-	-
Kane	PA6420019	-	-	-	-	-	-
Kittanning	PA5030008	3	-	3	-	-	-
Lake Heritage	PA7010035	-	-	-	-	-	-
Lake Winola	PA2660004	-	-	-	-	-	-
Marcel Lakes/Silver	PA2520035	-	-	-	-	-	-
McEwensville	PA4490298	-	-	-	-	-	-
McMurray		4	1	5	76	5	81
Mechanicsburg	PA7210029	-	-	-	-	3	3
Milton	PA4490023	1	1	2	-	1	1
Montrose	PA2580023	-	-	-	-	-	-
MonValley		11	1	12	14	7	21
Nazareth	PA3480055	-	-	-	-	7	7
New Castle	PA6370034	3	3	6	2	9	11
Nittany	PA4140081	-	-	-	-	-	-
Norristown	PA1460046	4	5	9	-	3	3
Philipsburg	PA4140087	1	2	3	1	2	3
Pine Ridge	PA2520096	-	-	-	-	-	-
Pittsburgh	PA5020039	46	94	140	187	97	284
Pocono	PA2450063	2	-	2	-	-	-
Punxsutawney	PA6330010	34	3	37	17	3	20
Royersford	PA1150166	-	1	1	-	-	-
Saw Creek	PA2520062	-	-	-	-	-	-
Scranton	PA2359001	25	48	73	8	43	51
Steelton	PA7220036	-	-	-	-	-	-
Susquehanna/Hallstead	PA2580024	-	2	2	-	3	3
Turbotville	PA4490016	-	-	-	-	-	-
Uniontown	PA5260020	1	1	2	3	11	14
Warren	PA6620020	-	-	-	-	8	8
Wyomissing	PA3060069	16	-	16	-	-	-
Yardley	PA1090074	-	-	-	-	-	-
		<b>185</b>	<b>168</b>	<b>353</b>	<b>330</b>	<b>221</b>	<b>551</b>

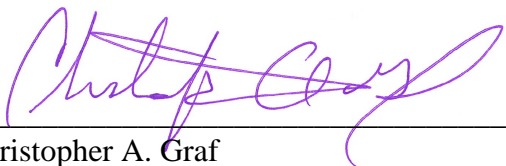
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VERIFICATION

I, CHRISTOPHER A. GRAF, hereby state that the facts set forth in Pennsylvania-American Water Company's Responses, and accompany exhibits, if any, to the Bureau of Technical Utility Services, Set 1, dated March 13, 2024, are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Dated: March 27, 2024

  
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Christopher A. Graf  
Engineering Manager, Planning  
Pennsylvania-American Water Company

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of **Pennsylvania-American Water Company's Responses to the Bureau of Technical Utility Services Data Request Set 1**, upon the parties listed below, in the manner specified below, in accordance with the requirements of 52 Pa. Code § 1.54:

**VIA Electronic Delivery**

Allison Kaster  
Director and Chief Prosecutor  
PA Public Utility Commission  
Bureau of Investigation and Enforcement  
400 North Street, 2<sup>nd</sup> Floor West  
Harrisburg, PA 17120  
[akaster@pa.gov](mailto:akaster@pa.gov)

Patrick Cicero  
Consumer Advocate  
Pennsylvania Office of Consumer Advocate  
555 Walnut Street  
5<sup>th</sup> Floor, Forum Place  
Harrisburg, PA 17101-1923  
[ra-oca@paoca.org](mailto:ra-oca@paoca.org)

NazAarah Sabree  
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PA Office of Small Business Advocate  
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Date: March 27, 2024



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