



April 1, 2024

VIA E-FILE AND FIRST CLASS MAIL

Jonathan P. Nase

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

Re: Pa. Pub. Util. Comm'n *et al.* v. Greater Hazleton Community Area New Development Organization, Inc. t/a CAN DO, Inc.; Docket Nos. R-2023-3040151, R-2023-3040153 *et al.*

Joint Petition for Approval of Settlement of Rate Proceeding

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission is the Joint Petition for Approval of Settlement of Rate Proceeding in the above-referenced matter. Copies are being served in accordance with the attached Certificate of Service.

Thank you for your attention to this matter. Please contact me if you have any questions or concerns.

Sincerely,

COZEN O'CONNOR

By: Jonathan P. Nase
Counsel for *CAN DO, Inc.*

JPN
Enclosures

cc: Honorable Administrative Law Judge Conrad A. Johnson
Per Certificate of Service
Michael D. Klein, Esq.
Joseph Lettiere, President and CEO – CAN DO, Inc.
Patricia Gendler, Chief Financial Officer – CAN DO, Inc.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	R-2023-3040151 (Wastewater)
Office of Small Business Advocate	:	C-2023-3044243
Office of Consumer Advocate	:	C-2023-3044570
	:	
v.	:	
	:	
Greater Hazleton Community Area	:	
New Development Organization, Inc.	:	
t/a CAN DO, Inc.	:	
	:	

Pennsylvania Public Utility Commission	:	R-2023-3040153 (Water)
Office of Small Business Advocate	:	C-2023-3044253
Spears Mfg. Hazle Township	:	C-2023-3044287
Office of Consumer Advocate	:	C-2023-3044571
	:	
v.	:	
	:	
Greater Hazleton Community Area	:	
New Development Organization, Inc.	:	
t/a CAN DO, Inc.	:	
	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this 1st day of April, 2024, served a true copy of the foregoing **Joint Petition for Approval of Settlement of Rate Proceeding** upon the parties listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA E-MAIL AND FIRST CLASS MAIL:

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Brian Kalcic
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Respectfully,



Jonathan P. Nase, Esq.
Counsel for *CAN DO, Inc. (Water Division)*

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**ADMINISTRATIVE LAW JUDGE
CONRAD A. JOHNSON**

Pennsylvania Public Utility Commission	:	R-2023-3040151 (Wastewater)
Office of Small Business Advocate	:	C-2023-3044243
Office of Consumer Advocate	:	C-2023-3044570

v.

Greater Hazleton Community Area
New Development Organization, Inc.
t/a CAN DO, Inc.

Pennsylvania Public Utility Commission	:	R-2023-3040153 (Water)
Office of Small Business Advocate	:	C-2023-3044253
Spears Mfg. Hazle Township	:	C-2023-3044287
Office of Consumer Advocate	:	C-2023-3044571

v.

Greater Hazleton Community Area
New Development Organization, Inc.
t/a CAN DO, Inc.

**JOINT PETITION FOR APPROVAL OF
SETTLEMENT OF RATE PROCEEDING**

The Greater Hazleton Community Area New Development Organization, Inc. t/a CAN DO, Inc. (“CAN DO”), the Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission (“Commission”), and the Office of Small Business Advocate

(“OSBA”) (singularly a “Petitioner” and collectively the “Joint Petitioners”)¹ hereby join in this Joint Petition for Approval of Settlement of Rate Proceeding (the “Settlement”) and respectfully request that the Honorable Administrative Law Judge Conrad A. Johnson (the “ALJ”) recommend approval of, and the Pennsylvania Public Utility Commission (“Commission”) approve, this Settlement without modification. The Joint Petitioners also request that the ALJ and the Commission expedite consideration of this matter.

In support of the Settlement, the Joint Petitioners state the following:

I. Procedural History

On November 3, 2023, CAN DO filed proposed modifications to its wastewater tariff. This filing received Docket No. R-2023-3040151. Also on November 3, 2023, CAN DO filed its proposed water rate increase and tariff modifications. This filing received Docket No. R-2023-3040153.

On November 15, 2023, CAN DO re-filed its wastewater tariff to make minor language/formatting corrections at the request of Commission staff. Also on November 15, 2023, the Commission’s Bureau of Technical Utility Services (“TUS”) served data requests on CAN DO, which CAN DO answered on December 1, 2023.

On November 10, 2024, Daniel E. Sabo filed a formal complaint against the rate increase on behalf of Spears Mfg. Hazle Township (“Spears”). By e-mail of December 11, 2023 directed to the ALJ and counsel for CAN DO, Mr. Sabo indicated that Spears wished to withdraw its formal complaint.

On November 15, 2023, OSBA filed a Complaint, Public Statement and Verification. The OSBA is represented by Steven C. Gray, Esq. On November 28, 2023, Michael A. Podskoch, Jr.,

¹ The only other party to this proceeding, the Office of Consumer Advocate (“OCA”) does not join, but does not object to, the Settlement.

Esq., entered his appearance on behalf of I&E. On December 4, 2023, the OCA filed a Formal Complaint and Public Statement. The OCA is represented by Melanie J. El Atieh, Esq.

On December 14, 2023, CAN DO filed a Petition for Protective Order (“Petition”). The Petition indicated that counsel for CAN DO had contacted counsel for the OCA, the OSBA and I&E and determined that none of those parties objected to the entry of the proposed protective order.

On December 21, 2023, the Commission suspended CAN DO’s wastewater and water tariffs and referred these matters to the Office of Administrative Law Judge (“OALJ”) for mediation or adjudication. CAN DO filed its wastewater and water suspension tariffs on December 22, 2023.

On December 22, 2023, the Commission issued a notice of a Telephonic Prehearing Conference to be held on January 4, 2024. The ALJ issued his Prehearing Conference Order on December 22, 2023. The Prehearing Conference was held as scheduled on January 4, 2024, and the ALJ issued his Prehearing Order on January 9, 2024. Among other things, this Order adopted a litigation schedule, consolidated CAN DO’s water and wastewater filings, and stated that Spears’ withdrawal request would be addressed in a separate order at Docket No. C-2023-3044287.

The parties served discovery, Direct Testimony, Rebuttal Testimony and Surrebuttal Testimony. Via e-mail of March 19, 2024, counsel for CAN DO advised the ALJ that CAN DO, the OSBA and I&E had reached a partial settlement, which was unopposed by OCA.

A hearing was held as scheduled on March 20, 2024. The Joint Petitioners stipulated to the introduction of written testimony and exhibits.

II. Settlement Terms

The Joint Petitioners agree as follows:

A. WATER

1. Revenue Requirement

a. Following entry of a Commission final order approving this Settlement, CAN DO, Inc. (Water Division) shall file a compliance tariff supplement, effective on one days' notice, with rates designed to produce additional annual water operating revenue of \$670,000.

b. It is recognized by the Joint Petitioners that this is a "black box" settlement that is a compromise of the Joint Petitioners' positions on various issues.

2. Rate Design

a. CAN DO will charge \$39.00 per month for 5/8" meters for commercial and industrial customers, with the resulting shortfall in revenues to be recovered by proportionally adjusting the Company's proposed customer charges for the remaining meter sizes applicable to commercial and industrial customers.

b. CAN DO will adjust its proposed usage charges for commercial and industrial customers in order to assign a system average increase to the Commercial and Industrial customers. All other customer classes shall also receive a system average increase, at the settlement revenue requirement level. Attachment A contains the proof of revenues at settlement rates. The Settlement Rates are shown in the proposed water tariff in Attachment B.

3. Payment Arrangement Program for Commercial and Industrial Customers

a. Within 30 days after entry of the Commission's final order in these proceedings, CAN DO agrees to meet with OSBA representatives to discuss a formal payment arrangement program for commercial and industrial customers.

4. Approval of Tariff

a. The Joint Petitioners agree that the water tariff attached as Attachment B should be approved.

5. Stay Out

a. CAN DO, Inc. (Water Division) will not file with the Commission a tariff or tariff supplement proposing a general increase in base rates earlier than two years from the effective date of the tariff supplement described in Paragraph 4.a., provided, however, that the foregoing provision shall not prevent CAN DO from filing a tariff or tariff supplement, pursuant to 52 Pa. Code §§ 69.361-364, for the recovery of principal and interest payments on any new PENNVEST loan(s). OSBA and I&E reserve their rights to fully address this tariff or tariff supplement.

B. WASTEWATER

1. Approval of Tariff

a. The Joint Petitioners agree that the wastewater tariff attached as Attachment C should be approved.

C. STANDARD SETTLEMENT CONDITIONS

1. The Joint Petitioners agree to jointly prepare and submit Joint Proposed Findings of Fact, Proposed Conclusions of Law, and Proposed Ordering Paragraphs. The Joint Petitioners further agree that the facts agreed to in the Joint Proposed Findings of Fact will be sufficient to find that the Settlement is in the public interest.

2. The Settlement is conditioned upon the Commission's approval of the terms and conditions contained in the Settlement without modification. If the Commission modifies the Settlement, any Petitioner may elect to withdraw from the Settlement and may proceed with

litigation and, in such event, the Settlement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission and served upon all Joint Petitioners within five (5) business days after the entry of an Order modifying the Settlement. The Joint Petitioners acknowledge and agree that the Settlement, if approved, shall have the same force and effect as if the Joint Petitioners had fully litigated this proceeding.

3. This Settlement is proposed by the Joint Petitioners to settle all issues in the instant proceedings. If the Commission does not approve the Settlement and the proceedings continue, the Joint Petitioners reserve their respective procedural rights, including the right to present testimony and to conduct full cross-examination, briefing and argument. The Settlement is made without any admission against, or prejudice to, any position which any Petitioner may adopt in the event of any subsequent litigation of these proceedings, or in any other proceeding.

4. The Joint Petitioners acknowledge that the Settlement reflects a compromise of competing positions and does not necessarily reflect any Petitioner's position with respect to any issues raised in these proceedings. This Settlement may not be cited as precedent in any future proceeding, except to the extent required to implement this Settlement.

5. Each Petitioner shall prepare a Statement in Support of Settlement setting forth the bases upon which the Petitioner believes the Settlement to be in the public interest.

6. If the ALJ recommends approval of the Settlement without modification, the Joint Petitioners will waive their rights to file Exceptions.

III. The Settlement is in the Public Interest

The Joint Petitioners submit that the Settlement is in the public interest because it: (i) provides for the maintenance of safe and adequate service at just and reasonable rates and (ii)

avoids the additional cost associated with litigation and the administrative burdens of continuing this proceeding.

IV. Request for Relief

WHEREFORE, the Greater Hazleton Community Area New Development Organization, Inc. t/a CAN DO, Inc., the Bureau of Investigation and Enforcement and the Office of Small Business Advocate, by their respective counsel, respectfully request:

1. That the Honorable Administrative Law Judge Conrad A. Johnson recommend approval of the Joint Petition for Approval of Settlement of Rate Proceeding, without modification.

2. That the Honorable Administrative Law Judge Conrad A. Johnson recommend, and that the Commission find, the rates, rules and regulations proposed in the attached water tariff to be just and reasonable.

3. That the Honorable Administrative Law Judge Conrad A. Johnson recommend, and that the Commission find, the rules and regulations proposed in the attached wastewater tariff to be just and reasonable.

4. That CAN DO (Water Division) shall not place into effect the rules, rates and regulations contained in Tariff Water – PA PUC No. 4.

5. That CAN DO (Wastewater Division) shall not place into effect the rules and regulations contained in Tariff Wastewater – PA PUC No. 4.

6. That the Commission authorize CAN DO (Water Division) to file a water tariff supplements containing revised rates, rules and regulations, to produce annual revenues not in excess of \$2,989,000, which is an increase over present revenues of \$670,000. The tariff will be in the form of Attachment B to the Settlement.

7. That the Commission authorize CAN DO (Wastewater Division) to file a wastewater tariff supplement containing revised rules and regulations, as shown in Attachment C to the Settlement.

8. That the Commission authorize the tariff supplements described in Paragraphs 6 and 7 to be filed on at least one (1) days' notice, to become effective for service rendered on and after the date of entry of the Commission's Opinion and Order.

9. That the Commission dismiss the following Formal Complaints filed against CAN DO (Water Division):

Office of Small Business Advocate	C-2023-3044253
Office of Consumer Advocate	C-2023-3044571
Daniel Sabo on behalf of Spears Mfg. (Hazle Township)	C-2023-30444287

10. That the Commission dismiss the following Formal Complaints filed against CAN DO (Wastewater Division):

Office of Small Business Advocate	C-2023-3044243
Office of Consumer Advocate	C-2023-3044570

11. That, upon Commission approval of the tariff supplement filed by CAN DO (Water Division) in compliance with the Commission's Opinion and Order in this matter, the investigation at Docket No. R-2023-3040153 shall be marked closed.

12. That, upon Commission approval of the tariff supplement filed by CAN DO (Wastewater Division) in compliance with the Commission's Opinion and Order in this matter, the investigation at Docket No. R-2023-3040151 shall be marked closed.

[Signatures appear on next page.]

Respectfully submitted,



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/s/ Steven C. Gray

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Counsel for *Bureau of Investigation and Enforcement*

APPENDIX A. PROPOSED FINDINGS OF FACT

PARTIES

1. Greater Hazleton Community Area New Development Organization, Inc. t/a/ CAN DO, Inc. (“CAN DO” or the “Company”) is a private, nonprofit 501(c)(6) economic development organization. It owns and operates a water system (Utility Code 211135) regulated by the Pennsylvania Public Utility Commission (“Commission”) and a Commission-regulated wastewater system (Utility Code 230123). The Water Division and the Wastewater Division are not separate corporations; they are part of a single corporation that is governed by a single Board of Directors and operates under a single federal identification number. CAN DO St. No. 1 at 3.

2. The Bureau of Investigation and Enforcement (“I&E”) is the prosecutory arm of the Pennsylvania Public Utility Commission (“Commission”) for purposes of representing the public interest in ratemaking and service matters, and enforcing compliance with the Pennsylvania Public Utility Code (“Code”) and Commission Regulations and Orders. I&E St. No. 1 p. 1; *Implementation of Act 129 of 2008; Organization of Bureaus and Offices*, Docket No. M-2008-2071852 (Order entered Aug. 11, 2011).

3. The Office of Small Business Advocate (“OSBA”) is a Commonwealth agency created by Act 181 of 1988 to represent the interests of small businesses before the Commission. 73 P.S. § 399.41.

4. The Office of Consumer Advocate (“OCA”) is a Commonwealth agency created by Act 161 of 1976 to represent the interests of consumers before the Commission. 71 P.S. § 309-2.

CAN DO'S WATER SYSTEM AND ITS WASTEWATER SYSTEM

5. CAN DO's water system provides service in the Humboldt Industrial Park (located partly in Hazle Township, Luzerne County and partly in East Union Township in Schuylkill County), the McAdoo Industrial Park (located in Banks Township, Carbon County) and the CAN DO Corporate Center (located in Butler Township, Luzerne County). CAN DO St. No. 1 at 4.

6. As of June 30, 2023, CAN DO's water system had 25 commercial customers, 93 industrial customers and 1 wholesale (sale for resale) customer. CAN DO's water system has no residential customers. CAN DO St. No. 1 at 4.

7. CAN DO's water tariff does not have a "commercial" class or an "industrial" class. CAN DO uses the term "commercial customer" to refer to a customer whose property is zoned for commercial use. CAN DO uses the term "industrial customer" to refer to a customer whose property is zoned for industrial use. CAN DO Statement No. 3 at 2.

8. CAN DO completes an American Water Works Association water audit each year. For calendar years 2020-2022, CAN DO's non-revenue water ranged from a low of 3.06% to a high of 7.54%. CAN DO St. No. 3 at 7.

9. During the last three years, no formal or informal complaints were filed at the Commission about the water system. CAN DO Statement No. 3 at 4.

10. CAN DO's wastewater system provides service in the Humboldt Industrial Park and the CAN DO Corporate Center. CAN DO's wastewater system serves 79 industrial customers and 24 commercial customers. The Company's wastewater system does not serve any wholesale customers, nor does it serve any residential customers. CAN DO St. No. 1 at 4.

11. CAN DO's wastewater tariff does not have a "commercial" class or an "industrial" class. CAN DO uses the term "commercial customer" to refer to a customer whose property is

zoned for commercial use. CAN DO uses the term “industrial customer” to refer to a customer whose property is zoned for industrial use. CAN DO Statement No. 3 at 2.

12. No Formal Complaints were filed at the Commission about the wastewater system during the last three years. Two informal complaints were filed, but they were both dismissed quickly because the complainants were not customers of CAN DO. CAN DO Statement No. 3 at 12.

CAN DO’S WATER RATE REQUEST

Background

13. The Water Division has increased water rates twice in the last 25 years: a 14% rate increase in 2009 and a \$40,000 rate increase in 2011. CAN DO St. No. 1 at 5.

Revenue Requirement

14. CAN DO’s HTY is July 1, 2022-June 30, 2023 and its FTY is July 1, 2023-June 30, 2024. CAN DO St. No. 4 at 6.

15. The Company’s pro forma revenues at present rates, for the year ended June 30, 2024, is \$2,319,000. CAN DO St. No. 4, Exhibit GDS-2 at Sheet No. 1a.

16. According to CAN DO’s rate study, at present rates, the Company would have net operating revenue of negative \$328,596 and net operating income of negative \$341,379 at June 30, 2024. CAN DO St. No. 4, Exhibit GDS-2 at Sheet No. 1a.

17. According to the Company’s rate study, CAN DO could have requested a rate increase of \$1,136,815, but the Company mitigated that rate increase so that it only requested an increase of \$999,900. CAN DO St. No. 4, Exhibit GDS-2 at Sheet No. 1a.

18. In Direct Testimony, I&E initially recommended a rate increase of \$218,585, which its witness testified would provide income available to CAN DO of \$484,683. I&E Statement No. 1 at 4.

19. In Rebuttal, the Company agreed to the OSBA's proposed rate schedule, CAN DO Statement 2-R at 12-13, which produces an increase in revenues of \$999,814. OSBA St. No. 1, Schedule BK-1.

20. In Surrebuttal Testimony, I&E recommended a rate increase of \$426,351, which its witness testified would yield income available of \$486,047. I&E Statement No. 1-SR at 3.

21. The Joint Petitioners compromised at a revenue requirement that will produce an increase in rates of \$670,000, Joint Petition for Settlement of Rate Proceeding ¶ II.A.1. This amount is between the amount requested by the Company and the amount proposed by I&E.

Revenue Allocation

22. CAN DO did not submit a cost of service study. CAN DO proposed an across-the-board rate increase of approximately the same amount as the overall revenue increase (43.1%). CAN DO St. No. 5 at 11; Supporting Schedule No. 4.

23. OSBA witness Kalcic testified that the Company has customers with 5/8" meters, but the tariff does not include a rate for a monthly charge for such meters. He proposed a monthly charge of \$39.00 per month, and he proposed that the resulting shortfall in revenues be recovered by proportionally adjusting the Company's proposed customer charges for the remaining meter sizes applicable to retail service. OSBA Statement No. 1 at 6-7.

24. CAN DO agreed to Mr. Kalcic's recommendation and proposed rate structure. CAN DO Statement No. 2-R at 2, 13.

25. I&E also agreed to the OSBA's rate structure proposal. I&E Statement No. 2-R at 9.

26. The Settlement proposes a proportionate scale-back in rates, based on the OSBA's proposed rate schedule in Exhibit BK-1. Joint Petition for Settlement of Rate Proceeding ¶ II.A.2 and Attachment A.

Formal Payment Arrangement Program

27. OSBA witness Kalcic recommended that CAN DO develop and implement a formal payment arrangement program for commercial and industrial customers. OSBA Statement No. 1 at 9-10.

28. CAN DO agreed to meet with OSBA to discuss this proposal. Settlement ¶ II.3.a.

CAN DO'S PROPOSED MODIFICATIONS TO ITS WATER RULES AND REGULATIONS

29. CAN DO proposed extensive modifications to the rules and regulations in its water tariff. These changes are intended to: ensure that the tariff reflects current best practices for a Commission-regulated water utility, improve the consistency of CAN DO's water and wastewater rules and regulations, improve the clarity and comprehensiveness of the rules and regulations, and include provisions recommended in the Commission's sample tariff for a water utility. CAN DO St. No. 1 at 7-9; CAN DO Statement No. 3 at 9-11; CAN DO Exhibit JL-3.

CAN DO'S PROPOSED MODIFICATIONS TO ITS WASTEWATER RULES AND REGULATIONS

30. CAN DO is not proposing to change rates for its wastewater system. The Company believes that its existing rates continue to be just and reasonable. CAN DO Statement No. 1 at 10.

31. CAN DO proposed extensive modifications to the rules and regulations in its wastewater tariff. These changes will implement an Industrial Pretreatment Program (“IPP”). In addition, CAN DO proposes changes that are intended to: improve the consistency of CAN DO’s water and wastewater rules and regulations, improve the clarity and comprehensiveness of the rules and regulations, and include provisions recommended in the Commission’s sample tariff for a water utility. CAN DO St. No. 1 at 11-13; CAN DO Statement No. 3 at 14-19; CAN DO Exhibit JL-6.

32. CAN DO also proposes to modify its wastewater tariff to more completely describe the Company’s service territory. CAN DO St. No. 1 at 10; CAN DO Exhibit JL-6.

APPENDIX B – PROPOSED CONCLUSIONS OF LAW

1. The Pennsylvania Public Utility Commission (“Commission”) has jurisdiction over the parties and subject matter of this proceeding. 66 Pa. C.S. § 101 *et seq.*

2. Every rate made, demanded, or received by any public utility shall be just and reasonable, and in conformity with regulations or orders of the Commission. 66 Pa. C.S. § 1301.

3. A public utility seeking a rate increase has the burden of proof to establish the justness and reasonableness of each element of its request. 66 Pa. C.S. § 315(a).

4. While it is axiomatic that a utility has the burden of proving the justness and reasonableness of its proposed rates, it cannot be called upon to account for every action absent prior notice that such action is to be challenged. *Allegheny Center Assocs. v. Pa. Pub. Util. Comm’n* 570 A.2d 149 (Pa. Cmwlth. 1989).

5. While the burden of proof remains with the public utility throughout the rate proceeding, the Commission has stated that where a party proposes an adjustment to a ratemaking claim of a utility, the proposing party bears the burden of presenting some evidence or analysis tending to demonstrate the reasonableness of the adjustment. *Pa. Pub. Util. Comm’n v. Aqua Pa., Inc.*, Docket No. R-00072711 (Opinion and Order entered July 17, 2008).

6. Pursuant to the just and reasonable standard, a utility may obtain “a rate that allows it to recover those expenses that are reasonably necessary to provide service to its customers[,] as well as a reasonable rate of return on its investment.” *City of Lancaster Sewer Fund v. Pa. Pub. Util. Comm’n*, 793 A.2d 978, 982 (Pa. Cmwlth. 2002).

7. The Commission must consider the efficiency, effectiveness and adequacy of service of each utility when determining just and reasonable rates in exchange for customers paying rates for service, which include the cost of utility plant in service and a rate of return. 66 Pa. C.S. § 523.

8. The Commission must authorize a sufficient, or fair, rate of return to public utilities to ensure adequate revenues to cover operating expenses, debt service expenses and common and preferred (if necessary) dividends, as well as to maintain the financial integrity of the utility and enable the public utility to attract needed debt and equity capital in the marketplace or on reasonable terms, in competition with firms of similar risk. *Federal Power Comm'n v. Hope Nat. Gas Co.*, 320 U.S. 591 (1944); *Bluefield Water Works Improvement Co. v. Public Service Comm'n*, 262 U.S. 679 (1923).

9. Pennsylvania Courts and the Commission have adopted the U.S. Supreme Court legal standards regarding the rate of return in *Hope* noting this case requires the Commission to balance utility company and ratepayer interests in setting rates. *Pennsylvania Electric Co. v. Pa. Pub. Util. Comm'n*, 502 A.2d 130 (1985).

10. An across-the-board increase is a well-established ratemaking tool to design just, reasonable and non-discriminatory rates, especially when a cost of service study is not performed. *See, e.g., Pa. Pub Util. Comm'n v. Total Environmental Solutions, Inc. – Treasure Lake (Water and Wastewater Divisions)*, Docket Nos R-00072493 *et al.* (Recommended Decision issued May 29, 2008) at 100-101 (adopted by Commission Order entered Jul. 30, 2008).

11. Commission policy promotes settlements. 52 Pa. Code § 5.231.

12. A settlement lessens the time and expense that the parties must expend litigating a case and, at the same time, conserves precious administrative resources. The Commission has indicated that settlement results are often preferable to those achieved at the conclusion of a fully-litigated proceeding. 52 Pa. Code § 69.401.

13. In order to accept a settlement, the Commission must determine that the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm'n v. York Water Co.*, Docket

No. R-00049165 (Order entered Oct. 4, 2004); *Pa. Pub. Util. Comm'n v. C.S. Water & Sewer Assocs.*, 74 Pa. PUC 767 (1991).

14. The instant settlement is in the public interest.

15. The rates, rules and regulations in the water tariff attached to the settlement are lawful, just and reasonable. 66 Pa. C.S. § 1301.

16. The rules and regulations in the wastewater tariff attached to the settlement are lawful, just and reasonable. 66 Pa. C.S. § 1301.

APPENDIX C – PROPOSED ORDERING PARAGRAPHS

1. That the Honorable Administrative Law Judge Conrad A. Johnson recommend approval of the Joint Petition for Approval of Settlement of Rate Proceeding, without modification.
2. That the Honorable Administrative Law Judge Conrad A. Johnson recommend, and that the Commission find, the rates, rules and regulations proposed in the attached water tariff to be just and reasonable.
3. That the Honorable Administrative Law Judge Conrad A. Johnson recommend, and that the Commission find, the rules and regulations proposed in the attached wastewater tariff to be just and reasonable.
4. That CAN DO (Water Division) shall not place into effect the rules, rates and regulations contained in Tariff Water – PA PUC No. 4.
5. That CAN DO (Wastewater Division) shall not place into effect the rules and regulations contained in Tariff Wastewater – PA PUC No. 4.
6. That the Commission authorize CAN DO (Water Division) to file a water tariff supplements containing revised rates, rules and regulations, to produce annual revenues not in excess of \$2,989,000, which is an increase over present revenues of \$670,000. The tariff will be in the form of Attachment B to the Settlement.
7. That the Commission authorize CAN DO (Wastewater Division) to file a wastewater tariff supplement containing revised rules and regulations, as shown in Attachment C to the Settlement.
8. That the Commission authorize the tariff supplements described in Paragraphs 6 and 7 to be filed on at least one (1) days' notice, to become effective for service rendered on and after the date of entry of the Commission's Opinion and Order.

9. That the Commission dismiss the following Formal Complaints filed against CAN

DO (Water Division):

Office of Small Business Advocate	C-2023-3044253
Office of Consumer Advocate	C-2023-3044571
Daniel Sabo on behalf of Spears Mfg. (Hazle Township)	C-2023-30444287

10. That the Commission dismiss the following Formal Complaints filed against CAN

DO (Wastewater Division):

Office of Small Business Advocate	C-2023-3044243
Office of Consumer Advocate	C-2023-3044570

11. That, upon Commission approval of the tariff supplement filed by CAN DO (Water Division) in compliance with the Commission's Opinion and Order in this matter, the investigation at Docket No. R-2023-3040153 shall be marked closed.

12. That, upon Commission approval of the tariff supplement filed by CAN DO (Wastewater Division) in compliance with the Commission's Opinion and Order in this matter, the investigation at Docket No. R-2023-3040151 shall be marked closed.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**ADMINISTRATIVE LAW JUDGE
CONRAD A. JOHNSON**

Pennsylvania Public Utility Commission	:	R-2023-3040151 (Wastewater)
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v.

Greater Hazleton Community Area
New Development Organization, Inc.
t/a CAN DO, Inc.

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v.

Greater Hazleton Community Area
New Development Organization, Inc.
t/a CAN DO, Inc.

**STATEMENT OF THE GREATER HAZLETON COMMUNITY AREA NEW
DEVELOPMENT ORGANIZATION T/A CAN DO, INC.
IN SUPPORT OF THE JOINT PETITION FOR APPROVAL OF
PARTIAL SETTLEMENT OF ALL ISSUES**

AND NOW COMES the Greater Hazleton Community Area New Development Organization t/a CAN DO, Inc. (“CAN DO” or the “Company”) to file this Statement in Support of the Joint Petition for Approval of Settlement of Rate Proceeding (the “Settlement”), between and among CAN DO, the Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania

Public Utility Commission (“Commission”) and the Office of Small Business Advocate (“OSBA”). The only other party to this proceeding, the Office of Consumer Advocate (“OCA”) neither joins nor objects to the Settlement. CAN DO respectfully requests that the Honorable Administrative Law Judge Conrad A. Johnson (the “ALJ”) recommend approval of, and the Commission approve, the Settlement without modification. In addition, CAN DO respectfully requests that the ALJ and the Commission expedite consideration of this matter.

I. Introduction

CAN DO is a private, nonprofit 501(c)(6) economic development organization that owns and operates a Commission-regulated water utility and a Commission-regulated wastewater utility. The Water Division and the Wastewater Division are not separate corporations; they are part of a single corporation that is governed by a single Board of Directors. CAN DO St. No. 1 at 3.

CAN DO’s water system serves 25 “commercial” customers, 93 “industrial” customers¹ and 1 wholesale (sale for resale) customer; it has no residential customers. CAN DO Statement No. 1 at 4. CAN DO’s wastewater system serves 79 “industrial” customers and 24 “commercial” customers. The Company’s wastewater system does not serve any wholesale customers, nor does it serve any residential customers. CAN DO St. No. 1 at 4.

On November 3, 2023, CAN DO filed two rate proceedings, which were consolidated for purposes of hearing and adjudication. First, the Water Division filed a general base rate case which received Docket No. R-2023-3040153. The Water Division calculated its current revenue requirement as supporting a rate increase of \$1,136,000 (or approximately 48.99%), but the Company mitigated its proposal to increase rates by only \$999,900 (or approximately 43.1%). The

¹ Neither the Water Division’s tariff, nor the Wastewater Division’s tariff, have a “commercial” class or an “industrial” class. CAN DO uses the term “commercial customer” to refer to a customer whose property is zoned for commercial use. CAN DO uses the term “industrial customer” to refer to a customer whose property is zoned for industrial use. CAN DO Statement No. 3 at 2, 11.

Water Division also proposed substantial modifications in the water tariff. Second, the Wastewater Division proposed substantial modifications in the wastewater tariff, but did not propose an increase in rates. The wastewater filing received Docket No. R-2023-3040151.

No customers filed formal complaints challenging the wastewater filing. Only one customer filed a formal complaint challenging the water filing, but that customer subsequently sought to withdraw the complaint. The Company, I&E and the OSBA reached a settlement that resolves all issues concerning both filings. The OCA does not join, but does not object to, the Settlement.

Commission policy promotes settlements. *See* 52 Pa. Code § 5.231. Settlements lessen the time and expense that the parties must expend litigating a case and, at the same time, conserve precious administrative resources. The Commission has indicated that settlement results are often preferable to those achieved at the conclusion of a fully-litigated proceeding. *See* 52 Pa. Code § 69.401.

As an initial matter, the fact that the Settlement resolves all issues raised by the parties is, in and of itself, strong evidence that the Settlement is reasonable and in the public interest, particularly given the diverse interests of the Joint Petitioners (the Company, the statutory advocate representing the interests of small business utility consumers and the Commission's prosecutor, who represents the public interest in rate proceedings). The Settlement was achieved after careful study of the issues through extensive discovery, several rounds of written testimony, and negotiations over a prolonged period.

The Settlement reflects a carefully balanced compromise of the interests of the Joint Petitioners and satisfies the various requirements of the Pennsylvania Public Utility Code (the

“Code”), the Commission’s Orders and Regulations. The Settlement is in the public interest and should be approved.

II. Legal Standard

Every rate made, demanded, or received by any public utility shall be just and reasonable, and in conformity with regulations or orders of the Commission. 66 Pa. C.S. § 1301. Pursuant to the just and reasonable standard, a utility may obtain “a rate that allows it to recover those expenses that are reasonably necessary to provide service to its customers[,] as well as a reasonable rate of return on its investment.” *City of Lancaster Sewer Fund v. Pa. Pub. Util. Comm’n*, 793 A.2d 978, 982 (Pa. Cmwlth. 2002).

In order to accept a settlement, the Commission must determine that the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm’n v. York Water Co.*, Docket No. R-00049165 (Order entered Oct. 4, 2004); *Pa. Pub. Util. Comm’n v. C.S. Water & Sewer Assocs.*, 74 Pa. PUC 767 (1991).

III. Argument: The Settlement is in the Public Interest

A. Water

1. Revenue Requirement

The Joint Petitioners have reached a “black box” settlement on the revenue requirement. They propose a rate increase of \$670,000 (approximately 28.89% over present revenues). This amount represents a reasonable compromise between the Company’s position (an increase of \$999,900) and I&E’s position (an increase of \$426,351). I&E Statement No. 1-SR at 3. Neither OSBA nor OCA introduced evidence concerning the revenue requirement.

By way of background, the Water Division has not raised rates since December 2011 (and that rate increase was only \$40,000). *Pa. Pub. Util. Comm’n v. CAN DO, Inc. (Water and Wastewater Divisions)*, Docket No. R-2011-2238805 (Order entered Dec. 15, 2011). The

Company's rate study estimated that, at present rates, the Water Division would lose approximately \$341,379 for the fiscal year ("FY") ending June 30, 2024. Such losses are not sustainable. CAN DO St. No. 1 at 6.

In December 2023, CAN DO was advised that the City of Hazleton Authority (which sells water to CAN DO) was raising rates by 12%, effective January 1, 2024. This development will increase costs to CAN DO by approximately \$70,000 in FY 2025. CAN DO St. No. 4 at 11; CAN DO St. No. 2 at 6. Since CAN DO learned of this rate increase after filing the instant rate case, the 12% increase in purchased water expense was not factored into CAN DO's rate increase.

The Settlement is in the public interest because it allows the Water Division to increase rates in an amount that will eliminate its expected deficit, pay the increased rate for purchased water, and enable the Company to continue to provide safe, adequate and reasonable service to customers. The Settlement will allow CAN DO to obtain "a rate that allows it to recover those expenses that are reasonably necessary to provide service to its customers[,] as well as a reasonable rate of return on its investment." *City of Lancaster Sewer Fund v. Pa. Pub. Util. Comm'n*, 793 A.2d 978, 982 (Pa. Cmwlth. 2002).

The Settlement is also in the public interest in that it mitigates the rate increase even more than was proposed by the Company. The agreed-to revenue requirement is approximately 58.98% of the Company's Unmitigated rate request, and approximately 67.0% of the Company's Mitigated rate request. The Settlement therefore protects CAN DO's ratepayers by ensuring that rates increase slowly over time, consistent with the Commission's policy of gradualism. *See* Section III.5, *infra*.

In short, the revenue requirement figure in the Settlement is reasonable and in the public interest because it balances the interests of the public utility and the consumer. The revenue requirement figure contained the Settlement therefore should be approved.

2. Rate Design

Where, as here, a public utility submits a general base rate case proposing an increase of less than \$1,000,000, the Commission's regulations do not require a cost of service study. CAN DO did not submit a cost of service study. Instead, it proposed a proportionate increase in rates for all customer classes. An across-the-board rate increase is a well-established ratemaking tool to design just, reasonable and non-discriminatory rates, especially when a cost of service study is not performed. *See, e.g., Pa. Pub Util. Comm'n v. Total Environmental Solutions, Inc. – Treasure Lake (Water and Wastewater Divisions), Docket Nos R-00072493 et al. (Recommended Decision issued May 29, 2008) at 100-101 (adopted by Commission Order entered Jul. 30, 2008).*

During the litigation, the OSBA proposed a change in CAN DO's proposed tariff because the Company's tariff does not currently include a monthly rate for 5/8" meters. The OSBA further proposed proportionally adjusting the Company's proposed customer charges for the remaining meter sizes applicable to commercial and industrial customers. The Company and I&E agreed with the OSBA's proposals, and these proposals are reflected in the Settlement Rates shown in Attachment B to the Settlement.

The Settlement proposes that all customer classes receive a system average increase at the settlement revenue requirement level. Such a proportionate increase is reasonable and in the public interest, considering the lack of a cost of service study.

For all of these reasons, the rate design provisions of the Settlement are reasonable and in the public interest, and should be approved.

3. Payment Arrangement Program for Commercial and Industrial Customers

During the litigation, the OSBA proposed that CAN DO develop and implement a formal payment arrangement program for commercial and industrial customers. OSBA St. No. 1 at 9. CAN DO is open to adopting such a program, but wants additional information about the proposal before committing to developing and implementing such a program. CAN DO St. No. 1 at 2. Considering the limited time for exchanging information about the proposal during the litigation, CAN DO reasonably agreed to meet with OSBA staff within 30 days after entry of the Commission's final order in these proceedings. Settlement ¶ II.A.3. During that meeting, OSBA staff can provide additional information about its proposal and CAN DO can ask questions to ensure complete understanding of what the OSBA is requesting it to do.

This provision in the Settlement balances the interests of the public utility and its customers (most of whom are commercial and industrial customers). This provision is therefore reasonable and in the public interest, and should be approved.

4. Approval of Tariff

As stated above, the Water Division's filing proposed extensive changes to the rules and regulations in the water tariff. This was the first comprehensive review of the water tariff's rules and regulations in at least two decades. The revisions ensure that the tariff reflects current best practices for a Commission-regulated water utility. The revisions include several provisions based on language in the Commission's sample tariff for a water utility.² The revisions also promote consistency between the water tariff's rules and regulations and the wastewater tariff's rules and

² https://www.puc.pa.gov/documents/utility-files/344/Water_Model_Tariff2022.pdf

regulations. Since many CAN DO customers are both water and wastewater customers, these changes should facilitate customer understanding of both tariffs. CAN DO St. at 7-9.

The Joint Petitioners agree that the water tariff should be approved. Settlement ¶ III.A.4. Considering that no party has contested any provision in the Water Division's proposed rules and regulations, this Settlement provision is reasonable and in the public interest and should be approved.

5. Stay Out

As is customary in settlements of rate cases before the Commission, the instant Settlement includes a stay out provision. Specifically, CAN DO will not propose a general increase in base rates earlier than two years from the effective date of the water tariff. However, CAN DO retains the right to file a tariff or tariff supplement, pursuant to 52 Pa. Code §§ 69.361-364, for the recovery of principal and interest payments on any new loans from the Pennsylvania Infrastructure Investment Authority ("PennVest"). OSBA and I&E reserve their rights to fully address this tariff or tariff supplement.

This provision is reasonable and in the public interest and should be approved because it will provide CAN DO's ratepayers with rate stability for two years. While this stay-out period is relatively short, it is justified by the extended period (12 years) since CAN DO's last rate case. To avoid giving customers "rate shock," CAN DO intends to file rate cases on a more regular basis in the future. The stay-out provision reasonably balances the interests of the public utility and ratepayers. It is therefore reasonable and in the public interest, and should be approved.

B. Wastewater

1. Approval of Tariff

As stated above, the Wastewater Division's filing proposed extensive changes to the rules and regulations in the wastewater tariff. This was the first comprehensive review of the wastewater

tariff's rules and regulations in at least two decades. One of the changes included in the tariff is the implementation of an Industrial Pretreatment Program ("IPP"). The IPP program will better enable the Wastewater Division to comply with environmental laws and regulations, and to better ensure the safe and high quality operation of its collection and treatment facilities. CAN DO St. No. 1 at 11.

In addition, the revisions to the wastewater tariff ensure that the tariff reflects current best practices for a Commission-regulated wastewater utility. The revisions include several provisions based on language in the Commission's sample tariff for a wastewater utility.³ The revisions also promote consistency between the water tariff's rules and regulations and the wastewater tariff's rules and regulations. CAN DO St. No. 1 at 11-13.

The Joint Petitioners agree that the wastewater tariff should be approved. Settlement ¶ III.B.1. Considering that no party has contested any provision in the Wastewater Division's proposed rules and regulations, this provision in the Settlement is reasonable and in the public interest, and should be approved.

C. Standard Settlement Conditions

The Settlement is conditioned on the Commission's approval of the terms and conditions contained in the Settlement without modification. If the Commission modifies the Settlement, any Petitioner may elect to withdraw from the Settlement and may proceed with litigation. In such event, the Settlement shall be void and of no effect. The Petitioners acknowledge and agree that the Settlement, if approved, will have the same force and effect as if the Joint Petitioners had fully litigated this proceeding. Settlement ¶ II.C.2.

³ https://www.puc.pa.gov/documents/utility-files/346/Sam_Tariff_Wastewtr.pdf

This provision is standard in settlements in Commission proceedings. It protects all of the Joint Petitioners by allowing them to withdraw from the Settlement if the Commission modifies the Settlement in a manner they find unacceptable. This provision makes parties to a Commission proceeding more willing to settle than they otherwise might be. It is therefore reasonable and in the public interest and should be approved.

IV. Conclusion and Request for Relief

WHEREFORE, for all of the reasons set forth above, the Greater Hazleton Community Area New Development Organization, Inc. t/a CAN DO, Inc., respectfully requests that:

(a) the Honorable Administrative Law Judge Conrad A. Johnson expeditiously recommend approval of the Joint Petition for Approval of Settlement of Rate Proceeding, without modification; and

(b) the Commission expeditiously approve the Joint Petition for Approval of Settlement of Rate Proceeding.

Respectfully submitted,



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Date: April 1, 2024

Counsel for *CAN DO, Inc.*

the terms and conditions of the Joint Petition are in the public interest. Accordingly, I&E recommends that the Administrative Law Judge and the Commission approve the Settlement in its entirety.

I. INTRODUCTION

On November 3, 2023, CAN DO filed proposed Tariff Water – Pa. P.U.C. No. 4 (“Tariff Water”) and proposed Tariff Wastewater – Pa. P.U.C. No. 4 (“Tariff Wastewater”).² Tariff Wastewater contained changes in rules and regulations. Tariff Water contained changes in rates, rules, and regulations with a proposed revenue increase of \$999,900, or 43.1%. Each tariff proposed an effective date of January 2, 2024.

On November 15, 2023, OSBA filed a Formal Complaint and Public Statement. On November 28, 2023, I&E filed its Notice of Appearance. On December 4, 2023, OCA filed a Formal Complaint and Public Statement.

On December 21, 2023, the Commission entered Orders pursuant to Section 1308(d) of the Public Utility Code suspending the implementation of Tariff Water until August 2, 2024 and Tariff Wastewater until October 2, 2024, and opening an investigation into the lawfulness, justness, and reasonableness of the proposed rates, rules, and regulations contained therein. The case was assigned to the Office of Administrative Law Judge for the prompt scheduling of such hearings as may be necessary culminating in the issuance of a Recommended Decision.

A telephonic Prehearing Conference was held on January 4, 2024 before Administrative Law Judge Conrad A. Johnson (“ALJ”) during which a procedural schedule

² On November 15, 2023, CAN DO filed a revised version of Tariff Wastewater at the request of Commission Staff.

was established and evidentiary hearings were scheduled on March 20-22, 2024. A telephonic evidentiary hearing was held on March 20, 2024 where the parties' written testimonies and exhibits were entered into the record. I&E submitted the following:

- I&E Statement No. 1 – Direct Testimony of Christian Yingling in both Proprietary and Non-Proprietary format
- I&E Exhibit No. 1 in both Proprietary and Non-Proprietary format
- I&E Statement No. 1-SR – Surrebuttal Testimony of Christine Wilson in both Proprietary and Non-Proprietary format
- I&E Statement No. 2 – Direct Testimony of Anthony Spadaccio
- I&E Exhibit No. 2
- I&E Statement No. 2-SR – Surrebuttal Testimony of Anthony Spadaccio
- I&E Statement No. 3 – Direct Testimony of Esyan Sakaya
- I&E Exhibit No. 3
- I&E Statement No. 3-SR – Surrebuttal Testimony of Esyan Sakaya

The hearings on March 21-22, 2024 were cancelled upon notification that the Joint Petitioners reached a full settlement of all issues as set forth in the Joint Petition.

II. LEGAL STANDARD

I&E is the prosecutory arm of the Commission for purposes of representing the public interest in ratemaking and service matters and enforcing compliance with the Public Utility Code and Commission Regulations and Orders.³ By representing the public interest in rate proceedings before the Commission, I&E works to balance the interests of customers, utilities, and the regulated community as a whole to ensure that a

³ *Implementation of Act 129 of 2008; Organization of Bureaus and Offices*, Docket No. M-2008-2071852 (Order entered August 11, 2011).

utility's rates are just, reasonable, and nondiscriminatory.⁴ In negotiated settlements, it is incumbent upon I&E to identify how amicable resolution of any such proceeding may benefit the public interest and to ensure that the public interest is served.

“The prime determinant in the consideration of a proposed Settlement is whether the settlement is in the public interest.”⁵ The Commission has recognized that a settlement “reflects a compromise of the positions held by the parties of interest, which, arguably fosters and promotes the public interest.”⁶

Settlements conserve precious administrative resources and provide regulatory certainty with respect to the disposition of issues with results that are often preferable to those achieved at the conclusion of a fully-litigated proceeding and provide a final resolution of adversarial proceedings which, in the Commission's judgement, is preferable.⁷

III. SETTLEMENT TERMS AND CONDITIONS

A. Water

1. Revenue Requirement (Joint Petition ¶¶ A.1.a-b.)

Pursuant to the terms of the Settlement, CAN DO – Water Division shall file a compliance tariff supplement, effective on one days' notice, with rates designed to produce additional annual water operating revenue of \$670,000, as opposed to the Company's requested \$999,900 increase. The Joint Petitioners have agreed upon the additional annual revenues as a “black box” settlement.

⁴ See 66 Pa.C.S. §§ 1301 and 1304.

⁵ *Pennsylvania Public Utility Commission v. Philadelphia Electric Company*, 60 PA PUC 1, 22 (1985).

⁶ *Pennsylvania Public Utility Commission v. C S Water and Sewer Associates*, 74 PA PUC 767, 771 (1991).

⁷ See 52 Pa. Code §§ 5.231 and 69.401.

In direct testimony, I&E witness Chrisitan Yingling recommended a rate increase of \$218,585 based on adjustments made to CAN DO's operating and maintenance ("O&M") expense, cash working capital, rate base, and rate of return claims.⁸ In rebuttal testimony, CAN DO agreed to OSBA's proposed rate schedule which produced a rate increase of \$999,814.⁹ In surrebuttal testimony, I&E witness Christine Wilson recommended a rate increase of \$426,351 based on further adjustments made to CAN DO's O&M expense and rate of return claims.¹⁰ The \$670,000 rate increase represents a compromise among the Joint Petitioners' proposals.

As noted above, the additional revenue in this proceeding has been agreed to in the context of a "black box" settlement. A "black box" settlement does not specifically identify the resolution of any disputed issues. Instead, an overall increase to base rates is agreed to and parties retain all rights to further challenge all issues in subsequent proceedings. A "black box" settlement benefits ratepayers as it allows for the resolution of a proceeding in a timely manner while avoiding significant additional expenses. A previous Chairman of the Commission has commented on "black box" settlements and stated that the "[d]etermination of a company's revenue requirement is a calculation that involves many complex and interrelated adjustments affecting revenue, expenses, rate base and the company's cost of capital. To reach an agreement on each component of a rate increase is an undertaking that in many cases would be difficult, time-consuming,

⁸ I&E Statement No. 1, pp. 3-4.

⁹ CAN DO Statement No. 2-R, pp. 12-13.

¹⁰ I&E Statement No. 1-SR, pp. 2-3.

expensive and perhaps impossible. Black box settlements are an integral component of the process of delivering timely and cost-effective regulation.”¹¹

This “black box” revenue increase balances the interests of ratepayers and the Company. CAN DO will receive sufficient operating funds in order to provide safe and adequate service while ratepayers are protected as the resulting increase minimizes the impact of the initial proposal. As such, I&E supports the “black box” revenue increase as being in the public interest.

2. Rate Design (Joint Petition ¶¶ A.2.a-b.)

Pursuant to the terms of the Settlement, CAN DO will charge \$39.00 per month for 5/8” meters for commercial and industrial customers, with the resulting shortfall in revenues to be recovered by proportionally adjusting the Company’s proposed customer charges for the remaining meter sizes applicable to commercial and industrial customers. CAN DO will adjust its proposed usage charges for commercial and industrial customers in order to assign a system average increase to the Commercial and Industrial customers. All other customer classes shall also receive a system average increase, at the settlement revenue requirement level.

In direct testimony, OSBA witness Brian Kalcic proposed establishing a separate, lower, GMS customer charge for a 5/8” meter by setting the 5/8” meter charge at the current level of \$39.00 per month, and adjusting the Company’s remaining GMS meter charges

¹¹ See Statement of Commissioner Robert F. Powelson, *Pennsylvania Public Utility Commission v. Wellsboro Electric Company*, Docket No. R-2010-2172662 (Order entered January 13, 2011). See also Statement of Commissioner Robert F. Powelson, *Pennsylvania Public Utility Commission v. Citizens’ Electric Company of Lewisburg, Pennsylvania*, Docket No. R-2010-2172665 (Order entered January 13, 2011).

proportionately.¹² As the OSBA's recommendation was based on the most accurate information available, I&E witness Eryan Sakaya withdrew his rate structure recommendation presented in direct testimony and accepted the proposed rate structure set forth by Mr. Kalcic.¹³ CAN DO also agreed to Mr. Kalcic's proposed rate structure.¹⁴ The proposed customer charge demonstrates a compromise of the interests of the Joint Petitioners, and as such, is in the public interest.

3. Payment Arrangement Program for Commercial and Industrial Customers (Joint Petition ¶ A.3.a.)

Pursuant to the terms of the Settlement, within 30 days after entry of the Commission's final order in these proceedings, CAN DO agrees to meet with OSBA representatives to discuss a formal payment arrangement program for commercial and industrial customers.

I&E did not submit testimony regarding the proposed payment arrangement program but shares the concerns of the Joint Petitioners and supports the terms as being in the public interest.

4. Approval of Tariff (Joint Petition ¶ A.4.a.)

The Joint Petitioners agree that the water tariff attached as Attachment B to the Joint Petition should be approved.

5. Stay Out (Joint Petition ¶ A.5.a.)

Pursuant to the terms of the Settlement, CAN DO – Water Division will not file with the Commission a tariff or tariff supplement proposing a general increase in base rates

¹² OSBA Statement No. 1, p. 7.

¹³ OSBA Statement No. 1-R, pp. 4-5; I&E Statement No. 3-SR, p. 9.

¹⁴ CAN DO Statement No. 2-R, pp. 2, 13.

earlier than two years from the effective date of the tariff supplement, however, CAN DO shall not be prevented from filing a tariff or tariff supplement, pursuant to 52 Pa. Code §§ 69.361-364, for the recovery of principal and interest payments on any new PENNVEST loan(s). OSBA and I&E reserve their rights to fully address this tariff or tariff supplement.

I&E did not present testimony regarding a stay out, nor did I&E suggest the stay out proposal as an option. The stay out provision was offered as part of the overall settlement agreement in conjunction with compromises made by the Joint Petitioners on other issues. As such, I&E supports the terms as being in the public interest.

B. Wastewater

1. Approval of Tariff (Joint Petition ¶ B.1.a.)

The Joint Petitioners agree that the wastewater tariff attached as Attachment C to the Joint Petition should be approved.

C. Standard Settlement Conditions

I&E's agreement to settle this case is made without any admission or prejudice to any position that I&E might adopt during subsequent litigation or the continuation of this litigation in the event the Settlement is rejected by the Commission or otherwise properly withdrawn by any of the Joint Petitioners.

If the ALJ recommends that the Commission adopt the Settlement as proposed, I&E has agreed to waive the right to file Exceptions. However, I&E has not waived its right to file Exceptions with respect to any modifications to the terms and conditions of the Settlement, or any additional matters, that may be proposed by the ALJ in the

Recommended Decision. I&E also reserves the right to file Reply Exceptions to any Exceptions that may be filed by any party to this proceeding.

The Settlement is also conditioned upon the Commission's approval of all terms and conditions contained therein, and should the Commission fail to approve or otherwise modify the terms and conditions of the Settlement, the Joint Petition may be withdrawn by I&E or any of the signatories.

IV. THE SETTLEMENT IS IN THE PUBLIC INTEREST

Based on I&E's analysis of the base rate revenue increase requested by CAN DO, acceptance of this proposed Joint Petition is in the public interest. Resolution of these provisions by settlement rather than continued litigation will avoid the additional time and expense involved in formally pursuing all issues in this proceeding. Increased litigation expenses may cause an increase in revenue beyond that agreed to in the Joint Petition. Acceptance of the foregoing Settlement will negate the need to engage in additional litigation including the preparation of Main Briefs, Reply Briefs, Exceptions, and Reply Exceptions. The avoidance of further rate case expense by settlement of these provisions in this base rate investigation proceeding best serves the interests of CAN DO and its customers. As litigation of this rate case is a recoverable expense, curtailment of these charges is in the public interest.

V. CONCLUSION

I&E represents that all issues raised in testimony have been satisfactorily resolved through discovery and discussions with the Company or are incorporated or considered in the resolution proposed in the Settlement. This Settlement exemplifies the benefits to be

derived from a negotiated approach to resolving what can appear at first blush to be irreconcilable regulatory differences. The Joint Petitioners have carefully discussed and negotiated all issues raised in this proceeding, and specifically those addressed and resolved in this Settlement. Further line-by-line identification of the ultimate resolution of the disputed issues beyond those presented in the Settlement is not necessary as I&E represents that the Settlement maintains the proper balance of the interests of all parties. I&E is satisfied that no further action is necessary and considers its investigation of this rate filing complete.

WHEREFORE, the Commission’s Bureau of Investigation and Enforcement represents that it supports the “Joint Petition for Approval of Settlement of Rate Proceeding” as being in the public interest and respectfully requests that Administrative Law Judge Conrad A. Johnson recommend, and the Commission subsequently approve, the foregoing Settlement, including all terms and conditions contained therein.

Respectfully submitted,



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Dated: April 1, 2024

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	Docket Nos. R-2023-3040151 (Wastewater)
	:	
v.	:	R-2023-3040153 (Water)
	:	
CAN DO, Inc. (Wastewater & Water)		

**STATEMENT OF
THE OFFICE OF SMALL BUSINESS ADVOCATE
IN SUPPORT OF THE
JOINT PETITION FOR APPROVAL OF
SETTLEMENT OF RATE PROCEEDING**

I. Introduction

The Small Business Advocate is authorized and directed to represent the interests of the small business consumers of utility services in the Commonwealth of Pennsylvania under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50. Pursuant to that statutory authority, the Office of Small Business Advocate (“OSBA”) filed a complaint in response to Tariff Water - Pa. P.U.C. No. 4 and Tariff Wastewater – Pa. P.U.C. No. 4, which were filed by the Greater Hazleton Community Area New Development Organization, Inc. t/a CAN DO, Inc. (“CAN DO” or the “Company”) with the Pennsylvania Public Utility Commission (“Commission”) on November 3, 2023.

The OSBA actively participated in the negotiations that led to the proposed settlement and is a signatory to the Joint Petition for Approval of Settlement of Rate Proceeding (“*Joint Petition*”). The *Joint Petition* resolves the issues raised by this office in this proceeding.

Therefore, the OSBA submits this statement in support of the *Joint Petition*.

II. The Commission's Policy on Settlements

Section 5.231(a) of the Commission's regulations, 52 Pa. Code § 5.231(a) (Formal Proceedings; Hearings; Settlement and Stipulations; Offers of Settlement) states, as follows:

It is the policy of the Commission to encourage settlements.

Similarly, Section 69.401 of the Commission's regulations, 52 Pa. Code § 69.104 (Settlement Guidelines and Procedures for Major Rate Cases – Statement of Policy; General) states, as follows:

In the Commission's judgment, the results achieved from a negotiated settlement or stipulation, or both, in which the interested parties have had an opportunity to participate are often preferable to those achieved at the conclusion of a fully litigated proceeding.

III. The Joint Petition is in the Public Interest of CAN DO's Small Business Customers

In his Direct Testimony, OSBA witness Brian Kalcic made three recommendations. First, as CAN DO did not provide a water or wastewater cost of service study in this proceeding. Mr. Kalcic recommended that any overall revenue increase be allocated to the Company's customer classes on a uniform, percentage-increase basis.¹ In the absence of a cost of service study, and thus no way to determine cost responsibility among the customer classes, a uniform increase is a just and reasonable revenue allocation under these circumstances.

The *Joint Petition* adopts the OSBA's revenue allocation in this proceeding. Specifically, the Commercial and Industrial classes will receive a system average increase.²

Second, Mr. Kalcic confirmed, via discovery, that CAN DO's current 5/8" meter customer charge was the same at the Company's 1 1/2" meter customer charge.³ Typically,

¹ OSBA Statement No. 1, at 4.

² *Joint Petition*, at Paragraph II.A.2.b.

³ OSBA Statement No. 1, at 5.

customer charges increase with the size of the meter, and it is highly unusual for a 5/8” meter customer charge to be the same as that for a 1 1/2” meter. Indeed, for most utilities, the 1 1/2” meter customer charge may be multiples of the 5/8” meter customer charge.⁴

In order to rectify this tariff anomaly, Mr. Kalcic recommended that the current 5/8” meter customer charge be held at its existing rate of \$39.00 per month. The revenue otherwise allocated to 5/8” meters would be reassigned to CAN DO’s larger meter sizes, thereby creating some differentiation between the 5/8” meter customer charge and those charges applicable to larger meter sizes.⁵

The *Joint Petition* adopts the OSBA’s recommendation for the 5/8” meter customer charge. The revenue shortfall caused by holding the 5/8” meter charge steady at \$39.00 will be recovered from the larger Commercial and Industrial meter customer charges.⁶

Third, Mr. Kalcic recommended that CAN DO implement a formal payment arrangement program for the Company’s small business customers. After reviewing CAN DO’s recent history of commercial and industrial overdue bills, Mr. Kalcic observed that a formal payment arrangement program would help avoid possible service terminations.⁷

The *Joint Petition* adopts the OSBA’s recommendation on this issue.⁸

⁴ OSBA Statement No. 1, at 5-6.

⁵ OSBA Statement No. 1, at 7-8.

⁶ *Joint Petition*, at Paragraph II.A.2.a.

⁷ OSBA Statement No. 1, at 8-10.

⁸ *Joint Petition*, at Paragraph II.A.3.a.

IV Conclusion

Therefore, for the reasons set forth in the *Joint Petition*, as well as the factors that are enumerated in this statement, the OSBA supports the proposed *Joint Petition* and respectfully requests that the ALJ and the Commission approve the *Joint Petition* in its entirety.

Respectfully submitted,

/s/ Steven C. Gray
Steven C. Gray
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Attorney ID No. 77538

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Dated: April 1, 2024

Greater Hazleton Community Area
New Development Organization
T/A CAN DO, Inc. Water Division

Supp. No. 2 to
Tariff Water – PA PUC No. 4

GREATER HAZLETON COMMUNITY AREA NEW DEVELOPMENT ORGANIZATION
T/A CAN DO, INC. – WATER DIVISION

RATES, RULES AND REGULATIONS
GOVERNING THE SALE OF WATER
IN
HUMBOLDT INDUSTRIAL PARK
IN
HAZLE TOWNSHIP
LUZERNE COUNTY, PENNSYLVANIA
IN
EAST UNION TOWNSHIP
IN
SCHUYLKILL COUNTY, PENNSYLVANIA
IN
MCADOO INDUSTRIAL PARK
IN
BANKS TOWNSHIP
CARBON COUNTY, PENNSYLVANIA
AND IN
CAN DO CORPORATE CENTER
IN
BUTLER TOWNSHIP
LUZERNE COUNTY, PENNSYLVANIA

By: Joseph Lettiere, President and Chief Executive Officer
CAN DO, Inc.
Hazleton, PA 18201

NOTICE

LIST OF CHANGES MADE BY THIS TARIFF

CAN DO, Inc. (Water Division) (“CAN DO”) is filing a new tariff, rather than a tariff supplement, because it is completely re-writing the rules and regulations in the tariff, as well as changing rates.

CAN DO proposes extensive changes to improve the consistency of its water rules and regulations with its wastewater rules and regulations, to the extent possible. Since many CAN DO customers are both water and wastewater customers, this change should facilitate customer understanding of both tariffs.

In addition, CAN DO proposes reorganizing the material in its rules and regulations so that related topics are discussed together in order to improve the clarity and comprehensiveness of the rules and regulations in the tariff. For example, the rules regarding applications for service, deposits, and payment terms are now found in Sections 3, 4 and 5, rather than being spread out in the tariff. Also, CAN DO proposes putting most of the provisions regarding service lines in a new Section 8 and most of the provisions regarding meters and meter installation in a new Section 9.

CAN DO proposes adding several provisions based on language in the sample tariff for a water utility, published by the Pennsylvania Public Utility Commission (“P.U.C.”). For example, CAN DO proposes to add a rule on the termination of water service by the customer, which is not presently found in the water tariff.

CAN DO proposes revising its rules and regulations to include provisions similar to the rules and regulations of other P.U.C.-regulated water public utilities. For example, CAN DO proposes additional rules regarding limitations of liability.

Finally, CAN DO proposes the elimination of some existing tariff provisions (such as the current rule regarding offsite developing marketing contracts) as unnecessary.

For more information about each specific change proposed in the tariff, please see the attached chart.

List of Changes (Cont'd)

Rule	Previous Rule in Tariff Water – PA PUC No. 3	Change and Reason for the Change
Rule 1 Definitions	Rule 1 Definitions	This Rule has been expanded to include additional definitions, see below, and has been alphabetized.
1.1 Code	New	A definition of “Code” has been inserted for ease of reference to the Pennsylvania Public Utility Code.
1.2 Company	1.1 Company	Add the word “Division” to the definition to be consistent with the name of the Company on the tariff..
1.3 Cross-connection	21.1(A) Definition of Cross-Connection	A sentence has been added to clarify that another source of water supply is a cross-connection.
1.4 Customer	1.2 Customer	The reference to a meter has been deleted because Fire Protection Service need not be metered. In addition, definitions of Wholesale and Retail Customers have been added.
1.5 DEP	New	A definition of “DEP” has been inserted for ease of reference to the Pennsylvania Department of Environmental Protection.
1.6 Fire Protection Service	New	This definition has been added to clarify the tariff.
1.7 General Service	1.7 General Service	Conforming changes were required because “Fire Protection Service” is now a defined term.
1.8 Interconnection	21.1(B) Definition of Interconnection	The existing tariff provision stops in mid-sentence.
1.9 Normal Working Hours	1.6 Normal Working Hours	No substantive changes have been made.
1.10 P.U.C.	New	A definition of “P.U.C.” has been added for ease of reference to the Pennsylvania Public Utility Commission.
1.11 Remote Meter Reading Device	1.5 Remote Meter Reading Device	No substantive changes have been made.
1.12 Service Line	1.4 Service Line	The second sentence in the existing definition (concerning customer responsibility for the line) has been moved to Rule 8.3.
1.13 Short-term Supply Shortage	New	A definition of “Short Term Supply Shortage” has been added to clarify the tariff provisions regarding the Water Conservation Contingency Plan.
Rule 2 The Water Tariff	Rule 2 The Water Tariff	This Rule has been expanded to address additional topics. See below.
2.1 Filing and Availability	2.1	No substantive changes have been made.
2.2 Revisions	2.2	No substantive changes have been made.
2.3 Applications of Tariff	2.3	No substantive changes have been made.
2.4 Rules and Regulations	2.4	No substantive changes have been made.
2.5 Waivers	New	This provision is based on Part III, Section J of the PUC’s sample tariff for a water public utility.
2.6 Amendment of Commission Regulations	New	This provision is based on Part III, Section K of the PUC’s sample tariff for a water public utility.
2.7 Amendment of DEP Regulations	New	This provision is similar to Rule 2.6, but applies to DEP regulations rather than PUC regulations.

Rule	Previous Rule in Tariff Water – PA PUC No. 3	Change and Reason for the Change
Rule 3 Application for Service	Rule 3 Application for Service	This Rule has been expanded to address additional topics. See below.
3.1 Application for Service	3.1	No substantive changes have been made.
3.2 Change in Ownership or Tenancy	New	This provision is based on Part III, Section A.2. of the PUC’s sample tariff for a water public utility.
3.3 Acceptance of Application	New	This provision is based on Part III, Section A.3 of the PUC’s sample tariff for a water public utility.
3.4 Application Seeking to Reserve Capacity	New	This provision alerts applicants seeking to reserve water capacity of the need to enter into a take or pay agreement pursuant to Rule 17.1.
Rule 4 Deposits	Rule 8 Credit	The tariff has been reorganized so related material is grouped together.
4.1 Customer’s Deposit	8.2	Deposits will now be required of customers in the amount of 50% of the cost of the meter.
4.2 Return of Deposit	8.3	No substantive changes have been made.
4.3 Interest on Deposits	8.4	No substantive changes have been made.
4.4 Deposits not Payment	8.5	No substantive changes have been made.
Rule 5 Payment Terms	Rule 11 Payment Terms	The tariff has been reorganized so related material is grouped together.
5.1 Customer’s Liability for Charges	8.1	The customer is liable for water service until it is discontinued pursuant to the Tariff.
5.2 Billing Period	11.1	This provision clarifies when bills will be rendered and when they must be paid. It also reduces the amount of the penalty for late payments. Since termination and restoration of service are addressed elsewhere in the tariff, those topics are no longer addressed here.
5.2 Service Discontinued	11.2	This provision simplifies the tariff by referring to the provisions for termination of service by the Company rather than stating special rules for termination of service for non-payment.
5.4 Consumption not Combined	11.3	No substantive changes have been made.
5.5 Meter Registration	14.1	This provision simplifies the tariff by deleting much of the existing Rule 14.1, which conflicts with the existing Rule 11.4.
5.6 Disputed Bills	11.4	This provision clarifies the date on which a customer must pay a disputed bill after the Company’s investigation.
5.7 Temporary or Special Service	12.3	No substantive changes have been made.
5.8 Returned Check Charge	New	This provision adds a fee for returned checks.
Rule 6 Discontinuance of Water Service	Rule 13 of Discontinuance of Water Service	The tariff has been reorganized so related material is grouped together.
6.1 Termination by Company	13.1	This provision states two new reasons for discontinuance of water service: making material misrepresentations in an application and theft of service.

Rule	Previous Rule in Tariff Water – PA PUC No. 3	Change and Reason for the Change
6.2 Termination by Customer	New	This provision is based on Part III, Section C.1. in the Commission’s sample tariff for a water public utility.
6.3 Service Renewed	13.2	No substantive changes have been made.
6.4 Service Restoration Charge	12.1	The charge for restoring service during Normal Working Hours has been increased from \$30 to \$50.
6.5 Service Reconnection Charge	12.2	The charge for reconnecting service during Normal Working Hours, which was disconnected at the ratepayer’s request, is increased from \$30 to \$50.
Rule 7 Termination of Free Service Under Certain Contracts and Other Instruments	Rule 20. Termination of Free Service Under Certain Contracts and Other Instruments	The tariff has been reorganized so related material is grouped together.
7.1 Terms and Conditions	20.1	No substantive changes have been made.
Rule 8 Service Line Connections to Main	Rule 5. Customer’s Service Installation	The tariff has been reorganized so related material is grouped together.
8.1 Point of Sale	1.3	No substantive changes have been made.
8.2 Right to Reject	5.1	No substantive changes have been made.
8.3 Installation and Maintenance of the Service Line by the Customer	5.2, 1.4	The distinction between customer service line and company service line has been eliminated. In addition, this provision makes clear that the Company must approve designs for the Service Line and connection, will be present when the Service Line is connected to the main, and shall inspect and approve the work when completed.
8.4 Service Line Specifications	5.3	No substantive changes have been made.
8.5 No Additional Tap	5.4	No substantive changes have been made.
8.6 Trench Restriction	5.5	No substantive changes have been made.
8.7 Valve Pit	5.6	The last sentence in this Rule makes clear that the installation and maintenance of the valve pit are the responsibility of the customer.
8.8 Meter Pits	5.7	The last sentence in this Rule makes clear that the installation and maintenance of the valve pit are the responsibility of the customer.
8.9 Backflow Prevention Device and Service Line Strainers	5.8	Customers are now required to annually certify that backflow prevention devices and service line strainers (if any) have been tested at least once in the past twelve months.
8.10 Customer Cross-Connections and Customer Interconnections Prohibited	21.2	No substantive changes have been made.
8.11 Stop Valve	5.9	No substantive changes have been made.
8.12 Pressure Regulators	5.10	No substantive changes have been made.
Rule 9 Meters and Meter Installations	Rule 6 Meters and Meter Installations	The tariff has been reorganized so related material is grouped together.
9.1 Meter Installations	6.1	The last sentence of the existing tariff (regarding the location of meters) has been deleted as redundant.

Rule	Previous Rule in Tariff Water – PA PUC No. 3	Change and Reason for the Change
9.2 Remote Meter Reading Devices	6.2	This paragraph has been revised to permit the use of a wider variety of automatic meter reading technologies.
9.3 Outside Meter Installations	6.3	Meters are placed by the Customer subject to Company inspection, rather than being placed by the Company at the Customer's expense.
9.4 Metered Service	6.4	No substantive changes have been made.
9.5 Meter Installations for Unmetered Fire Service	6.5	The rule has been clarified to state the amount the Customer will be charged if the Company must install the meter setting. The rule has also be clarified to state that the Company will provide the meter pursuant to Rule 9.1.
9.6 Tampering with Utility Equipment on a Customer's Property	6.6	This rule has been clarified, in part, by removing unnecessary verbiage in the first sentence.
9.7 Tampering with Utility Equipment off of the Customer's Property	New	This rule has been added to prohibit Customers from tampering with Company equipment located off of the Customer's property.
9.8 Meters Treated Separately	18.1	No substantive changes have been made.
Rule 10 Meter Tests	Rule 7 Meter Tests	The tariff has been reorganized so related material is grouped together.
10.1 Meter Tests	7.1	No substantive changes have been made.
10.2 Customer Requested Tests	7.2	No substantive changes have been made.
10.3 Meter Test Fees	7.3	This Rule has been clarified to require a fee be paid (subject to potential refund) for all Customer requested meter tests. The fee for the test is stated in 52 Pa. Code § 65.8(h), which is referenced in Rule 10.2, so the fee chart at the end of the existing Rule 7.3 was deleted.
10.4 Meter Test Witnessed by Customer	7.4	No substantive changes have been made.
Rule 11 General	Rule 17 General	The tariff has been reorganized so related material is grouped together.
11.1 Interference with Facilities	17.1	No substantive changes have been made.
11.2 Inspection of Premises	17.2	No substantive changes have been made.
11.3 Limitation on Pumps	17.3	No substantive changes have been made.
11.4 Limitation on Valves	17.4	No substantive changes have been made.
Rule 12 Line Extensions for Bona Fide Service Applicants	Rule 22	The tariff has been reorganized so related material is grouped together.
12.1 Line Extension Definitions	22.1 -22.3, 22.7 – 22.10, 22.13	Some terms are now defined in Rule 1 because they are not unique to Rule 12.
12.2 Line Extensions	Unnumbered paragraph before rule 22.14 – 22.19	The Rule has been revised based on Part III, Section G of the PUC's sample tariff for water public utilities.

Rule	Previous Rule in Tariff Water – PA PUC No. 3	Change and Reason for the Change
Rule 13 Line Extensions for Non Bona Fide Service Applicants	New	Rule 13 has been added to apply to non bona fide service applicants.
13.1 Definitions	New	A non bona fide service applicant is defined as an applicant that is not a bona fide service applicant, as defined in Rule 12.1.
13.2 Requests by a Non Bona Fide Service Applicant	New	Non bona fide service applicants are required to fully fund line extensions.
13.3 Size of Line	New	This rule is based on Rule 12.2D (regarding size of line for line extensions for bona fide service applicants).
13.4 Length of Extension	New	This rule gives the Company discretion to determine the length of an extension for a non bona fide service applicant.
13.5 Construction of the Line Extension	New	Non bona fide service applicants have the option of constructing the extension or paying the costs for the Company to do so.
13.6 Requirement for Extension Agreement	New	This provision describes the Extension Agreement that will be used, whether the applicant constructs the extension or pays the costs for the Company to construct it.
Rule 14 Fire Hydrants	Rule 9 Public Fire Hydrants	The tariff has been reorganized so related material is grouped together.
14.1 Ownership and Maintenance	9.1 Ownership and Maintenance	A sentence has been added to address the installation and maintenance of private fire hydrants.
14.2 Use Restricted	9.2 Use Restricted	This provision has been clarified to allow water from hydrants to be used to fight fires in basements below ground level.
14.3 Change in Locations	9.3 Change in Location	If a municipality orders the change in location of a private fire hydrant, the Customer will pay the costs.
Rule 15 Lawn Sprinkler System	Rule 19 Lawn Sprinkler System	The tariff has been reorganized so related material is grouped together.
15.1 Special Service Connection	19.1 Special Service Connection	The fee for setting or removing a lawn sprinkler meter, or for turning water on or off for a lawn sprinkler system, is increased from \$30 to \$50.
Rule 16 Bulk Service Sales	Rule 24 Bulk Service Sales	The tariff has been reorganized so related material is grouped together.
16.1 Calculation of service charge and volumetric charge	Unnumbered paragraphs on page 24	This provision makes clear that the Company will only provide bulk service if it has all necessary permits and approvals, and has the facilities on Company property, to provide this service. This provision also makes clear that customers will be billed monthly using the quantity charge for Retail Service.
Rule 17 Take or Pay Agreements	New	This provision was added to address situations in which a potential customer wants to reserve water capacity.
17.1 Contracts for the Reservation of Capacity	New	A potential customer who wants to reserve water capacity will be required to execute a take or pay agreement.
Rule 18 Water Conservation Contingency Plan	Rule 23 Water Conservation Contingency Plan	The tariff has been reorganized so related material is grouped together.
18.1 Water Conservation Contingency Plan	23.1 Water Conservation Contingency Plan	A sentence has been added to Subsection E clarifying that restrictions imposed by the Pennsylvania Emergency

Rule	Previous Rule in Tariff Water – PA PUC No. 3	Change and Reason for the Change
		Management Agency will control if they are inconsistent with Company-imposed restrictions.
18.2 Drought Emergency	23.2 Drought Emergency	No substantive changes have been made.
Rule 19 Liability of Company	Rule 16 Liability of Company	Rules 19 and 20 have been combined into one rule.
19.1 Regularity of Service	Rule 15.1 Regularity of Supply	A sentence has been added to the existing Rule 15.1. This sentence comes from Part III, Section I.2 of the Commission’s sample tariff for water companies.
19.2 Liability of Company	New	This section has been expanded. Subpart A. is based on Part III, Section I.2 of the Commission’s sample tariff for water companies. Subpart B is based on Rule 16.1 in Tariff Water – PA PUC No. 3. Subpart C is based on limitation of liability provisions in other water utilities’ Commission-approved tariffs.

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SCHEDULE OF RATES

RETAIL SERVICE

Minimum Charges (Billed Monthly)

<u>Meter Size</u>	<u>Charge per Month</u>
5/8 inch	39.00
1-1/2 inch	\$50.36 (I)
2 inch	\$100.71 (I)
3 inch	\$152.36 (I)
4 inch	\$201.42 (I)
6 inch	\$257.59 (I)
8 inch	\$355.07 (I)

QUANTITY CHARGE (Billed Monthly)

	<u>Charge per Month</u>
The First 50,000 Gallons per Month	\$11.16 per Thousand gallons (I)
All Over 50,000 Gallons per Month	\$4.67 per Thousand gallons (I) or a fraction thereof

**SPRINKLER CHARGES (Billed Monthly)
 FIRE SERVICE**

	<u>Charge per Month</u>
8 inch Diameter Stand Pipe	\$178.81 per each Stand Pipe (I)
10 inch Diameter Stand Pipe	\$199.98 per each Stand Pipe (I)

Conditions:

Water from sprinklers is intended to be used for fighting fires. Any water used for purposes other than fighting fires will be billed at the Quantity Charge set forth above. The quantity of water used from sprinklers for other than fighting fires will be based on meter readings, where possible. If a meter reading cannot be used, the Company will estimate the usage.

PUBLIC OR PRIVATE FIRE HYDRANTS (Billed Monthly)

Fire Hydrant Rate	\$22.60	(I)
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Conditions:

Water from fire hydrants is intended to be used for fighting fires. Any water used for purposes other than fighting fires shall be billed at the Quantity Charge set forth above. The quantity of water used from fire hydrants for other than fighting fires will be based on meter readings, where possible. If a meter reading cannot be used, the Company will estimate the usage.

TEMPORARY METER DURING CONSTRUCTION CHARGES

RATE: \$69.83 per month during construction period, plus actual gallonage of water consumed at the Quantity Charge set forth above.

WHOLESALE WATER RATES

CAPACITY CHARGE (Billed Monthly)	\$1,271.80 per month	(I)
QUANTITY CHARGE	\$3.36 per thousand gallons or a fraction thereof	(I)

Wholesale water rates will be charged to Wholesale Customers, as defined herein.

**RULES AND REGULATIONS GOVERNING THE
DISTRIBUTION AND SALE OF WATER**

1. Definitions

1.1 Code

The Code is the Pennsylvania Public Utility Code, 66 Pa. C.S. § 101 *et seq.*

1.2 Company

The Company is CAN DO, Inc., Water Division.

1.3 Cross-connection

A Cross-connection is any pipe, valve, or other physical connection, or other arrangement or device connecting the pipelines of the Company, or facilities directly or indirectly connected therewith, to and with pipes or fixtures by which any contamination might be admitted or drawn from lines other than the Company's into the distribution system of the Company, or into lines connected therewith. Without limiting the generality of the foregoing, a physical connection directly or indirectly connecting the pipelines of the Company, or the Customer, to any other independent source of water supply (such as a private well) is a Cross-connection.

1.4 Customer

The Customer is any party contracting for and/or receiving water service through a connection.

A. Wholesale Customer: A properly permitted private water system, a municipality or municipal authority water system, or a public utility water system (as defined in the Code).

B. Retail Customer: any Customer that is not a Wholesale Customer.

1.5 DEP

DEP means the Pennsylvania Department of Environmental Protection.

1.6 Fire Protection Service

Fire Protection Service means fire service (such as sprinklers for fire suppression) or public or private fire hydrant service.

1.7 General Service

General Service is water service to a commercial or industrial Customer, excluding Fire Protection Service.

1.8 Interconnection

An Interconnection is a structural connection arrangement by which the Company's facilities can be supplied with water from, and or supply water to a properly permitted private water system, a municipality or a municipal authority water system or a public utility water system.

1.9 Normal Working Hours

Normal Working Hours are 8:30 a.m. to 5:00 p.m., except on weekends and holidays.

1.10 P.U.C.

The P.U.C. is the Pennsylvania Public Utility Commission.

1.11 Remote Meter Reading Device

A Remote Meter Reading Device is a device which, by electrical impulse or otherwise, transmits readings from a meter to a more accessible location.

1.12 Service Line

A Service Line is the line connecting the street main to the Customer's facility, through which the Customer receives water service.

1.13 Short-term Supply Shortage

A Short Term Supply Shortage is an emergency which causes the total water supply of the Company to be inadequate to meet maximum system demand.

2. The Water Tariff

2.1 Filing and Availability

A copy of this Tariff, which is the rates, rules and regulations under which water service will be supplied by the Company, to its Customers in Pennsylvania, is on file with the P.U.C., and is available and open for inspection at the office of the Company.

2.2 Revisions

This Tariff may be revised, amended, supplemented and otherwise changed from time to time in accordance with the Code, and such changes, when effective, shall have the same force and effect as the present Tariff.

2.3 Applications of Tariff

The Tariff provisions apply to any party or parties lawfully receiving water service from the Company under the rates set forth therein, and the receipt of water shall constitute the receiver, a Customer of the Company as the term is used herein.

2.4 Rules and Regulations

The Rules and Regulations, filed as a part of this Tariff, are a part of every contract or agreement for service, whether written, oral or implied, made by the Company, and govern all classes of service where applicable.

2.5 Waivers

The Company may, at its sole discretion, waive any of the Rules contained herein that operate for the benefit of the Company; provided, that no such waiver will be valid unless in writing and signed by an authorized representative of the Company, and provided that no waiver will be allowed where the waiver would constitute a violation of the Code, P.U.C. regulations, or of any other applicable law or regulation.

2.6 Amendment of Commission Regulations

Whenever P.U.C. regulations in Title 52 of the Pennsylvania Code are duly amended in such a way as would produce a difference between them and this tariff, this tariff is deemed to be amended so as to be consistent with the amendments to the regulations, except that if application of the amendment to Title 52 is discretionary, this tariff will remain unchanged.

2.7 Amendment of DEP Regulations.

Whenever DEP regulations in Title 25 of the Pennsylvania Code are duly amended in such a way as would produce a difference between them and this tariff, this tariff is deemed to be amended so as to be consistent with the amendments to the regulations, except that if application of the amendment to Title 25 is discretionary, this tariff will remain unchanged.

3. Application for Service

3.1 Application for Service

Service connections will be made and water will be furnished upon written application by the prospective Customer (or his properly authorized agent) on a contract form prepared by the Company for this purpose. Wherever practical, each building will have an independent service line from the main and shall require a separate application.

3.2 Change in Ownership or Tenancy

A new application must be made to the Company upon any change in ownership where the owner of the property is the Customer, or upon any change in the identity of a lessee where the lessee is the Customer. The Company shall have the right to discontinue or otherwise interrupt water service upon three days' notice if a new application has not been made and accepted for the new Customer.

3.3 Acceptance of Application

An application for service is considered accepted by the Company only upon written approval by the Company.

3.4 Application Seeking to Reserve Capacity

An applicant seeking to reserve a certain amount of the Company's water capacity will be required to enter into a take or pay agreement pursuant to Rule 17.1.

4. Deposits

4.1 Customer's Deposit

Deposits will be required from all Customers. The amount of the deposit will be 50% of the cost of the meter.

4.2 Return of Deposit

The deposit will be returned to the depositor when it has paid all bills for service over a period of twelve (12) consecutive months, as set forth under Rule 5 (Payment Terms).

4.3 Interest on Deposits

Interest on deposits will be paid at the rate governed by 52 Pa. Code § 56.57. Upon deposit held for more than a year, the Company will pay to the depositor at the end of each calendar year the interest accrued thereon.

4.4 Deposits not Payment

Deposits shall not be considered as payment on account of a bill during the time the Customer is receiving water service.

5. Payment Terms

5.1 Customer's Liability for Charges

A Customer is liable for all water service furnished to such premise until such times as service is discontinued pursuant to Rule 6.

5.2 Billing Period

Bills for water service will be rendered monthly for service furnished during the preceding month. The Company may offer Customers the option of paying bills in person, by mail, or electronically. Payments will be due by the end of the month in which the bill is rendered. A penalty of 1.5% per month will be added to the overdue amount of the bill if it is not paid by the due date.

5.3 Service Discontinued

Service may be discontinued for nonpayment of bills pursuant to Rule 6.1 of this Tariff.

5.4 Consumption not Combined

The use of water by the same Customer in different premises or localities will not be combined and each installation shall stand by itself.

5.5 Meter Registration

The quantity of water recorded by the meter shall be accepted as correct by both the Company and the Customer, except that bills may be disputed pursuant to Rule 5.6.

5.6 Disputed Bills

In the event of a dispute between the Customer and the Company respecting any bill, the Company will forthwith make such investigation as may be required by the particular case and report the result thereof to the Customer. When the Company has made such a report to the Customer, either: (1) sustaining the bill as rendered, or, (2) submitting a corrected bill, payment will be due not less than 20 days after the date of the Company's report. Failure to pay shall render the Customer and its service liable to the penalties herein provided. Any amounts received by the Company in excess of the amount disclosed to be due by the Company's investigation of the dispute shall be forthwith returned to the Customer if the error arose from any cause other than the incorrect estimating of a Customer's consumption for the period in dispute.

5.7 Temporary or Special Service

Payments in advance of furnishing service may be required for construction of facilities and furnishing special equipment.

5.8 Returned Check Charge

A charge of \$25 will be assessed any time a check presented to the Company for payment on account has been returned by the payor bank for any reason.

6. Discontinuance of Water Service

6.1 Termination by Company

Service rendered may be discontinued by the Company after ten days' written notice for any of the following reasons:

- A. For submitting an application for service that contained material misrepresentations.
- B. For willful or indifferent waste of water due to any cause, including failing to repair any known leaks in the Service Line.
- C. For failure to protect from injury or damage the meter and connections or for failure to protect and properly maintain the service pipe or fixture on the property of the Customer.
- D. For molesting or tampering by the Customer or others with the knowledge of the Customer, with any meter, connections, service pipe, curb valve, seal or any other appliance of the Company controlling or regulating the Customer's water supply.
- E. For failure to provide the Company's employees free and reasonable access to the premise supplied or for obstructing the way of ingress to the meter or other appliances controlling or regulating the Customer's water supply.
- F. For non-payment of any account or any fee or charge accruing under the application.
- G. For installing or maintaining an unauthorized connection.
- H. Theft of service, which shall include taking service without having made a proper application for service.
- I. For any material violation of any rule in the tariff.

6.2 Termination by Customer

Where a Customer requests the Company to discontinue service, the following rules shall apply:

A. Customer to Notify Company

A Customer who wishes to have service discontinued shall give at least three (3) days' notice to the Company, specifying the date on which service is to be discontinued. In the absence of proper notice, the Customer shall be responsible for all service rendered until the time that the Company shall have actual or constructive notice of the Customer's intent to discontinue service.

B. Customer Requests Reconnection

A Customer discontinuing service remains a Customer for purposes of paying turn-on fees pursuant to this Tariff for a period of nine (9) months. Where a Customer requests turn-on of service within nine (9) months of disconnection, the Customer shall be subject to monthly minimum billing for the period of disconnection.

6.3 Service Renewed

When water service to any premise has been terminated for any reason, it will be renewed only after the conditions, circumstances, or practices which caused the water service to be discontinued are corrected and all fees paid.

6.4 Service Restoration Charge

When water service to any premise has been terminated because of nonpayment of a bill or other violation of the Rules and Regulations, a \$50.00 charge will be required to restore service during Normal Working Hours. Other than Normal Working Hours, a charge equivalent to the cost incurred by the Company in restoring service, will be made; and this charge together with all other amounts which may be due the Company by the Customer must be paid before the water service is restored.

6.5 Service Reconnection Charge

When water service to any premise has been discontinued at the request of the ratepayer, a \$50.00 charge will be required during Normal Working Hours to re-connect service to the same premises when service remains in the name of the ratepayer who requested the discontinuance. Other than Normal Working Hours, a charge equivalent to the cost incurred by the Company in re-connecting service will be made.

7. Termination of Free Service Under Certain Contracts and Other Instruments

7.1 Terms and Conditions

Notwithstanding any contrary provision contained in any deed, grant, contract, franchise, permit, consent or other instrument (other than an instrument expressly set forth in and

constituting a part of this tariff) made, executed or delivered between the Company or any predecessor in interest and a Customer of the Company or any predecessor in interest:

- A. Every person who takes water shall pay for all water taken as provided in the applicable schedule of rates set forth herein and subject to the Rules and Regulations of the Company.
- B. No credit off-set or other allowance shall be allowed by the Company against any water bill on account of the making, execution, or delivery of, or pursuant to any provisions of, any such instrument.

8. Service Line Connections to Main

8.1 Point of Sale

The point of sale of water service or fire service is the control valve and box adjacent to the curb line or property line.

8.2 Right to Reject

The Company may refuse to connect with any piping system, or furnish water through one already connected, if such system is not properly installed and maintained or if the piping system on the Customer's premise is not at a sufficient depth to prevent freezing. The Company may also refuse to connect, or furnish water, if lead base solder has been used in any plumbing beyond the Company's main. It shall be the Customer's responsibility to provide, subject to Company verification, the Company with Certification that no lead has been used.

8.3 Installation and Maintenance of the Service Line By the Customer

Installation and maintenance of the Service Line and connection with the Company's facilities (including the main) shall be the responsibility of the Customer. The Company will review and approve designs for the Service Line and connection, Company personnel will be present when the Service Line is connected to the main, and shall inspect and approve the connection when work is completed, all at the Customer's expense (based on the costs incurred by the Company).

8.4 Service Line Specifications

The Company must approve the size, kind and quality of the facilities laid between the Company's main and the structure on the premise to be supplied.

8.5 No Additional Tap

Unless otherwise permitted by these rules and regulations, no fixture shall be attached to or any branch made in the service pipe between the meter and the water main.

8.6 Trench Restriction

The Service Line shall not be laid in the same trench with drain or wastewater pipe, the facilities of any other public utility or of any municipality or municipal authority, that provides a public utility service, or within three (3) feet of any open excavation, unless a written exception is granted by the Company. Service Lines shall not be covered until inspected and approved by a qualified representative of the Company, at the Customer's expense (based on the costs incurred by the Company).

8.7 Valve Pit

On Service Lines to be used for fire service only or for both General Service and fire service, a valve pit must be installed to specifications acceptable to the Company. The valve pit shall be located as close to the property line as practical and shall be used to divide the General Service lines and fire service lines. When used to divide the General Service lines and fire service lines, the valve pit will also serve as the meter pit. Installation and maintenance of the valve pit (including the plumbing in the valve pit) shall be the responsibility of the Customer.

8.8 Meter Pits

On Service Lines not used for fire service, a meter pit shall be installed to specifications acceptable to the Company. The meter pit shall be located as close to the property line as practical. Installation and maintenance of the meter pit (including the plumbing in the meter pit) shall be the responsibility of the Customer.

8.9 Backflow Prevention Device and Service Line Strainers

- A. On Service Lines for General Service, a backflow prevention device of a type approved by the Company must be installed. The location of the backflow prevention device shall be approved by the Company.
- B. On Service Lines to be used concurrently for General Service and fire service, the Service Line must, in addition, have an approved fire service line strainer. The backflow prevention device and/or strainer, shall be owned and maintained by the Customer.
- C. The Customer shall annually certify to the Company, in an acceptable form, that backflow prevention devices and service line strainers (if any) have been maintained, are in working order, and have been tested at least once in the past twelve months. They are also subject to Company inspection at reasonable times upon reasonable notice.

8.10 Customer Cross-Connections and Customer Interconnections Prohibited

Customer Cross-Connections and Customer Interconnections shall not be permitted. No new Customer Cross-Connections shall be installed and no existing Customer Cross-Connections shall be continued. A Customer Cross-Connection shall be considered to be eliminated if the method of backflow prevention is approved by an employee for the Company. The cost of the installation and the material of backflow prevention shall be paid for by the Customer.

8.11 Stop Valve

The Customer shall install a stop valve on the Service Line immediately inside of the foundation wall of the building supplied. Such valve should be located as to be easily accessible and to provide proper drainage for the pipes in the building.

8.12 Pressure Regulators

The customer shall be responsible for determining its need for the installation and maintenance of a pressure regulator or valve in its premises.

9. Meters and Meter Installations

9.1 Meter Installations

The Company will furnish for each Customer, without charge, a suitable meter and will keep the same in repair. In case of misuse or damage to the meter attributable to the Customer, the expense of all costs of repair or replacement shall be borne by the Customer.

9.2 Remote Meter Reading Devices

In the event the Company installs meters capable of being read remotely, this work will be done at no cost to the Customer. In the case of misuse or damage to the meter attributable to the Customer, the expense of repair must be borne by the Customer. If, in the opinion of the Company, the Remote Meter Reading Device and related equipment can be installed, the Customer cannot refuse such installation. If access is denied, the Company may impose a meter reading fee equal to the cost of manually reading the meter or may terminate service.

9.3 Outside Meter Installations

All meters shall be placed in a meter pit or valve pit by the Customer subject to Company inspection. The option of such installation shall be left to the discretion of the Company. Any outside meter installation requested by the Customer shall be at the Customer's expense.

9.4 Metered Service

All service provided by the Company must be metered, except as provided by Rule 9.5.

9.5 Meter Installations for Unmetered Fire Service

Within 45 calendar days of notification by the Company, an unmetered fire service Customer shall provide a suitable meter setting at its own expense. The Company will provide the Customer with standard specifications for the meter setting. Any Customer who does not provide a suitable meter setting within the 45-day period, will be subject to termination of service or, at the option of the Company, the installation will be made by the Company and a surcharge equal to the cost of labor and material for installing the meter setting will be applied to the Customer's bill. The Company will furnish the meter pursuant to Rule 9.1.

9.6 Tampering with Utility Equipment on a Customer's Property

When a meter or other utility equipment on a Customer's premises have been tampered with and the Customer enjoys the use of or receives benefit from the water service intended to be metered, it may be reasonably inferred that the Customer tampered with the meter or other utility equipment. The penalties for tampering with such equipment include, but are not limited to, termination of service and recovery by the Company of all costs related to the tampering (including payment for such water as the Company may estimate that the Customer used, based on the Customer's past water usage and other available information, at the highest rate permitted for that Customer's rate class).

9.7 Tampering with Utility Equipment off of the Customer's Property

No customer shall tamper or interfere with utility equipment or facilities (including wells, water treatment and water distribution facilities) located off of the Customer's property. The penalties for tampering or interfering with such equipment or facilities include, but are not limited to, termination of service and recovery by the Company of all costs related to the tampering or interference.

9.8 Meters Treated Separately

When more than one metering station is installed upon a Customer's premise at the request of a Customer or due to conditions existing upon the premise of the Customer, then each metering station shall be treated separately as if it belonged to a separate Customer.

10. Meter Tests

10.1 Meter Tests

All meters are accurately tested before installation. Meters are also periodically tested in accordance with the regulations of the P.U.C. The Company may at any time remove any meter for routine tests, repairs or replacement and may, at its option and expense test any meter when the Company has reason to believe that it is registering inaccurately.

10.2 Customer Requested Tests

Any Customer may request the Company to make a special test of the accuracy of a meter, which test will be made in accordance with 52 Pa. Code § 65.8.

10.3 Meter Test Fees

A fee shall be paid for a special test, which shall be paid in advance by the Customer. The amount of the fee is set forth at 52 Pa. Code § 65.8(h). If the said meter be found upon said test to be accurate within the limits specified in 52 Pa. Code § 65.8(a), the fee shall be retained by the Company, but if not so found, the cost shall be borne by the Company and the fee paid by the Customer will be refunded. A report of the test will be made to the Customer. If the meter is not found to be accurate, the meter shall forthwith be repaired by the Company or another meter which has been properly repaired shall be installed, and the Customer's bill shall be adjusted in accordance with 52 Pa. Code § 65.9.

10.4 Meter Test Witnessed by Customer

The test of a meter requested by a Customer must be witnessed by the Customer or his duly authorized representative.

11. General

11.1 Interference with Facilities

No person shall turn the water on or off at any street valve, curb stop, curb valve or other street connection or disconnect or remove any meter without the consent of the Company. The control of the water supply by the Customer shall be by means of a separate stop valve.

11.2 Inspection of Premises

All Service Lines, meters, fire protection service lines, stand pipes, storage tanks and fixtures, including any and all fixtures within the premises receiving the supply of water, shall, at all reasonable hours, be subject to inspection by any duly authorized employee of the Company

11.3 Limitation on Pumps

Unless otherwise specifically authorized by the Company, Customers will not be permitted to install pumps that take water directly from the service pipes or water mains but must have an adequately sized intervening vessel vented to the atmosphere into which to receive water and from which it may be pumped.

11.4 Limitation on Valves

Unless otherwise specified, quick acting or motorized valves are not permitted.

12. Line Extensions for Bona Fide Service Applicants

12.1 Line Extension Definitions

The following definitions shall apply to this Rule:

A. Annual Line Extension Costs

The sum of the Company's additional annual Operating and Maintenance Costs, Debt Costs and Depreciation Charges associated with the construction, operation and maintenance of the Line Extension.

B. Annual Revenue

The Company's expected additional Annual Revenue from the Line Extension based on the Company's currently effective tariff rates and on the average annual usage of Customers similar in nature and size to the Bona Fide Service Applicant.

C. Bona Fide Service Applicant

Any business applying for water service to an existing or proposed structure within the Company's certificated service territory for which a valid occupancy or building permit has been issued. An applicant shall not be deemed a Bona Fide Service Applicant if:

1. the applicant is requesting water service to a building lot, or subdivision;
2. the request for service is part of a plan for the development of a residential dwelling or subdivision; or
3. the applicant is requesting Special Utility Service.

D. Debt Costs

The Company's additional annual cost of debt associated with financing the Line Extension investment based on the current debt ratio and weighted long-term debt cost rate for the Company.

E. Depreciation Charges

The Company's additional annual depreciation charges associated with the specific Line Extension investment to be made based on the current depreciation accrual rates for the Company.

F. Line Extension

An addition to the Company's main line which is necessary to serve the premises of a Customer.

G. Operating and Maintenance Costs

The Company's average annual operating and maintenance costs associated with serving an additional Customer, including customer accounting, billing, collections, water purchased, power purchased, chemicals, and other variable costs based on the current total Company level of such costs, as well as costs particular to the specific needs of that Customer, such as line flushing.

H. Special Utility Service

Business service which exceeds that required for ordinary purposes. By way of illustration and not limitation, special utility service shall include: the installation of facilities such as oversized mains, booster pumps and storage tanks as necessary to provide adequate flows or to meet specific pressure criteria, or service to large water consuming commercial and industrial facilities.

12.2 Line Extensions

Whenever a developer, owner or occupant of a property within the service territory of the Company requests the Company to extend service to such property, the Company will extend service under the following conditions:

A. Requests by Bona Fide Service Applicant

Upon request by a Bona Fide Service Applicant, the Company shall construct Line Extensions within its franchised territory consistent with the following:

1. Line Extensions to Bona Fide Service Applicants shall be funded without customer advance where the Annual Revenue from the Line

Extension will equal or exceed the Company's Annual Line Extension Costs.

2. If the Annual Revenue from the Line Extension will not equal or exceed the Company's Annual Line Extension Costs, a Bona Fide Service Applicant may be required to provide a Customer advance to the Company's cost of construction for the Line Extension. The Company's investment for the Line Extension shall be the portion of the total construction costs which generate Annual Line Extension Costs equal to Annual Revenue from the Line Extension. The Customer advance amount shall be determined by subtracting the Company's investment for the Line Extension from the total construction costs.
3. The Company's investment for the Line Extension shall be based on the following formula, where X equals the Company's investment attributed to each Bona Fide Service Applicant:

X	=	[AR — OM] divided by [I + D]; and
AR	=	the Company's Annual Revenue
OM	=	the Company's Operating and Maintenance Costs
I	=	the Company's current debt ratio multiplied by the Company's weighted long-term debt cost rate
D	=	the Company's current depreciation accrual rate

B. Customer Advance Financing, Refunds, and Facilities on Private Property

1. When a Customer advance is required of a service applicant and an additional Customer or Customers attach Service Lines to the Line Extension within ten years, the Company shall refund a portion of the advance to the Customer. Deposits made for additional facilities other than the Line Extension, such as booster pumps, storage tanks and the like, are contributions in aid of construction and need not be refunded.
2. The Company will refund to the applicant, during a period of ten (10) years from the date of the extension deposit, a per-Customer amount for each additional Bona Fide Service Applicant from whom a street service connection shall be directly attached to such main extension as distinguished from extensions or branches thereof. Provided, however, that the total amount refunded shall not exceed the original deposit without interest, and provided that all or any part of the deposit not refunded within said 10 year period shall become the property of the Company and shall be treated as contributions in aid of construction for ratemaking purposes. The per Customer refund amount shall equal the Company's investment attributed to

each Bona Fide Service Applicant as calculated in the formula contained in this tariff.

3. The Company shall require a Customer to pay, in advance, a reasonable charge for Service Lines and equipment installed on private property for the exclusive use of the Customer.
4. An otherwise Bona Fide Service Applicant requesting service which includes a Special Utility Service component is entitled to Bona Fide Service Applicant status, including the corresponding Company contribution toward the costs to the Line Extension which do not meet the Special Utility Service criteria.

C. Requirement for Extension Deposit Agreement

Where extension of facilities is not fully funded by the Company pursuant to this Rule 12.2, the execution by the applicant of an Extension Deposit Agreement for Customer contribution or advance shall be a condition of extending the facilities. Upon notice that the Company is prepared and able to go forward with the work, the applicant will deposit with the Company the amount specified in the Extension Deposit Agreement.

D. Size of Line

The Company shall have the exclusive right to determine the type and size of lines to be installed and the other facilities required to render adequate service. However, where the Company decides to install a pipe larger than necessary to render extension of adequate service to the applicant, estimated or actual cost figures in the Extension Deposit Agreement shall include only the material and installation cost for a pipe the size of which is necessary to provide adequate service to the applicant. Any incremental costs of a larger pipe will be the responsibility of the Company. All estimated or actual cost figures referred to in the Extension Deposit Agreement shall include a reasonable allowance for overhead costs and taxes as appropriate. The minimum pipe size for main extensions will be six (6) inches in diameter pursuant to P.U.C. regulation at 52 Pa. Code § 65.17(b).

E. Length of Extension

In determining the necessary length of an extension, the terminal point of such extension shall be at that point in the curb line, which is equidistant from the side property lines of the last lot for which water service is requested. A Company service connection will be permitted only for Customer Service Lines that extend at right angles from the curb line in a straight line to the premises to be served.

F. Cost True-up

At the conclusion of the Line Extension project, there shall be a reconciliation of the actual costs incurred to the amount of extension deposit that has been paid by the applicant. If the actual cost exceeds the deposit, the applicant shall be responsible for payment to the Company of the difference. If the deposit exceeds the actual cost, the Company shall refund the difference.

13. Line Extensions for Non Bona Fide Service Applicants

13.1 Definitions

A Non Bona Fide Service Applicant is a business applying for water service that does not satisfy the definition of a Bona Fide Service Applicant in Rule 12.1.C. Without limiting the generality of the foregoing, an applicant for special utility service is a Non Bona Fide Service Applicant.

13.2 Requests by a Non Bona Fide Service Applicant

Whenever a Non Bona Fide Service Applicant requests the Company to extend service to property in the Company's service territory, service will be extended, as provided in this Rule 13. Line extensions will be fully funded by the Non Bona Fide Service Applicant, except as provided in this Rule 13.

13.3 Size of Line

The Company will have the exclusive right to determine the type and size of lines to be installed and the other facilities required to render adequate service. However, where the Company requires the installation of a pipe larger than necessary to render extension of adequate service to the applicant, the Non Bona Fide Service Applicant will only be responsible for the material and installation cost for a pipe the size of which is necessary to provide adequate service to the applicant. Any incremental costs of a larger pipe will be the responsibility of the Company. The minimum pipe size for main extensions will be six (6) inches in diameter, pursuant to P.U.C. regulation at 52 Pa. Code § 65.17(b).

13.4 Length of Extension

The Company will have the sole discretion to determine the necessary length of an extension.

13.5 Construction of the Line Extension

The Non Bona Fide Service Applicant will have the option of constructing the line extension or paying all costs for the Company to construct the line extension. If the Non Bona Fide Service Applicant chooses to construct the line extension, the Company will

provide the Customer with specifications for the line extension. Designs and plans for the line extension must be submitted to, and approved by, the Company prior to the commencement of construction. Company personnel may inspect the construction, and must approve the line extension before the Bona Fide Service Applicant turns the line extension over to the Company. Following approval, the Company will own and maintain the line extension.

13.6 Requirement for Extension Agreement

- A. An Extension Agreement will be required for any line extension by a Non Bona Fide Service Applicant.
- B. Where the applicant constructs the project, but the line extension is not fully funded by the applicant, the Extension Agreement will estimate the amount of the Company's contribution. The Extension Agreement also will require the Company to pay the estimated amount of its contribution to the Customer, subject to a reconciliation of the actual amount of the Company's contribution, compared to the estimated amount of the Company's contribution.
- C. Where the Company constructs the line extension, a Customer contribution or advance will be a condition of extending the facilities. Upon notice that the Company is prepared and able to go forward with the work, the applicant will deposit with the Company the amount specified in the Extension Agreement. All estimated or actual cost figures referred to in the Extension Agreement will include a reasonable allowance for overhead costs and taxes as appropriate. At the conclusion of the line extension project, there shall be a reconciliation of the actual costs incurred compared to the amount of extension deposit that has been paid by the applicant. If the actual cost exceeds the deposit, the applicant shall be responsible for payment to the Company of the difference. If the deposit exceeds the actual cost, the Company will refund the difference.

14. Fire Hydrants

14.1 Ownership and Maintenance

All public fire hydrants will be furnished, installed, and paid for by the Company, and shall be inspected and maintained by the Company. All private fire hydrants will be furnished, installed, and paid for by the Customer, and shall be inspected and maintained by the Customer.

14.2 Use Restricted

The use of fire hydrants, whether owned by the Company or by the Customer, will be restricted to the taking of water for the extinguishing of aboveground fires and water shall

not be taken from any fire hydrant for construction purposes, extinguishing underground fires (including mine fires, but water from a hydrant may be used to fight fires in the basement of a building), sprinkling streets, flushing sewers or gutters or for any other use unless specifically permitted by the Company for the particular time and occasion. If the Company grants permission to use fire hydrants for purposes other than the extinguishment of fires, such use will be approved only if an approved backflow prevention device is attached to the hydrant. Said device shall be furnished by the Customer.

14.3 Change in Location

Whenever a change in location of a private fire hydrant is ordered by the municipality, such change will be made at the Customer's expense.

15. Lawn Sprinkler System

15.1 Special Service Connection

Upon request of the Customer, the Company will install a service connection and meter to supply an underground lawn sprinkler system. The Customer will be charged for the entire cost of this installation, excluding the cost of the meter. Should it be necessary to remove or reinstall the meter on a lawn sprinkler system on a seasonal basis, the cost for this service shall be paid for by the Customer. Upon request of the Customer to turn the water on or off for a lawn sprinkler system on a seasonal basis, the cost of this service shall be paid for by the Customer. The Customer shall be charged \$50.00 each time it requests the meter to be set or removed or the water to be turned on or off.

16. Bulk Service Sales

16.1 Calculation of service charge and volumetric charge

Provided that the Company has all requisite DEP and other permits and approvals for bulk service sales, and has the facilities located on Company property to make such bulk service sales, the Company shall impose a per-load fixed service charge for water purchased on a bulk truckload basis from facilities located on Company property. The bulk service fixed service charge will be determined annually by accumulating the costs of the current year related to bulk sales divided by the number of bulk truckloads sold in the prior year. The bulk service fixed charge will be charged on a per truckload basis irrespective of the volume of each truckload sale and shall be paid in addition to the cost of the water purchased.

Customers will be billed monthly for water sold on the bulk truckload basis using the quantity charge for Retail Service.

17. Take or Pay Agreements

17.1 Contracts for the Reservation of Capacity

A potential customer who wishes to reserve a certain amount of the Company's water capacity shall be required to enter into an agreement by which the Company will be paid a certain minimum amount each month, as determined by the Company, regardless of the amount of water received from the Company. A contract with a municipal corporation shall not be effective until it has been submitted to, and approved by, the P.U.C., if required by 66 Pa. C.S. § 507.

18. Water Conservation Contingency Plan

18.1 Water Conservation Contingency Plan

A. General

If the Company is experiencing a Short Term Supply Shortage, the Company may request general conservation of inside water uses and may impose mandatory conservation measures to reduce or eliminate non-essential uses of water.

B. Voluntary Conservation

The Company shall first request voluntary curtailment of all non-essential uses of water.

C. Mandatory Conservation

If voluntary conservation does not achieve satisfactory results, mandatory conservation may be imposed. If any Customer refuses to comply with such mandatory measures, the Company may, after proper notice and explanation, either adjust the outside water valve connection in a manner which will restrict water flow up to one half, or otherwise restrict flow such as by the insertion of a plug device. If Customer compliance is still not achieved, complete service termination may be imposed by an Administrative Law Judge or other presiding officer following an expedited hearing.

D. Non-essential uses of water

Non-essential uses of water include, at a minimum, those contained in 52 Pa. Code § 65.1, as follows:

1. The use of hoses, sprinklers or other means for sprinkling or watering of shrubbery, trees, lawns, grass, plants, vines, gardens, vegetables, flowers or other vegetation.
2. The use of water for washing automobiles, trucks, trailers, trailer houses or any other type of mobile equipment.
3. The washing of streets, driveways, parking lots, service station aprons, office buildings, exteriors of homes, sidewalks, apartments or other outdoor surfaces.
4. The operation of any ornamental fountain or other structures making a similar use of water.
5. The use of water for filling swimming or wading pools.
6. The operation of any water-cooled comfort air conditioning which does not have water-conserving equipment.
7. The use of water from fire hydrants for construction purposes or fire drills.
8. The use of water to flush a sewer line or sewer manhole.
9. The use of water for commercial farms and nurseries other than a bare minimum to preserve plants, crops, and livestock.

E. Water Rationing Plan

In addition to the provisions as set forth above, the Pennsylvania Emergency Management Agency is authorized to promulgate, adopt, and enforce a Water Rationing Plan by virtue of the Emergency Management Services Code, 35 Pa. C.S. §§ 7101 *et seq.*, as implemented by a Drought Emergency Proclamation by the Governor of Pennsylvania. Where inconsistent with Company-imposed restrictions pursuant to this tariff, PEMA restrictions shall control.

18.2 Drought Emergency

In the event of a drought emergency, as declared by a River Basin Commission and/or by a proclamation or executive order issued by the Governor, the Company is authorized to collect fines and/or excess use charges set forth in its Local Water Rationing Plan if filed with and approved by the Pennsylvania Emergency Management Agency.

19. Liability of Company

19.1 Regularity of Service

The Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in service, but cannot and does not guarantee that such will not occur. The Company may at any time shut off the water in the mains in case of accident, or for the purpose of making connections, alterations, repairs, changes or for other reasons, and may restrict the use of water to reserve a sufficient supply for public fire service or other emergencies whenever the public welfare may require it. The Company will, so far as circumstances permit, notify Customers to be affected by any interruptions in the water service.

19.2 Liability of Company

A. Limitation of Damages

The Company's liability to a Customer for any loss or damage from any excess or deficiency in the pressure, volume or supply of water, due to any cause other than willful misconduct or negligence by the Company, its employees or agents, shall be limited to an amount no more than the minimum charge for the period in question.

B. Responsibility for Customer Facilities

The Company shall not be liable for any loss or damage caused by reason of any break, leak or other defect in a Service Line, a Customer's interior pipes or fixtures, or other installations, except where the damage is a result of the negligence or willful misconduct of the Company, its employees or agents.

C. Limitation of Liability

The Company shall not be liable in any action where the loss or damage involves an act of God or does not involve a duty of the Company, including, but not limited to, breaks or leaks on facilities that are not owned by the Company. Further, the Company shall not be liable in any action where the loss or damage does not involve a breach of a duty of the Company, including, but not limited to, where the Company does not receive actual notice, whether written or oral, that a Company facility is in need of repair.

Greater Hazleton Community Area
New Development Organization
T/A CAN DO, Inc. Wastewater Division

Supp. No. 2 to
Tariff Wastewater – PA PUC No. 4

GREATER HAZLETON COMMUNITY AREA NEW DEVELOPMENT ORGANIZATION,
INC.

RATES, RULES AND REGULATIONS
GOVERNING THE COLLECTION, CONVEYANCE AND TREATMENT OF
WASTEWATER
IN
HUMBOLDT INDUSTRIAL PARK
IN
HAZLE TOWNSHIP
LUZERNE COUNTY, PENNSYLVANIA
IN
EAST UNION TOWNSHIP
IN SCHUYLKILL COUNTY, PENNSYLVANIA
AND IN
CAN DO CORPORATE CENTER
IN
BUTLER TOWNSHIP
LUZERNE COUNTY, PENNSYLVANIA

By: Joseph Lettiere, President and Chief Executive Officer
CAN DO, Inc.
Hazleton, PA 18201

NOTICE

LIST OF CHANGES MADE BY THIS TARIFF

CAN DO, Inc. (Wastewater Division) (“CAN DO”) is filing a new tariff, rather than a tariff supplement, because it is completely re-writing the rules and regulations in the tariff.

CAN DO proposes extensive changes to improve the consistency of its wastewater rules and regulations with its water rules and regulations, to the extent possible. Since many CAN DO customers are both water and wastewater customers, this change should facilitate customer understanding of both tariffs. Upon reviewing both tariffs, it was determined that the wastewater tariff (which is currently 16 pages in length) needs to be substantially expanded to include provisions similar to those in the proposed water tariff (which is 25 pages in length).

CAN DO also needed to update and substantially expand its tariff provisions regarding prohibited wastes and the Industrial Pretreatment Program (“IPP”). These changes were recommended by an engineering firm that studied CAN DO’s wastewater system. These changes can be found in Sections 8, 10 and 11.

In addition, CAN DO proposes reorganizing the material in its rules and regulations so that related topics are discussed together in order to improve the clarity and comprehensiveness of the rules and regulations in the tariff. For example, the rules regarding applications for service, payment terms, and service lines and service connections are now found in Sections 3, 4 and 6, rather than being spread out in the tariff.

CAN DO proposes adding several provisions based on language in the sample tariff for a wastewater utility, published by the Pennsylvania Public Utility Commission (“Commission”). For example, CAN DO proposes to add a rule on the discontinuance of wastewater service, which is not presently found in the wastewater tariff.

Finally, CAN DO proposes revising its rules and regulations to include provisions similar to the rules and regulations of other Commission-regulated water public utilities. For example, CAN DO proposes additional rules regarding limitations of liability.

Finally, CAN DO proposes the elimination of some existing tariff provisions as unnecessary. For example, CAN DO proposes deleting the current rule regarding amendments to the tariff because it duplicates the rule regarding revisions of the tariff.

For additional information, please see the attached chart.

List of Changes (Cont'd)

Proposed Rule	Previous Rule in Tariff Wastewater – PA PUC No. 3	Change and Reason for the Change
Schedule of Rates	Schedule of Rates	Rates have not been modified.
Page 4	Unnumbered paragraph at the bottom of page 4	The paragraph concerning rates where a wastewater meter is impaired has been deleted. This topic is now addressed in Rule 4.5.
Rule 1 Definitions	Rule 1 Definitions	This Rule has been expanded to define additional terms used frequently in the tariff. Many of the new terms are used in the new rules regarding the Industrial Pretreatment Program (the “IPP Rules”).
1.1 Act	New	A definition of “Act” has been inserted for ease of reference to the Federal Water Pollution Control Act.
1.2 Best Management Practices or BMPs	New	A definition of “Best Management Practices” has been inserted for ease of reference in the IPP Rules.
1.3 Categorical Industrial User	New	A definition of “Categorical Industrial User” has been inserted for ease of reference in the IPP Rules.
1.4 Categorical Standard	New	A definition of “Categorical Standard” has been inserted for ease of reference in the IPP Rules.
1.5 Code	New	A definition of “Code” has been inserted for ease of reference to the Pennsylvania Public Utility Code.
1.6 Company	1.1	The definition of “Company” has been simplified.
1.7 Customer	1.2	The definition of “Customer: has been simplified.
1.8 DEP	New	A definition of “DEP” has been inserted for ease of reference to the Pennsylvania Department of Environmental Protection.
1.9 EPA	New	A definition of “EPA” has been inserted for ease of reference to the United States Environmental Protection Agency.
1.10 Categorical Pretreatment Standard or Pretreatment Standard	New	A definition of “Categorical Pretreatment Standard” or “Pretreatment Standard” has been inserted for ease of reference in the IPP Rules.
1.11 GHJSA	New	A definition of “GHJSA” has been inserted for ease of reference to the Greater Hazleton Joint Sewer Authority.
1.12 Humboldt North	New	A definition of “Humboldt North” has been inserted to clarify references to this portion of the Company’s service territory.
1.13 Indirect Discharge	New	A definition of “Indirect Discharge” has been inserted for ease of reference in the IPP Rules.
1.14 Industrial User or Industrial Customer	New	A definition of “Indirect Discharge” has been inserted for ease of reference in the IPP Rules.
1.15 Industrial Waste Permit	New	A definition of “Industrial Waster Permit” has been inserted for ease of reference in the IPP Rules.
1.16 New Source	New	A definition of “New Source” has been inserted for ease of reference in the IPP Rules.
1.17 Normal Working Hours	New	A definition of “Normal Working Hours” has been added to clarify a term used in the tariff.
1.18 Pretreatment Coordinator	New	A definition of “Pretreatment” has been inserted for ease of reference in the IPP Rules.
1.19 Pretreatment or Treatment	New	A definition of “Pretreatment” or “Treatment” has been inserted for ease of reference in the IPP Rules.

Proposed Rule	Previous Rule in Tariff Wastewater – PA PUC No. 3	Change and Reason for the Change
1.20 Pretreatment Requirements	New	A definition of “Pretreatment Requirements” has been inserted for ease of reference in the IPP Rules.
1.22 P.U.C.	New	A definition of “P.U.C.” has been inserted for ease of reference to the Pennsylvania Public Utility Commission.
1.23 Service Line	1.3	The definition of “Service Line” has been simplified.
1.24 Significant Industrial Customer	New	A definition of “Significant Industrial Customer” has been inserted for ease of reference in the IPP Rules.
1.25 Slug Load	New	A definition of “Slug Load” has been inserted for ease of reference in the IPP Rules.
1.26 Spill	New	A definition of “Spill” has been inserted for ease of reference in the IPP Rules.
1.27 SPCC Plan	New	A definition of “SPCC” has been inserted for ease of reference in the IPP Rules.
1.28 Water Company	New	A definition of “Water Company” has been inserted to clarify references to the entity providing the customer with water service.
1.29 WWTP	New	A definition of “WWTP” has been inserted to ease references to a wastewater treatment plant.
Rule 2 The Wastewater Tariff	Rule 2 The Sewer Tariff	
2.1 Filing and Availability	2.1 Filing and Availability	No substantive changes have been made.
2.2 Revisions	2.2 Revisions	No substantive changes have been made.
2.3 Applications of Tariff	2.3 Applications of Tariff	No substantive changes have been made.
2.4 Rules and Regulations	2.4 Rules and Regulations	No substantive changes have been made.
2.5 Waivers	New	This provision is based on Part III, Section J of the PUC.’s sample tariff for wastewater public utilities.
2.6 Amendment of P.U.C. Regulations	New	This provision is based on Part III, Section K of the PUC.’s sample tariff for wastewater public utilities.
2.7 Amendment of DEP Regulations	New	This provision is similar to Rule 2.6, but applies to DEP regulations rather than Commission regulations.
Rule 3 Application for Service	Rule 3 Application for Service	This rule has been simplified.
3.1 Application for Service	Unnamed Rule 3.1	This rule has been modified to parallel language in the Company’s proposed Water Tariff at Rule 3.1.
3.2 Change in Ownership or Tenancy	New	This rule is based on Part III, Section A.2 of the PUC’s sample tariff for a wastewater public utility.
3.3 Acceptance of Application	New	This rule is based on Part III, Section A.3 of the PUC’s sample tariff for a wastewater public utility.
3.4 Beginning of Service	Unnamed Rule 6.4	No substantive changes have been made in this rule.
Rule 4 Payment Terms	Rule 6 Bills Due and Payable	
4.1 Customer’s Liability for Charges	New	This rule parallels language in the Company’s proposed Water Tariff at Rule 5.1.
4.2 Billing Period	New	This rule parallels language in the Company’s proposed Water Tariff at Rule 5.2.

Proposed Rule	Previous Rule in Tariff Wastewater – PA PUC No. 3	Change and Reason for the Change
4.3 Service Discontinued	New	This rule parallels language in the Company’s proposed Water Tariff at Rule 5.3.
4.4 Usage not Combined	New	This rule parallels language in the Company’s proposed Water Tariff at Rule 5.4.
4.5 Meter Registration	Paragraph at the bottom of p. 4 of the schedule of rates, Unnamed Rules 6.5 and 6.6	This rule combines several rules describing how a Customer is billed.
4.6 Disputed Bills	New	This rule parallels language in CAN DO, Inc.-Water Division’s proposed Water Tariff at Rule 5.6.
4.7 Returned Check Charge	New	This rule is based on Part I, Section B of the PUC’s sample tariff for wastewater public utilities.
Rule 5 Discontinuance of Wastewater Service	New	
5.1 Termination by Company	New	This rule is based on Part III, Section C.2 of the PUC’s sample tariff for a wastewater public utility.
5.2 Termination Resulting from Order of Regulatory Agency	New	This rule is based on Part III, Section C.2.i. of the PUC’s sample tariff for a wastewater public utility.
5.3 Termination of Water Service by Company	New	This rule is based on the last sentence in Part III, Section C.4 of the PUC’s sample tariff for a wastewater public utility.
5.4 Termination of Service by Customer	New	This rule parallels language in CAN DO, Inc.-Water Division’s proposed Water Tariff at Rule 6.2.
5.5 Service Renewed	New	This rule parallels language in CAN DO, Inc.-Water Division’s proposed Water Tariff at Rule 6.3.
5.6 Service Restoration Charge	New	This rule parallels language in CAN DO, Inc.-Water Division’s proposed Water Tariff at Rule 6.4.
5.7 Service Reconnection Charge	New	This rule parallels language in CAN DO, Inc.-Water Division’s proposed Water Tariff at Rule 6.5.
Rule 6 Service Line and Connection	Rule 4 Service Connections	
6.1 Connections to the Street Main to be at Manholes	Rule 4.13	No substantive changes have been made in this rule.
6.2 Right to Reject	New	This rule is based on the first sentence in Part III.B.2 of the PUC’s sample tariff for a wastewater public utility.
6.3 Manholes to be Installed on Service Lines	Rule 4.16	A sentence has been added to make clear that manholes on Service Lines are the responsibility of the Customer, whereas manholes on street mains are the responsibility of the Company (Rule 6.1).
6.4 Manhole Construction Standards	Rule 4.15	No substantive changes have been made in this rule.
6.5 Installation of the Service Line By the Customer	Rules 4.3, 4.5	This rule parallels language in CAN DO, Inc.-Water Division’s proposed Water Tariff at Rule 6.5.
6.6 Responsibility for Costs of Service Line	Rule 4.2	No substantive changes have been made in this rule.

Proposed Rule	Previous Rule in Tariff Wastewater – PA PUC No. 3	Change and Reason for the Change
6.7 Service Line Construction Standards	Rules 4.6	The second sentence of this rule is a simplified version of Rule 4.4.
6.8 Trench Restriction	New	This rule parallels language in CAN DO, Inc.-Water Division’s proposed Water Tariff at Rule 8.6.
6.9 Testing of Service Lines	Rule 4.14	No substantive changes have been made in this rule.
6.10 Other Customers Cannot Connect to the Service Line	Rule 3.3	No substantive changes have been made in this rule.
6.11 Responsibility for Obtaining Permits for Service Line	Rule 3.6	No substantive changes have been made in this rule.
6.12 Compliance with State and Local Regulations	Rule 4.8, 4.11, 4.17	No substantive changes have been made in this rule.
6.13 Maintenance of Service Lines	Rule 4.5	The first sentence of this rule is based on the first sentence of proposed Rule 6.5. The third sentence has been modified to be consistent with the definition of Service Line in Rule 1.23.
6.14 Alterations of Connections with the Wastewater System	Rule 4.11	No substantive changes have been made to this rule.
Rule 7 Meters	Rule 5 Meters	
7.1 Determining Measured Wastewater	Rules 5.1 – 5.3	Rule 7.1A now addresses the situation in which a Customer has a private well. Rule 7.1B limits a Customer to no more than 2 deduct meters, and Rule 7.1C requires Customers who need more than 2 deduct meters to install a sewage meter.
7.2 Wastewater Meters Must be Acceptable to the Company	Rule 5.4	No substantive changes have been made to this rule.
7.3 Tampering with Utility Equipment on a Customer’s Property	Rule 5.5	This rule parallels language in CAN DO, Inc.-Water Division’s proposed Water Tariff at Rule 9.6.
7.4 Tampering with Utility Equipment off of the Customer’s Property	New	This rule parallels language in CAN DO, Inc.-Water Division’s proposed Water Tariff at Rule 9.7.
7.5 Meter Testing	Rule 5.6	Rule 7.4A parallels language in CAN DO, Inc.-Water Division’s proposed Water Tariff at Rules 10.1-10.4. Rule 7.4B is new.
7.6 Access by Authorized Representatives of the Company	Rule 5.7	No substantive changes have been made to this rule.
Rule 8 Prohibited Wastes	Rule 7 Prohibited Wastes	This section has been expanded due to the implementation of an Industrial Pretreatment Program (“IPP”).
8.1 Discharge Prohibitions	New	This section is added to provide discharge prohibitions consistent with the IPP.
8.2 Discharge Limits	Rule 7.1	Some of the discharge parameters have been updated.

Proposed Rule	Previous Rule in Tariff Wastewater – PA PUC No. 3	Change and Reason for the Change
8.3 Amendment of Discharge Limits	New	This section has been added to address the situation in which regulations (including effluent discharge regulations of the Greater Hazleton Joint Sewer Authority) are modified.
8.4 Sampling	Rule 7.2	No substantive changes have been made to this rule.
8.5 Customer’s Liability	Rule 9.1	No substantive changes have been made to this rule.
8.6 Customer’s Liability for GHJSA Charges	New	This section is added to address the situation in which a customer discharges effluent into the Company’s wastewater system that results in a fee from the Greater Hazleton Joint Sewer Authority. This fee will be passed on, without mark-up, to the responsible customer.
8.7 Company Pretreatment Fee Schedule	New	This section is added to be consistent with the new provisions implementing an IPP.
8.8 Emergency Suspensions	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP.
8.9 Revocation of Permit	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP.
Rule 9 Construction, Maintenance and Repairs	Rule 8 Pretreatment	This Rule has been expanded based on the implementation of an IPP.
9.1 Pretreatment Facilities Required	Rule 8.1	No substantive changes have been made to this rule.
9.2 Monitoring Process Waste Required	Rule 8.2	No substantive changes have been made to this rule.
9.3 Odors from Pretreatment Facilities Prohibited	Rule 8.3	No substantive changes have been made to this rule.
9.4 Location of Pretreatment Facilities	Rule 8.4	No substantive changes have been made to this rule.
9.5 Company Approval of Location of Pretreatment Facilities	Rule 8.5	No substantive changes have been made to this rule.
9.6 Customer Liability for Costs of the Pretreatment Facilities	Rule 8.6	No substantive changes have been made to this rule.
9.7 Customer Liability for Negligence Relating to Pretreatment Facilities	Rule 8.7	No substantive changes have been made to this rule.
9.8 Cleaning of Pretreatment Facilities	Rule 8.8	No substantive changes have been made to this rule.
Rule 10 Pretreatment	New	This Rule is added based on an engineer’s report prepared for the purpose of implementing an IPP.
10.1 General	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. Among other things, this section addresses the transition period for complying with the IPP.
10.2 Confidential Information	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. Among other

Proposed Rule	Previous Rule in Tariff Wastewater – PA PUC No. 3	Change and Reason for the Change
		things, this section addresses whether customer records involving the IPP are confidential.
Rule 11 Administration of Industrial Waste Permits	New	This Rule is added based on an engineer’s report prepared for the purpose of implementing an IPP.
11.1 Permit Requirements	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. Among other things, this section requires Industrial Customers to obtain an Industrial Waste Permit.
11.2 Permit Application	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. Among other things, this section describes the process for obtaining an Industrial Waster Permit.
11.3 Permit Revisions	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. Among other things, this section addresses the situation in which a Federal Categorical Pretreatment Standard is promulgated after a customer obtains and Industrial Waste Permit.
11.4 Permit Conditions	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. This section addresses conditions that may be imposed on an Industrial Waste Permit.
11.5 Permit Duration	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. This section states that Industrial Waste Permits may be issued for up to five years.
11.6 Permit Renewal	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. This section creates a process for renewing an Industrial Waste Permit.
11.7 Permit Transfer	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. Among other things, this section requires Company approval to transfer an Industrial Waste Permit.
11.8 Reporting Requirements	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. Among other things, this section outlines the reporting requirements for different types of customers.
11.9 Permit Modifications	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. Among other things, this section allows the Pretreatment Coordinator to modify an Industrial Waste Permit.
11.10 Monitoring Facilities	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. Among other things, this section contains requirements for monitoring facilities.
11.11 Inspection and Sampling	New	This section is added based on an engineer’s report prepared for the purpose of implementing an IPP. This section requires customers to allow the Company to inspect customer facilities to ensure the customer is complying with the tariff..

Proposed Rule	Previous Rule in Tariff Wastewater – PA PUC No. 3	Change and Reason for the Change
Rule 12 Line Extensions for Bona Fide Service Applicants	Rule 13 Line Extensions	The rule has been modified to clarify that it applies to bona fide service applicants, whereas Rule 13 applies to non bona fide service applicants.
12.1 Line Extension Definitions	Rule 12.1	Some terms are now defined in Rule 1.1 rather than Rule 12.1. The definition of Special Utility Service has been clarified to mean business services that exceed that required for ordinary purposes.
12.2 Line Extensions	Unnumbered paragraph after Rule 13.12 through Rule 13.18	Other than clarifying that these rules only apply to bona fide service applicants, no substantive changes have been made to these rules.
Rule 13 Line Extensions for Non Bona Fide Service Applicants	New	This rule provides for line extensions to non bona fide service applicants.
13.1 Definitions	New	This rule defines a non bona fide service applicant.
13.2 Requests by a Non Bona Fide Service Applicant	New	This rule states that Rule 13 determines who will pay for the extension of service to non bona fide service applicants.
13.3 Size of Line	New	This section is patterned after Section 13.16 in the Company’s existing tariff.
13.4 Length of Extension	New	This section gives the Company discretion to determine the length of an extension for a non bona fide service applicant.
13.5 Construction of the Line Extension	New	This section gives non bona fide service applicants the option of constructing the line extension or paying the Company’s cost to construct the line extension.
13.6 Requirement for Extension Agreement	New	This section requires the non-bona fide service applicant to execute an extension agreement.
Rule 14 Liability of Company	New	This Rule limits the liability of the Company. It parallels Rule 19 of the Company’s proposed Water Tariff.
14.1 Regularity of Service	New	This section is based on Part III, Sections I.1. and 2a) of the Commission’s sample tariff for wastewater utilities.
14.2 Liability of Company	New	Subpart A is based on Part III, Section I.2a) of the Commission’s sample tariff for wastewater utilities. Subpart B is based on Part III, Section I.2.b) of the Commission’s sample tariff for wastewater utilities. Subpart C is based on the limitation of liability provisions in the Commission-approved tariffs of other wastewater public utilities.

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SCHEDULE OF RATES

HUMBOLDT INDUSTRIAL PARK

For service furnished to commercial and industrial establishments.

MINIMUM CHARGES (Billed monthly)

First 3,333 gallons per month \$235.00

ADDITIONAL QUANTITY CHARGES (Billed monthly)

For each additional 1,000 gallons, or \$10.86
fraction thereof, of measured
wastewater

CAN DO CORPORATE CENTER DIVISION

For service furnished to commercial establishments.

MINIMUM CHARGES (Billed Monthly)

First 3,333 gallons per month \$216.00

ADDITIONAL QUANTITY CHARGES (Billed monthly)

The next 71,667 gallons or fraction \$16.00
thereof, of measured wastewater per
1,000 gallons

All over 75,000 gallons or fraction \$10.78
thereof, of measured wastewater per
1,000 gallons

SCHEDULE OF RATES, continued

WHOLESALE WASTEWATER RATES

APPLICABLE FOR SERVICE TO EAGLE ROCK COMMUNITY ASSOCIATION

CAPACITY CHARGE (Billed Monthly)	\$250.00 per month
QUANTITY CHARGE	\$6.63 per thousand gallons

Note: Specific terms and conditions of service for wholesale service are defined in agreements with each developer or other applicable entity.

RULES AND REGULATIONS

1. Definitions

1.1 Act

The Federal Water Pollution Control Act, also known as the Clean Water Act, as amended.

1.2 Best Management Practices or BMPs

Schedules or activities, prohibitions of practices, maintenance procedures and other management practices to implement the prohibitions listed in the industrial pretreatment program Rules and Regulations of this Tariff. BMPs include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw materials storage.

1.3 Categorical Industrial User

An Industrial Customer subject to Categorical Standards.

1.4 Categorical Standard

A National Categorical Pretreatment Standard or Pretreatment Standard.

1.5 Code

The Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 101, *et seq.*

1.6 Company

CAN DO, Inc., Wastewater Division.

1.7 Customer

Any party contracting for and/or receiving wastewater service from the Company.

1.8 DEP

The Pennsylvania Department of Environmental Protection.

1.9 EPA

The United States Environmental Protection Agency.

1.10 Categorical Pretreatment Standard or Pretreatment Standard

Any regulation containing pollutant discharge limits promulgated by the EPA in accordance with Section 307(b) and (c) of the Act (33 U.S.C. Section 1347), which applies

to Industrial Customers. This term includes national prohibitive discharge limits established pursuant to Section 403.5 of the General Pretreatment Regulations (40 CFR Part 403) and Pretreatment Standards for specific industrial categories (*e.g.*, 40 CFR Chapter I, subpart N, Parts 405-471).

1.11 GHJSA

The GHJSA is the Greater Hazleton Joint Sewer Authority.

1.12 Humboldt North

The portion of the Humboldt Industrial Park in which Company customers' effluent flows to the GHJSA wastewater treatment plant for treatment.

1.13 Indirect Discharge

The discharge or the introduction of nondomestic pollutants from any source regulated under Section 307(b) or (c) of the Act into the WWTP (including holding tank waste discharged into the system).

1.14 Industrial User or Industrial Customer

A source of Indirect Discharge which does not constitute a “discharge of pollutants” under regulations issued pursuant to Section 402 of the Act.

1.15 Industrial Waste Permit

A discharge permit issued by the Company pursuant to this Tariff.

1.16 New Source

A New Source is any building, structure, facility or installation from which there is or may be a discharge of pollutants, and construction of which is commenced after the publication of proposed Pretreatment Standards under Section 307(c) of the Act, which will be applicable to such source if such Standards are thereafter promulgated in accordance with that section, provided that:

- A. The building, structure, facility or installation is constructed at a site at which no other source is located; or
- B. The building, structure, facility or installation totally replaces the process or production equipment that causes the discharge of pollutants at an existing source; or
- C. The production or wastewater generating processes of the building, structure, facility or installation are substantially independent of an existing source at the same site. In determining whether these are substantially independent, factors such

as the extent to which the new facility is integrated with the existing plant, and the extent to which the new facility is engaged in the same general activity as the existing source should be considered.

D. Construction on a site at which an existing source is located results in modification rather than a New Source if the construction does not create a new building, structure, facility or installation meeting the criteria of paragraphs A, B, or C of this section but otherwise alters, replaces or adds to an existing process or production equipment. Construction of a New Source as defined under this section has commenced if the owner or operator has:

1. Begun, or caused to begin as part of a continuous on-site construction program any placement, assembly, or installation of facilities or equipment; or significant site preparation work including clearing, grubbing, excavation, or removal of existing buildings, structures, or facilities which is necessary for the placement, assembly, or installation of new source facilities or equipment; or
2. Entered into a binding contractual obligation for the purchase of facilities or equipment which is intended to be used in its operation within a reasonable time. Options to purchase or contracts which can be terminated or modified without substantial loss, and contracts for feasibility, engineering, and design studies do not constitute a contractual obligation under this definition.

1.17 Normal Working Hours

8:30 a.m. to 5:00 p.m., except on weekends and holidays.

1.18 Pretreatment Coordinator

An agent or employee of the Company designated by the Company to administer the provisions of the industrial pretreatment program.

1.19 Pretreatment or Treatment

The reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater to a less harmful state prior to or in lieu of discharging or otherwise introducing such pollutants into the WWTP. The reduction or alteration can be obtained by physical, chemical or biological processes or process changes and other means, except as prohibited by 40 CFR Section 403.6(d).

1.20 Pretreatment Requirements

Any substantive or procedural requirement related to pretreatment, other than a National Pretreatment Standard imposed on an Industrial Customer by the Federal, State or local pretreatment authorities.

1.21 Pretreatment Standard

See Rule 1.10, above.

1.22 P.U.C.

The Pennsylvania Public Utility Commission.

1.23 Service Line

The line connecting the Customer's facility to the wastewater main in the street and shall include all associated accessories and manholes.

1.24 Significant Industrial Customer

Any Industrial Customer who: (a) is subject to any Federal Categorical Pretreatment Standards under 40 CFR Section 403.6 and 40 CFR Chapter I, Subchapter N; or (b) discharges an average flow of 25,000 gallons per day (gpd) or more of process wastewater to the WWTP (excluding sanitary, noncontact cooling and boiler blowdown wastewater); or (c) contributes a process waste stream which makes up five (5) percent or more of the average dry weather hydraulic or organic capacity of the WWTP; or (d) is designated as such by the Company, the EPA or the DEP on the basis that the Industrial Customer has a reasonable potential for adversely affecting the WWTP's operation or for violating any pretreatment standard or requirement.

1.25 Slug Load

Any discharge at a flow rate or concentration which could cause a violation of the prohibited discharge standards in this Tariff. Any discharge of a non-routine, episodic nature including but not limited to an accidental spill or a non-customary batch discharge, which has reasonable potential to cause interference or pass through, or in any other way violate the WWTP's regulations, local limits or permit conditions.

1.26 Spill

Any non-routine episodic discharge, including, but not limited to, accidental spills and leaks and non-customary batch discharges, and including any discharge resulting from control or cleanup activities associated with such an occurrence.

1.27 SPCC Plan

A spill prevention, control and countermeasure plan prepared by an Industrial User to minimize the likelihood and intensity of a Slug Load or Spill and to expedite control and cleanup activities should a Slug Load or Spill occur.

1.28 Water Company

The permitted private water system, municipality or municipal authority water system, or the public utility water system providing service to the Customer.

1.29 WWTP

The Company’s wastewater treatment plant.

2. The Wastewater Tariff

2.1 Filing and Availability

A copy of this Tariff, which is the rates, rules and regulations under which wastewater service will be supplied by the Company, to its Customers in Pennsylvania, is on file with the P.U.C., and is available and open for inspection at the office of the Company.

2.2 Revisions

This Tariff may be revised, amended, supplemented and otherwise changed from time to time in accordance with the Code, and such changes, when effective, shall have the same force and effect as the present Tariff.

2.3 Applications of Tariff

The Tariff provisions apply to any party or parties lawfully receiving wastewater service from the Company under the rates set forth therein, and the receipt of wastewater service shall constitute the receiver, a Customer of the Company as the term is used herein

2.4 Rules and Regulations

The Rules and Regulations, filed as a part of this Tariff, are a part of every contract or agreement for service, whether written, oral or implied, made by the Company, and govern all classes of service where applicable.

2.5 Waivers

The Company may, at its sole discretion, waive any of the Rules contained herein that operate for the benefit of the Company; provided, that no such waiver will be valid unless in writing and signed by an authorized representative of the Company (the “Authorized Representative”), and provided that no waiver will be allowed where the waiver would constitute a violation of the Code, P.U.C. regulations, or of any other applicable law or regulation.

2.6 Amendment of P.U.C. Regulations

Whenever Commission regulations in Title 52 of the Pennsylvania Code are duly amended in such a way as would produce a difference between them and this tariff, this tariff is deemed to be amended so as to be consistent with the amendments to the regulations, except that if application of the amendment to Title 52 is discretionary, this tariff will remain unchanged.

2.7 Amendment of DEP Regulations

Whenever DEP regulations in Title 25 of the Pennsylvania Code are duly amended in such a way as would produce a difference between them and this tariff, this tariff is deemed to be amended so as to be consistent with the amendments to the regulations, except that if application of the amendment to Title 25 is discretionary, this tariff will remain unchanged.

3. Application for Service

3.1 Application for Service

Service connections will be made and wastewater service will be furnished upon written application by the prospective Customer (or its properly authorized agent) on a contract form prepared by the Company for this purpose. Wherever practical, each building will have an independent Service Line from the main and shall require a separate application.

3.2 Change in Ownership or Tenancy

A new application must be made to the Company upon any change in ownership where the owner of the property is the Customer, or upon any change in the identity of a lessee where the lessee is the Customer. The Company shall have the right to discontinue or otherwise interrupt wastewater service upon three days' notice if a new application has not been made and accepted for the new Customer.

3.3 Acceptance of Application

An application for service is considered accepted by the Company only upon written approval by the Company.

3.4 Beginning of Service

No persons will be permitted to turn on the wastewater service for building purposes except an employee or agent of the Company. Upon completion of the new buildings, the wastewater service shall be shut off by the plumber, and shall not be turned on until the Customer requests service to begin.

4. Payment Terms

4.1 Customer's Liability for Charges

A Customer is liable for all wastewater service furnished to such premise until such time as service is discontinued pursuant to Rule 5.

4.2 Billing Period

Bills for wastewater service will be rendered monthly for service furnished during the preceding month. The Company may offer Customers the option of paying bills in person, by mail, or electronically. Payments will be due by the end of the month in which the bill is rendered. A penalty of 1.5% per month service will be added to the overdue amount of the bill if it is not paid by the due date.

4.3 Service Discontinued

Service may be discontinued for nonpayment of bills pursuant to Rule 5.1 of this Tariff.

4.4 Usage not Combined

The use of wastewater service by the same Customer in different premises or localities will not be combined and each installation shall stand by itself.

4.5 Meter Registration

The quantity of wastewater recorded by the meter shall be accepted as correct by both the Company and the Customer, except that:

1. If the Water Company's meter readings are used, or a private well meter is used (see Rule 7.1), the Company shall have the right to require the Customer to request that the Water Company test its meter, or to require the Customer to test its private well meter.
2. If a wastewater meter is used and that wastewater meter becomes impaired to the extent that registration of use is not available, then the Company reserves the right to apply the Water Company's meter readings for a corresponding period until wastewater metering is again resumed.

4.6 Disputed Bills

In the event of a dispute between the Customer and the Company respecting any bill, the Company will forthwith make such investigation as may be required by the particular case and report the result thereof to the Customer. When the Company has made such a report to the Customer, either: (1) sustaining the bill as rendered, or, (2) submitting a corrected bill, payment will be due not less than 20 days after the date of the Company's report. Failure to pay shall render the Customer and its service liable to the penalties herein

provided. Any amounts received by the Company in excess of the amount disclosed to be due by the Company's investigation of the dispute shall be forthwith returned to the Customer if the error arose from any cause other than the incorrect estimating of a Customer's consumption for the period in dispute.

4.7 Returned Check Charge

A charge of \$25 will be assessed any time a check presented to the Company for payment on account has been returned unpaid by the payor bank for any reason.

5. Discontinuance of Wastewater Service

5.1 Termination by Company

Service rendered may be discontinued by the Company after ten days' written notice for any of the following reasons:

- A. Submitting an application for service that contained material misrepresentations.
- B. Failing to repair any known leaks in building the Service Line.
- C. Connecting, or failing to remove the connection, of any source of storm water, surface water, ground water, roof runoff and/or uncontaminated water from air-conditioning systems, swimming pools, etc.
- D. Tampering with any Company facilities.
- E. Installing or maintaining an unauthorized connection.
- F. Theft of service, which shall include taking service without having made a proper application for service.
- G. Failing to pay, when due, any charges accruing under this tariff.
- H. Discharging any prohibited substance listed in Rule 8 into the Company's wastewater system.
- I. Failing to allow the Company reasonable access to the Customer's property to inspect, investigate, read, sample, notify, maintain, repair, shutoff, etc.
- J. For failure to provide the Company's employees free and reasonable access to the premise supplied or for obstructing the way of ingress to the meter or other appliances controlling or regulating the Customer's wastewater service.
- K. Any material violation of any provision of this tariff.

5.2 Termination Resulting from Order of Regulatory Agency

Service may be discontinued by the Company upon receipt by the Company of an order or notice from DEP, a health agency, local code enforcement officer or other similar authority, to terminate service to the property served on the grounds of violation of any law or ordinance, or upon notice to the Company from any such authority that it has ordered an existing violation on the property to be corrected and that such order has not been complied with.

5.3 Termination of Water Service by Company

The termination of wastewater services to the premises may include the termination of water service to the premises.

5.4 Termination of Service by Customer

Where a Customer requests the Company to discontinue wastewater service, the following rules shall apply:

A. Customer to Notify Company

A Customer who wishes to have service discontinued shall give at least three (3) days' notice to the Company, specifying the date on which service is to be discontinued. In the absence of proper notice, the Customer shall be responsible for all service rendered until the time that the Company shall have actual or constructive notice of the Customer's intent to discontinue service, and service has been discontinued.

B. Customer Requests Reconnection

A Customer discontinuing service remains a Customer for purposes of paying turn-on fees pursuant to this Tariff for a period of nine (9) months. Where a Customer requests turn-on of service within nine (9) months of disconnection, the Customer shall be subject to monthly minimum billing for the period of disconnection.

5.5 Service Renewed

When wastewater service to any premise has been terminated for any reason, it will be renewed only after the conditions, circumstances, or practices which caused the wastewater service to be discontinued are corrected and all fees paid.

5.6 Service Restoration Charge

When wastewater service to any premise has been terminated because of nonpayment of a bill or other violation of the Rules and Regulations, a \$50.00 charge will be required to restore service during Normal Working Hours. Other than Normal Working Hours, a charge equivalent to the cost incurred by the Company in restoring service, will be made;

and this charge together with all other amounts which may be due the Company by the Customer must be paid before the wastewater service is restored.

5.7 Service Reconnection Charge

When wastewater service to any premise has been discontinued at the request of the ratepayer, a \$50.00 charge will be required during Normal Working Hours to re-connect service to the same premises when service remains in the name of the ratepayer who requested the discontinuance. Other than Normal Working Hours, a charge equivalent to the cost incurred by the Company in re-connecting service will be made.

6. Service Line and Connections

6.1 Connections to the Street Main to be at Manholes

All connections to the street main will be at a manhole location unless otherwise approved by the Company. Construction and maintenance of the manhole at the street main will be the responsibility of the Company.

6.2 Right to Reject

The Company may refuse to connect with any piping system, or furnish wastewater service through one already connected, if such system is not properly installed and maintained.

6.3 Manholes to be Installed on Service Lines

Unless waived by the Company in writing, inspection/monitoring manholes shall be installed on all Service Lines at a location approved by the Company and in accordance with Company specifications. Construction and maintenance of all manholes on Service Lines will be the responsibility of the Customer.

6.4 Manhole Construction Standards

All manholes constructed by the Customer must be water or vacuum tested in the presence of a Company representative before being placed in service.

6.5 Installation of the Service Line By the Customer

Installation and maintenance of the Service Line and connection with the Company's facilities shall be the responsibility of the Customer. The Company will review and approve designs for the Service Line and connection, Company personnel will be present when the Service Line is connected to the main, and shall inspect and approve the connection when work is completed, at the Customer's expense (at the costs incurred by the Company).

6.6 Responsibility for Costs of Service Line

All cost for materials, installation, excavation and backfilling and inspection associated with construction of the Service Line and connection to the Company's street main shall be the responsibility of the Customer.

6.7 Service Line Construction Standards

All Service Lines shall be laid at least 5 feet below the surface of the land in a separate trench from any other facility or utility and sufficiently separated from any water or storm sewer line. The Company must approve the size, kind and quality of the facilities laid between the meter and the structure on the premise to be supplied.

6.8 Trench Restriction

- A. No service pipe shall be laid in the same trench with gas pipe, electric cable, telephone cable or any other facility of a public utility. Furthermore, no wastewater pipe may be installed within three (3) feet in undisturbed earth to a water service line. If a common trench is used for wastewater and water, a three (3) foot vertical and three (3) foot horizontal shelf must be made between the water service and the wastewater line.
- B. No Service Line will be permitted within three (3) feet of any open excavation or vault. Service Lines shall not be covered until inspected and approved by a qualified representative of the Company.

6.9 Testing of Service Lines

All Service Lines must be air-tested and inspected via video in the presence of a Company representative before being placed in service.

6.10 Other Customers Cannot Connect to the Service Line

No owner of any premises connected with the wastewater lines of the Company will be allowed to permit another person or premises to use or connect with its Service Line, not stipulated by its application or otherwise, except upon written permit from the Company.

6.11 Responsibility for Obtaining Permits for Service Line

All state and/or municipal permits or approvals must be secured by the Customer.

6.12 Compliance with State and Local Regulations

The Customer at all times shall comply with state and municipal regulations concerning the Service Lines, including any applicable plumbing codes, and shall make any changes which may be required because of change of grade, relocation of mains or otherwise. All

connections requiring a public road crossing will require a municipal permit and must be constructed in accordance with municipal specifications.

6.13 Maintenance of Service Lines

Maintenance of the Service Line and connection with the Company's facilities shall be the responsibility of the Customer. All Service Lines shall be kept in good repair by the Customer at the Customer's expense. Leaks in Service Lines shall be promptly repaired. On failure to make such repairs, with reasonable dispatch, the Company will turn off the wastewater facilities, and it will not be again turned on until all proper and necessary repairs are made, and the expenses incurred in shutting off and turning on the wastewater facilities are paid in full by the Customer.

6.14 Alterations of Connections with the Wastewater System

No repairs, alterations, or additions to any drain or wastewater connection with the Company's wastewater system shall be made, unless the person desiring to make the same shall first make application to and receive permission from the Company for doing so.

7. Meters

7.1 Determining Measured Wastewater

- A. For most Customers, the Company will base its charges for wastewater service on the Water Company's meter readings, except that a Customer who has a private well will be required to install a water meter, on which the Company will base its charges for wastewater service.
- B. If water is used by the Customer's industrial process, thereby reducing the amount of wastewater discharged, the Customer may request the use of up to two deduct meters to compute the actual wastewater discharge for purposes of billing. All meters used for computing wastewater discharge shall be provided and installed by the Customer or the Water Company. All such meters and their location must be approved by the Company and no repairs or changes will be permitted to be made to said meters except under the direction of an authorized person designated by the Company.
- C. If a Customer requires more than two deduct water meters, or if the Company determines that the Customer's wastewater discharge should be measured with a wastewater meter, the Customer will furnish, install and maintain a Company-approved wastewater meter at a location to be provided by the Customer and that is acceptable to the Company.

7.2 Wastewater Meters Must be Acceptable to the Company

Wastewater meters shall be of a type and kind satisfactory to the Company. The Company shall seal the meter, and it will not be tampered with by the Customer. The meter shall be placed in a protected location within a building or manhole so as to measure the entire flow of wastewater discharge.

7.3 Tampering with Utility Equipment on a Customer's Property

When a meter or other utility equipment on a Customer's premises have been tampered with and the Customer enjoys the use of or receives benefit from the wastewater service intended to be metered, it may be reasonably inferred that the Customer tampered with the meter or other utility equipment. The penalties for tampering with such equipment include, but are not limited to, termination of service and recovery by the Company of all costs related to the tampering (including payment for such wastewater service as the Company may estimate that the Customer used, based on the Customer's past wastewater service usage and other available information, at the highest rate permitted for that Customer's rate class).

7.4 Tampering with Utility Equipment off of the Customer's Property

No customer shall tamper or interfere with utility equipment or facilities (including wastewater treatment facilities) located off of the Customer's property. The penalties for tampering or interfering with such equipment or facilities include, but are not limited to, termination of service and recovery by the Company of all costs related to the tampering or interference.

7.5 Meter Testing

A. Company Meters

1. All meters are accurately tested before installation. Meters are also periodically tested in accordance with the regulations of the P.U.C. The Company may at any time remove any meter for routine tests, repairs or replacement and may, at its option and expense test any meter when the Company has reason to believe that it is registering inaccurately.
2. Any Customer may request the Company to make a special test of the accuracy of a Company-owned meter, which test will be made in accordance with 52 Pa. Code § 65.8.
3. A fee shall be paid for a special test, which shall be paid in advance by the Customer. The amount of the fee is set forth at 52 Pa. Code § 65.8(h). If the said meter be found upon said test to be accurate within the limits specified in 52 Pa. Code § 65.8(a), the fee shall be retained by the Company, but if not so found, the cost shall be borne by the Company and the fee paid by the Customer will be refunded. A report of the test will be made to the Customer. If the meter is not found to be accurate, the meter shall forthwith

be repaired by the Company or another meter which has been properly repaired shall be installed, and the Customer's bill shall be adjusted in accordance with 52 Pa. Code § 65.9.

4. The special test of a meter requested by a Customer must be witnessed by the Customer or its duly Authorized Representative.

B. Customer Meters

Customer Meters shall be tested for calibration at least once every twelve months, at the Customer's expense, and the results sent to the Company. If results are not timely submitted, the Company may request that a meter test be performed at the Customer's expense.

7.6 Access by Authorized Representatives of the Company

Properly Authorized Representatives of the Company shall have access at all reasonable hours to the premises served for the purpose of reading meters or making necessary inspections, or supervising the installation of Service Lines or repair or removal of meters.

8. Prohibited Wastes

8.1 Discharge Prohibitions

A. Water or Waste

The discharge of excessive amounts of unpolluted water or waste to the wastewater system is expressly prohibited. The Company reserves the right to define the amount it deems excessive in each particular situation.

B. Garbage

The discharge of any garbage to the wastewater system is expressly prohibited unless the garbage has first been properly shredded by a garbage grinder or garbage disposal device.

C. Pollutants

No Customer shall contribute or cause to be contributed, directly or indirectly, any pollutants that will pass through the WWTP or interfere with the operation or performance of the WWTP. These general prohibitions apply to all such Customers of the WWTP whether or not the Customer is subject to Federal Categorical Pretreatment Standards or any other Federal, State, or local Pretreatment Standards or Requirements. A Customer may not contribute the following substances to the WWTP:

1. Any liquids, solids or gases which by reason of their nature or quantity are or may be sufficient, either alone or by interaction with any other substances, to create a fire or explosion hazard in the WWTP, including, but not necessarily limited to, any waste streams, with a closed-cup flashpoint of less than 140° Fahrenheit or 60° Centigrade using the test methods specified in 40 CFR Section 261.21. At no time shall two successive readings on an explosion hazard meter, at the point of discharge into the wastewater system (or at any point in the system) be more than five percent (5%), nor any single reading be over ten percent (10%) of the Lower Explosive Limit (“LEL”) of the meter. Restricted materials include, but are not limited to, gasoline, kerosene, naphtha, benzene, toluene, xylene, ethers, alcohols, ketones, aldehydes, peroxides, chlorates, perchlorates, bromates, carbides, hydrides and sulfides, and any other substances which the Company, DEP or EPA deem to pose a fire or explosion hazard.
2. Any solid or viscous substances which may cause obstruction to the flow in a sewer, cause mechanical action which will destroy the sewer structures, or in the opinion of the Company may cause other interference with the operation of the WWTP including, but not limited to, grease, garbage with particles greater than one-half inch in any dimension, animal guts or tissues, paunch manure, bones, hair, hides or fleshing, entrails, whole blood, feathers, ashes, cinders, sand, spent lime, stone or marble dust, metal, glass, straw, shavings, grass clippings, rags, spent grains, spent hops, waste paper, wood, plastics, gas, tar, asphalt residues, residues from refining or processing of fuel or lubricating oil, mud or glass grinding or polishing wastes.
3. Any wastewater containing toxic pollutants in sufficient quantity, either singly or by interaction with other pollutants, to injure or interfere with any wastewater treatment process, constitute a hazard to humans or animals, create a toxic effect in the receiving waters of the WWTP, or exceed the limitation set forth in a Categorical Standard. A toxic pollutant shall include, but not be limited to, any pollutant identified pursuant to Section 307(a) of the Act.
4. Any noxious or malodorous liquid, gas, or solid which either singly or by interaction with other wastes is, in the opinion of the Company, sufficient to create a public nuisance or hazard to life or is sufficient to prevent entry into the sewers for their maintenance and repair.
5. Any substance which may cause the WWTP’s effluent or any other product of the WWTP such as residues, sludge, or scum, to be unsuitable for reclamation and reuse or to interfere with the reclamation process where the WWTP is pursuing a reuse and reclamation program. In no case shall a substance discharged to the WWTP cause the WWTP to be in noncompliance with sludge use or disposal criteria, guidelines, or

regulations affecting sludge use or disposal developed pursuant to the Solid Waste Disposal Act, the Clean Air Act, the Toxic Substance Control Act, or State criteria applicable to the sludge management method being used.

6. Any substance which will cause the WWTP to violate its NPDES and/or State Disposal System Permit or the receiving water quality standards for the Tomhicken Creek.
7. Any wastewater containing dyes, paints, pigments, inks, etc., or other agents which are not removed by the treatment process, and are in sufficient quantity to add any coloration above that of normal wastewater, or cause objectionable color.
8. Any wastewater having a temperature in excess of 140°F/60° C or which will inhibit biological activity in the WWTP treatment plant resulting in interference, but in no case wastewater that causes the temperature of the wastewater at the point of introduction into the WWTP treatment plant to exceed 104°F/40° C.
9. Any pollutant, including oxygen demanding pollutants (BOD, etc.) released in a discharge at a flow rate and/or pollutant concentration which will cause interference to the WWTP. Where the Company deems it advisable, the Company may require any person discharging industrial wastes to utilize flow equalization or restricted discharge rates to prevent potential slug loading problems such as in the case of batch discharges.
10. Any wastewater containing any radioactive waters or isotopes of such half-life or concentration as may exceed limits established by the Company in compliance with applicable State or Federal regulation.
11. Any wastewater containing gases or vapors either free or occluded, in concentrations that may cause a hazard to human life or create a public nuisance.
12. Any wastewater having a pH lower than 6.0 or higher than 8.5 measured for a period of 15 minutes or more, or having any other corrosive property capable of causing damage or hazards to structures, equipment, or personnel of the WWTP. Where the Company deems it advisable, the Company may require any person discharging industrial wastes to install and maintain at his own expense, in a manner approved by the Company, a suitable device to continuously measure and record the pH of the wastes so discharged.
13. Any wastewater containing petroleum oil, nonbiodegradable cutting oil, or products of mineral oil origin in amounts that will cause interference or pass-through, or wastewater containing more than 50 mg/L of fat, oil and grease.

14. Any wastewater containing insoluble, nonflocculent substances having a specific gravity in excess of 2.65, or soluble substances in such concentrations as to cause the specific gravity of the water to be greater than 1.1.
15. Any wastewater or pollutants which result in the presence of toxic gases, vapors, or fumes within the WWTP in a quantity that may cause acute or chronic worker health and safety problems.
16. Any wastewater containing more than 10.0 parts per million of any of the following gases: hydrogen sulfide, sulfur dioxide, nitrous oxide or any of the halogens.
17. Any trucked or hauled wastewater or pollutants, except at a discharge point(s) designated by the Company.
18. Storm water, surface water, ground water, artesian well water, roof runoff, subsurface drainage, swimming pool drainage, condensate, deionized water, noncontact cooling water, and unpolluted wastewater, unless specifically authorized by the Pretreatment Coordinator.
19. Sludges, screenings, or other residues from the pretreatment of industrial wastes.
20. Medical wastes, except as specifically authorized by the Pretreatment Coordinator in an individual wastewater discharge permit.
21. Wastewater causing, alone or in conjunction with other sources, the treatment plant's effluent to fail toxicity testing.
22. Detergents, surface-active agents, or other substances that might cause excessive foaming in the WWTP.

D. Enforcement

1. The Company shall have the right at any reasonable time to inspect a Customer's wastewater system, and to sample wastewater being discharged into the wastewater system, to determine whether the Customer is in compliance with this Tariff. The customer shall be responsible for the costs incurred by the Company for sampling and laboratory analysis.
2. When the Company determines that a Customer is directly or indirectly discharging any of the above substances to the WWTP in such amounts that will pass through or interfere with the operation of the WWTP, the Company shall: (1) advise the Customer of the impact of the contribution on the WWTP; (2) develop specific effluent limitations(s) for such

Customer to correct the interference with the WWTP; and/or (3) initiate appropriate enforcement action against the Customer pursuant to this Tariff.

8.2 Discharge Limits

No person shall discharge or cause to be discharged into the wastewater system any sanitary wastewater or industrial wastes exceeding the following maximum allowance discharge limits:

Applicable to All Service Areas Except Humboldt North

Discharge Parameter	Composite	Grab
Biological Oxygen Demand (BOD), mg/L	300	600
Chemical Oxygen Demand (COD), mg/L	600	1200
Suspended Solids (TSS), mg/L	300	600
TKN, mg/L	60	120
Ammonia Nitrogen, mg/L	30	60
pH Index	-	6.5 to 8.5
Copper, mg/L	0.5	1.0
Chromium, mg/L		
Hexavalent	-	0.05
Trivalent	-	1.0
Total Solids, mg/L	-	1500
Zinc, mg/L	0.5	1.0
Cyanide, mg/L	-	0.05
Phenols, mg/L	-	0.05
FOG (Fats, Oils, and Grease)		
Mineral, mg/L	-	50

Vegetable and Animal, mg/L	-	50
Combustible Product	-	Maximum 40°F Closed cup flash pt
Total Phosphorus, mg/L	7	-
Arsenic, mg/L	1.70	-
Cadmium, mg/L	4.70	-
Detergents, mg/L	234	-
Lead, mg/L	3.60	-
Mercury, mg/L	0.19	-
Nickel, mg/L	4.10	-
Silver, mg/L	1.70	-
Sulfate, mg/L	755	-
Phenols, mg/L	0.05	-
Temperature*	50°F above ambient	-

* Shall not cause plant wastewater temperature to exceed 104°F/40°C

- Any gasoline, benzene, naphtha, fuel oil, or other inflammable or explosive liquid, solid or gas.
- Any underground garbage.
- Any ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, paunch manure or any other solid or viscous substance capable of causing obstruction or other interference with the proper operation of the wastewater system.
- Molybdenum.

Applicable to Humboldt North Only

Discharge Parameter	Total Maximum Allowable Industrial Load (lbs/day)	Maximum Daily Concentration (mg/L)
<i>Conventional</i>		
Biological Oxygen	10,000	-

Demand (BOD), mg/L		
Total Suspended Solids	-	1,650
<i>Inorganics</i>		
Arsenic, total	-	1.7
Cadmium, Total	-	4.7
Chromium, Total	-	5.3
Copper, Total	-	1.8
Lead, Total	-	3.6
Mercury, Total	-	0.19
Nickel, Total	-	4.1
Silver, Total	-	1.7
Zinc, Total	-	2.5
Cyanide, Total	-	2.1
<i>Volatile Organics</i>		
Benzene	-	0.01
Chlorobenzene	-	2.29
Chloroform	-	0.06
Ethylbenzene	-	1.66
Methylene Chloride	-	1.00
Toluene	-	2.07
1,1,1 Trichloroethane	-	1.50

8.3 Amendment of Discharge Limits

Whenever federal, state, or local regulations (including regulations (except for rates, fees and surcharges) of the GHJSA) are duly amended in such a way as would produce a difference between them and this Tariff, this Tariff shall be deemed to be amended so as to be consistent with the amendments to the regulations, except that if application of the amendment is discretionary, this Tariff will remain unchanged.

8.4 Sampling

Customers discharging any wastewater to the Company’s system other than domestic wastewater shall provide weekly composite analysis of the parameters of concern.

Composite sample shall be a flow weighted composite for the hours of process wastewater discharge. Parameters of concern shall be based on the individual Customer’s discharge.

8.5 Customer’s Liability

Should any Customer, whether accidentally or otherwise, discharge any material into the Company’s wastewater system, that interferes with, impedes, or in any other way adversely affects the operation of the wastewater system, then the Customer will be required to pay to the Company whatever charges, final costs, or other expenses are incurred by the Company as a result of any breakdown, slow-down, hold-up, clean-up, repairs, or additional time needed for processing the wastewater.

8.6 Customers’ Liability for GHJSA Charges

If a Customer discharges effluent into the Company’s wastewater system, for treatment in the GHJSA wastewater treatment plant, which exceeds either the parameters of the GHJSA wastewater system or a permit that GHJSA issued to the Customer, and the GHJSA imposes a fee on the Company for the exceedance, the Company will pay the amount due to GHJSA, but will impose a surcharge on the responsible customer to recover the amount of the fee, without markup.

8.7 Company Pretreatment Fee Schedule

Permit (New)	\$2,000
Permit (Renewal – every five years)	\$1,000
Annual Inspection of Pretreatment Facility	\$ 750
Response to accidental discharge	\$500 per visit
Construction Inspection of Pretreatment Facility	\$500 per visit
Appeals	\$500
Legal and Administrative Costs of Enforcement	\$500 per violation
Engineering Review Costs	\$1,000 per project

8.8 Emergency Suspensions

- A. The Pretreatment Coordinator may upon informal notice to the Industrial Customer, order the Customer to immediately halt or prevent a discharge to the WWTP which reasonably appears to present an imminent endangerment to the health or welfare of persons, or may damage the WWTP or its receiving stream. For the purpose of this paragraph, informal notice to an Industrial Customer may be issued by a telephone call, an on-site inspection/visit, a cease and desist order, or any combination of these methods.
- B. In the event that an Industrial Customer should fail to voluntarily comply with an emergency order to immediately halt or prevent a discharge to the WWTP, the Pretreatment Coordinator shall take whatever action is deemed necessary, including

immediate severance of the wastewater connection, to prevent or minimize damage to the WWTP, its receiving stream, or endangerment of any individuals. The costs associated with any such emergency action shall be assessed to the Industrial Customer, and the Company shall not be responsible for any damages, including loss of income, as a result of such emergency action.

- C. The Company shall authorize permission to resume a discharge that has been halted under the emergency action provisions upon satisfactory proof that the imminent danger has been eliminated. Within 30 days after the date of any such emergency action, the Industrial Customer shall submit to the Company a detailed written statement describing the cause or causes of the harmful contribution that necessitated the emergency action, and the measures that will be taken to prevent any future occurrence of the incident.

8.9 Revocation of Permit

- A. The conditions and requirements of this Tariff are applicable to all permitted Industrial Customers and shall be incorporated into the Customer's permit either expressly or by reference. The permittee has a duty to comply with all of the conditions of this Tariff. Any noncompliance constitutes a violation of the Tariff and is subject to appropriate enforcement action including, but not limited to, permit revocation or denial of a permit renewal application.
- B. The Company may revoke an Industrial Customer's permit and suspend wastewater treatment service, or deny a permit renewal application, for any of the following causes:
1. Failure to notify the Company of significant changes to the wastewater prior to the changed discharge;
 2. Determination by the Company that the discharge presents or may present an endangerment to the environment or which threatens to interfere with the operation of the WWTP;
 3. Failure of the Customer to disclose fully all relevant facts during the permit application or issuance process, or the Customer's misrepresentation of any relevant facts at any time;
 4. Falsifying monitoring or compliance reports, or tampering with or knowingly rendering inaccurate any monitoring device or method required to be maintained under the Customer's permit.
 5. Refusal of reasonable access to the Customer's premises for the purpose of inspection or monitoring;

6. Willful and knowing failure to comply with any conditions of the Customer’s permit or this Tariff.
 7. Failure to pay wastewater charges;
 8. Failure to meet compliance schedules; or
 9. Failure to complete a wastewater survey.
- C. Such Customer will be notified of the proposed termination of its discharge and be offered an opportunity to show cause why the proposed action should not be taken. Exercise of this option by the Company shall not be a bar to, or a prerequisite for, taking any other action against the Customer.
- D. In the event of a nonemergency situation, where the Company has determined that a Customer’s discharge presents or may present a threat to the environment or the operation of the WWTP, or where revocation of a Customer’s Industrial Waste Permit is warranted as an enforcement action; the Company shall, after formal written notification to the affected Customer and provision of ample opportunity for the Customer to respond, require the Customer to halt or prevent the discharge.

9. Construction, Maintenance and Repairs

9.1 Pretreatment Facilities Required

If a Customer is informed that it cannot allow its wastewater to enter the lines because the wastewater exceeds the maximum allowable discharge limits, then and in that event, the Customer will be required to construct such pretreatment plants, basins, or other facilities as may be required to pre-treat the wastewater so that it will meet the discharge requirements.

9.2 Monitoring Process Waste Required

At the discretion of the Company, customers discharging process waste from their facility into the wastewater line may be required to monitor their discharge and submit periodic reports to the Company.

9.3 Odors from Pretreatment Facilities Prohibited

All outside pretreatment plants, basins, or other facilities shall be so constructed that no fumes or odors shall emanate from them.

- A. They must be protected in such a way that they will not be considered what the Courts of Pennsylvania have termed to be an “Attractive Nuisance”.

- B. In establishing its protection, the Customer shall protect its plants, basins or other facilities so that it will not be accessible to unauthorized persons. A chain link fence and warning signs must be used wherever possible.

9.4 Location of Pretreatment Facilities

All pretreatment plants, basins, or other facilities shall be constructed on that part of the property of the Customer so that there will be no drippage, drainage, leakage, seepage, or spillage, overground or underground, to any adjacent property, and pits and basins shall be so “lined” with a material that will prevent such drippage, drainage, leakage, seepage, or spillage. All lined facilities shall meet DEP requirements.

9.5 Company Approval of Location of Pretreatment Facilities

All such pretreatment plants, basins, or other facilities shall be erected on that part of the Customer’s land as shall be approved by an Authorized Representative of the Company.

9.6 Customer Liability for Costs of the Pretreatment Facilities

All construction, maintenance, repairs and costs of operation of said pretreatment plants, basins, or other facilities shall be at the cost of the Customer, and the Customer will be solely liable for any acts of negligence in connection with the same.

9.7 Customer Liability for Negligence Relating to Pretreatment Facilities

The customer is responsible for acts of negligence in connection with the pretreatment plants, basins, or other facilities and shall pay the cost of damages that may result from negligence.

9.8 Cleaning of Pretreatment Facilities

Pretreatment plants, basins, or other facilities shall be cleaned on a regular schedule and such schedule shall be submitted to the Company for its approval. The scheduled cleaning must be at specific time intervals so that no odors will emanate therefrom.

- A. The Company shall have the right to approve or disapprove the schedule of cleaning and if said pretreatment plants, basins, or other facilities are not cleaned regularly, then the Company may clean the aforesaid pretreatment plants, basins, or other facilities without any liability thereto, and charge the Customer for said cleaning.
- B. The latter remedy shall not be used by the Company without having given seventy-two (72) hours’ notice to the Customer.

10. Pretreatment

10.1 General

- A. Customers shall provide necessary wastewater treatment as required to comply with this Tariff and shall achieve compliance with all Federal Categorical Pretreatment Standards within the time limitations as specified by the Federal Pretreatment Standards.
- B. Existing sources shall comply with Federal Categorical Pretreatment Standards within three years of the date the standard is effective, unless a shorter compliance time is specified in the applicable standard.
- C. New Sources shall install and have in operating condition, and shall “start-up” all pollution control equipment required to meet applicable Federal Categorical Pretreatment Standards before beginning to discharge to the WWTP. Within the shortest feasible time (not to exceed 90 days), new Sources must meet all applicable Federal Categorical Pretreatment Standards.
- D. Any facilities required to pretreat wastewater to a level acceptable to the Company shall be provided, operated, and maintained at the Customer’s expense. All laboratory testing to ensure compliance is the responsibility of the Customer. Detailed plans showing the pretreatment facilities and operating procedures shall be submitted to the Company for review, and shall be acceptable to the Company before construction of the facility. The review and approval of such plans and operating procedures will in no way relieve the Customer from the responsibility of modifying the facility as necessary to produce an effluent acceptable to the Company under the provisions of this Tariff. Any subsequent changes in the pretreatment facilities or method of operation shall be reported to and be acceptable to the Company prior to the Customer’s initiation of the changes.
- E. Whenever deemed necessary, the Company may require Customers to restrict their discharge during peak flow periods, designate that certain wastewater be discharged only into specific sewers, relocate and/or consolidate points of discharge, separate wastewater streams from industrial waste streams, and such other conditions as may be necessary to protect the WWTP and determine the Customer’s compliance with the requirements of this Tariff.
- F. The Company may require any person discharging into the WWTP to install and maintain, on their property and at their expense, a suitable storage and flow-control facility to ensure equalization of flow.
- G. Grease, oil, and sand interceptors shall be provided when, in the opinion of the Pretreatment Coordinator, they are necessary for the proper handling of wastewater containing excessive amounts of grease and oil, or sand; except that such interceptors shall not be required for Residential Customers.

10.2 Confidential Information

- A. All records relating to compliance with Pretreatment Standards shall be made available to officials of the EPA or DEP upon request.
- B. Information and data on a Customer obtained from reports, questionnaires, permit applications, permits, monitoring programs and from inspections shall be available to the public or any governmental agency without restriction unless the Customer specifically requests and is able to demonstrate to the satisfaction of the Company that the release of such information would divulge information, processes or methods of production entitled to protection as trade secrets of the Customer.
- C. When requested by the person furnishing a report, the portions of a report which might disclose trade secrets or secret processes shall not be made available for inspection by the general public but shall be made available upon written request to governmental agencies for uses related to this Tariff, the National Pollutant Discharge Elimination System (NPDES) Permit, and/or the State Disposal System provided, however, that such portions of a report shall be available for use by the State or any state agency in judicial review or enforcement proceedings involving the person furnishing the report. Wastewater constituents and characteristics will not be recognized as confidential information.

11. Administration of Industrial Waste Permits

11.1 Permit Requirements

All Industrial Customers proposing to directly or indirectly discharge to the WWTP shall obtain an Industrial Waste Permit before directly or indirectly discharging to the WWTP.

11.2 Permit Application

- A. Customers required to obtain an Industrial Waste Permit shall complete and file with the Company, a permit application in the form prescribed by the Company, and accompanied by an application fee according to the fee schedule in this Tariff. The Company reserves the right to assess additional charges and fees to cover any reasonable costs incurred by the Company in reviewing and processing the permit application.
- B. Existing Customers required to obtain an Industrial Waste Permit shall apply within 180 days of the effective date of this tariff. In support of the permit application, the Customer shall submit, in units and terms appropriate for evaluation, the information stated in Rule 11.2 C.1. through C.16.
- C. Proposed new Customers shall apply at least 90 days prior to connecting to or directly or indirectly discharging to the WWTP. In support of the permit

application, the Customer shall submit, in units and terms appropriate for evaluation, the following information wherever possible:

1. Name, address, location of facility, including the name of the operator and owner. Also pertinent contact information;
2. NAICS Code number according to the North American Industry Classification System, as amended;
3. Wastewater constituents and characteristics including but not limited to those mentioned in this Tariff as determined by a reliable analytical laboratory; sampling and analysis shall be performed in accordance with procedures established by the EPA pursuant to Section 304(g) of the Act and contained in 40 CFR, Part 136, as amended;
4. Time and duration of contribution;
5. Average daily and three minute peak wastewater flow rates, including daily, monthly, and seasonal variations, if any;
6. Site plans, floor plans, mechanical and plumbing plans or sketches to approximate scale and sufficient detail to show all sewers, wastewater connections, and appurtenances by the size, location, and elevation;
7. Description of activities, facilities and plant processes on the premises including a list of all toxic pollutants and pollutants prohibited or regulated by this Tariff which are or could potentially be discharged to the WWTP;
8. Where known, the nature and concentration of any pollutants in the discharge which are limited by any Authority, State or Federal Pretreatment Standards, and a statement regarding whether or not the Pretreatment Standards are being met on a consistent basis and, if not, whether additional operation and maintenance and/or additional pretreatment is required for the Customer to meet applicable Pretreatment Standards;
9. Where the Pretreatment Standards require compliance with a BMP or pollution prevention alternative, the Customer shall submit documentation as required by the Company or the applicable Pretreatment Standards to determine compliance with the Pretreatment Standard;
10. If additional pretreatment and/or operation and maintenance procedures will be required to meet the Pretreatment Standards, the Customer shall submit the shortest schedule by which the Customer will provide such additional pretreatment. The completion date in this schedule shall not be later than the compliance date established for the applicable Pretreatment Standard;

The following conditions shall apply to this schedule:

- a) The schedule shall contain increments of progress in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the Customer to meet the applicable Pretreatment Standards (e.g., hiring an engineer, completing preliminary plans, completing final plans, executing a contract for major components, commencing construction, completing construction, etc.).
 - b) No increment referred to in paragraph a) above shall exceed nine months.
 - c) No later than 14 days following each date in the schedule and the final date for compliance, the Customer shall submit a progress report to the Company including, as a minimum, whether or not it complied with the increment of progress to be met on such date and, if not, the date on which it expects to comply with this increment of progress, the reason for delay, and the steps being taken by the Customer to return the construction to the schedule established. In no event shall more than nine months elapse between such progress reports to the Company.
11. Each product produced by type, amount, process or processes and rate of production;
 12. Type and amount of raw materials processed (average and maximum per day); including all material safety data sheets;
 13. The location for monitoring all wastes covered by the permit;
 14. The Federal Categorical Pretreatment Standards applicable to each regulated process and any new categorically regulated processes for existing sources;
 15. Number of employees, and hours of operation of plant and proposed or actual hours of operation of pretreatment system;
 16. Any other information as may be deemed by the Company to be necessary to evaluate the permit application.
- D. Application Signatories and Certifications: All wastewater discharge permit applications must be signed by an Authorized Representative of the Customer and contain a certification statement.

- E. The Pretreatment Coordinator for the Company shall review the permit application for completeness within 60 days of its receipt and notify the applicant in writing as to whether the application is considered complete or incomplete. If the application is incomplete, the Pretreatment Coordinator shall specify the additional information that is required to complete the application and a date for submitting the necessary information. After an application is completed, the Pretreatment Coordinator may still request additional information but only to clarify, modify or supplement the previously submitted material. If the Pretreatment Coordinator deems it necessary, a site visit may be scheduled with the applicant to assist the Pretreatment Coordinator in evaluating the application. Failure or refusal to correct deficiencies in the application within a reasonable time schedule may be cause for permit denial and appropriate enforcement action as per this Tariff.
- F. The Pretreatment Coordinator shall issue a draft Industrial Waste Permit or notice of intent to deny a permit within 60 days after receipt of the completed application. The applicant shall be given a minimum 30 day period to review and comment on the proposed permit or permit denial. Upon request, the Pretreatment Coordinator shall schedule an informal meeting with the applicant to review the draft permit or proposed permit denial action. In the event that the applicant and the Pretreatment Coordinator cannot come to an agreement on the draft permit or permit denial, the applicant may request a formal meeting before the Company Board to appeal the permit denial or specific provisions of the draft permit. A request for an appeal must be submitted in writing to the Board within 30 days after the informal meeting with the Pretreatment Coordinator. The request shall clearly state the specific action or provision(s) being appealed and the grounds for the appeal. Within 30 days after the close of the applicant's review period or the appeal meeting, if the applicant is approved, the Company shall issue a final Industrial Waste Permit.

11.3 Permit Revisions

As soon as possible, after the promulgation of a Federal Categorical Pretreatment Standard, the Industrial Waste Permit of Customers subject to such standard shall be revised to require compliance with such standard within the time frame prescribed by such standard. Within 180 days after the effective date of the applicable Federal Categorical Pretreatment Standard, any Customer which has not previously submitted an application for an Industrial Waste Permit, as required by this Tariff, shall submit to the Company an application for an Industrial Waste Permit and a baseline monitoring report as required by 40 CFR, Part 403, Section 403.12(b). Within 180 days after the effective date of the applicable Federal Categorical Standard, any Customer with an existing Industrial Waste Permit shall submit to the Company a baseline monitoring report including the information required by this Tariff.

11.4 Permit Conditions

- A. Industrial Waste Permits shall be expressly subject to all provisions of this Tariff and all other applicable regulations. Permits may contain, but are not limited to, the following requirements:
1. A statement that indicates the permit issuance date, expiration date and effective date;
 2. A statement of non-transferability without prior notification and acceptance from the Company;
 3. Unit charges or a schedule of Customer charges and fees for the management of wastewater discharged to the WWTP;
 4. Limits on the average and maximum wastewater constituents and characteristics;
 5. Limits on average and maximum rate and time of discharge or requirements for flow regulation and equalization;
 6. Requirements for installation and maintenance of inspection and sampling facilities;
 7. Specifications for monitoring programs which may include: sampling locations, frequency of sampling, number, types, standards for tests, and a reporting schedule;
 8. Compliance schedules; however, it must be noted that no such compliance schedule shall exempt an Industrial Customer from further enforcement action for failure to meet a compliance date for any applicable Federal Pretreatment Standards;
 9. Requirements for submission of technical reports or discharge report.
- B. Requirements for maintaining and retaining plant records relating to the wastewater discharge as specified by the Company, and affording the Company access thereto;
- C. Requirements for prior notification of the Company of any new introduction of wastewater constituents or any substantial change in the volume or character of the wastewater constituents being introduced into the wastewater treatment system;
- D. Requirements for compliance with all applicable Federal Categorical Pretreatment Standards, BMPs if applicable, and other reporting requirements;
- E. Requirements for submitting to the Company all available sampling and monitoring data conducted in accordance with 40 CFR Part 136 procedures;

- F. Requirements for developing and implementing an SPCC Plan and use of Best Management Practices to prevent spills or accidental discharges from entering the public wastewater system;
- G. A statement that compliance with the individual wastewater discharge permit does not relieve the permittee of responsibility for compliance with all applicable Federal and State Pretreatment Standards, including those which become effective during the term of the individual wastewater discharge permit; and/or
- H. Other conditions as deemed appropriate by the Company to ensure compliance with this Tariff.

11.5 Permit Duration

Permits shall be issued for a specified time period, not to exceed 5 years. A permit may be issued for a period less than a year or may be stated to expire on a specific date. The terms and conditions of the permit may be subject to modification by the Company during the term of the permit if the limitations or requirements identified in this Tariff are modified or other just cause exists. The Customer shall be informed of any proposed changes in its permit at least 30 days prior to the effective date of the change. Any changes or new conditions in the permit shall include a reasonable time schedule for compliance.

11.6 Permit Renewal

A Customer with a currently effective permit shall submit a new permit application to the Company no later than 180 days before the expiration date of the existing permit, unless permission for a later date has been granted by the Company. The terms and conditions of the existing permit shall remain fully effective and enforceable until the effective date of a new permit, provided the permittee has properly submitted a complete application for permit renewal within the specified time period, and the Company has not revoked the existing permit or denied the permit renewal in accordance with the provisions of this Tariff.

11.7 Permit Transfer

Industrial Waste Permits are issued to a specific Customer for a specific operation. A permit shall not be reassigned, transferred, or sold to a new owner, new Customer, different premises, or a new or changed operation without the prior written approval of the Company. The Permittee shall notify the succeeding owner or controller of the existence of this Permit by certified letter, a copy of which shall be forwarded to the Company, at least 60 days prior to completing any such transfer. Any succeeding owner or Customer shall also comply with the terms and conditions of the existing permit until such time that a new permit is issued by the Company.

11.8 Reporting Requirements

- A. Reports Of Potential Problems (all Industrial Users): 40 CFR 403.17: In the case of any discharge, including, but not limited to, accidental discharges, discharges of a non-routine, episodic nature, a non-customary batch discharge, a Slug Load, that might cause potential problems for the WWTP, the Customer shall immediately telephone and notify the Pretreatment Coordinator, or assigned designate, of the incident. This notification shall include the location of the discharge, type of waste, concentration and volume, if known, and corrective actions taken by the Customer. Within 5 days following such discharge, the Customer shall, unless waived by the Pretreatment Coordinator or assigned designate, submit a detailed written report describing the cause(s) of the discharge and the measure to be taken by the Customer to prevent similar future occurrences. Such notification shall not relieve the Customer of any expense, loss, damage, or other liability which might be incurred as a result of damage to the WWTP, natural resources, or any other damage to person or property. Employers shall ensure that all employees, who could cause such a discharge to occur, are advised of the emergency notification procedure by way of a permanent posting in a prominent, appropriate area.
- B. Noncompliance Violation (all Industrial Users): 40 CFR 403.12 (g)(2): All Industrial Customers shall notify the Pretreatment Coordinator within 24 hours of becoming aware of a violation, based on the sampling performed by the Industrial Customer. In addition, the Industrial Customer shall also repeat the sampling and analysis for the pollutant parameter in noncompliance and submit the results of the repeat analysis to the Pretreatment Coordinator within 30 days after becoming aware of the violation. Repeat sampling must be conducted until the off-spec parameter(s) return to acceptable level(s).
- C. Changed Discharge (all Industrial Users): 40 CFR 403.12(j): All Industrial Customers, whether permitted or not, shall promptly notify the Pretreatment Coordinator in advance of any substantial change in the volume or character of pollutants in their discharge, including the listed or characteristic hazardous wastes for which the Industrial Customer has submitted an initial notification under Section 403.12(p) of 40 CFR part 403. For the purposes of this requirement, substantial changes include, but are not limited to, flow increases of 10% or greater, and the discharge of any previously unreported pollutants. Formal written notification shall be submitted to the Company at least 60 days prior to any introduction of any new pollutants so that permit requirements can be established as necessary. The Company reserves the right to deny or place conditions on any new or increased contributions to its wastewater system.
- D. Hazardous Waste Discharge (all Industrial Users): 40 CFR 403.12(p): All Industrial Customers and/or Industrial Users (sometimes referred to herein in the singular as an “IU” or in the plural as “IUs”), whether permitted or not, shall notify the Company, the EPA, and the DEP in writing 60 days prior to the discharge of any substance, which, if otherwise disposed of, would be a hazardous waste under

40 CFR Part 261, in accordance with the requirements of Section 403.12(p) of 40 CFR Part 403. At a minimum, such notification must include the name of the listed or characteristic hazardous waste, the EPA hazardous waste number, and the type of discharge (continuous, batch, or other). The IU shall also notify the Company in writing, at least 60 days in advance, of any substantial change in the volume or character of any listed or characteristic hazardous wastes discharged for which the permittee has submitted initial notification under Section 403.12(p). The Company reserves the right to deny any new contributions to its wastewater system.

- E. Baseline Monitoring Report (Categorical Industrial Users only): 40 CFR 403.12(b)(1-7): Within 180 days after the effective date of any Categorical Pretreatment Standard now or later promulgated by the EPA, or 180 days after the final administrative decision made upon a category determination submission under 40 CFR Section 403.6(a)(4), whichever is later, any Industrial Customer subject to such Categorical Pretreatment Standards and currently discharging to or scheduled to discharge to the WWTP shall be required to submit, to the Company, a baseline monitoring report containing the information listed in paragraphs (b)(1) through (b)(7) of 40 CFR Section 403.12 at least 90 days prior to commencement of any discharge. New Sources, and any sources that become Industrial Customers subsequent to the promulgation of an applicable Categorical Standard, shall be required to submit to the Company a baseline monitoring report which contains the information listed in paragraphs (b)(1) through (b)(7) of 40 CFR Section 403.12 and information on the method of pretreatment the source intends to use to meet the applicable Pretreatment Standards.
- F. 90-Day Compliance Report (Categorical Industrial Users only): 40 CFR 403.12(d): Within 90 days following the date for final compliance with applicable Categorical Pretreatment Standards or in the case of a New Source following commencement of the introduction of wastewater into the WWTP, any Industrial Customer subject to Pretreatment Standards and Requirements shall submit to the Company a 90-day Compliance Report containing the information described in paragraphs (b)(4) through (b)(6) of 40 CFR Section 403.12. For IUs subject to equivalent mass or concentration limits established by the Company, this report shall contain a reasonable measure of the Customer's long-term production rate. For all other Industrial Customers subject to Categorical Pretreatment Standards expressed in terms of allowable pollutant discharge per unit of production (or other measure of operation), this report shall include the Customer's actual production during the appropriate sampling period.
- G. Periodic Compliance Reports (Categorical Industrial Users Only): 40 CFR 403.12(e): Any Industrial Customer subject to a Categorical Pretreatment Standard, after the compliance date of such Pretreatment Standard, or, in the case of a New Source, after commencement of the discharge into the WWTP, shall submit to the Company, by the 15th day of the month results from the previous month, unless required more frequently in the Pretreatment Standard or by the Company, a periodic compliance report indicating the nature and concentration of

pollutants in the effluent which are limited by such Categorical Pretreatment Standards. In addition, this report shall include a record of measured or estimated average and maximum daily flows during the reporting period. At the discretion of the Company and in consideration of such factors as local high or low flow rates, holidays, budget cycles, etc., the Company may agree to alter the months during which the above reports must be submitted. For Industrial Customers subject to equivalent mass or concentration limits established by the Company, this report shall contain a reasonable measure of the Customer's long-term production rate. For all other Industrial Customers subject to Categorical Pretreatment Standards expressed in terms of allowable pollutant discharge per unit of production (or other measure of operation) this report shall include the Customer's actual production during the appropriate sampling period.

- H. Periodic Compliance Report (non-Categorical Significant Industrial Users): 40 CFR 403.12(h): All Noncategorical Significant Industrial Customers shall submit to the Company at least once every six months (on dates specified by the Company), unless required more frequently by the Company, a periodic compliance report describing the nature, concentration, and flow of the pollutants discharged to the WWTP and any other information deemed appropriate by the Company.
- I. Compliance Schedule (Progress) Reports (all Industrial Users): 40 CFR 403.12(c)(1-3) The following conditions shall apply to compliance schedules and Compliance Schedule Progress Reports: The schedule shall contain progress increments in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the Customer to meet the applicable pretreatment Standards (such events include, but are not limited to, hiring an engineer, completing preliminary and final plans, executing contracts for major components, commencing and completing construction, and beginning and conducting routine operation). No increment referred to above shall exceed 9 months and in no case will the schedule exceed 2 years. The IU shall submit a progress report to the Pretreatment Coordinator no later than 14 days following each milestone dated in the schedule and the final date of compliance including, as a minimum, whether or not it complied with the increment of progress, the reason for any delay, and, if appropriate, the steps being taken by the Customer to return to the established schedule. In no event shall more than 9 months elapse between such progress reports to the Pretreatment Coordinator.
- J. Reports From Unpermitted Customers: All Customers not required to obtain an individual wastewater discharge permit shall provide appropriate reports to the Pretreatment Coordinator as the Pretreatment Coordinator may require.
- K. Signature Of Authorized Representative: The baseline monitoring report, 90-day Compliance Report and periodic compliance reports that must be submitted by categorical Industrial Customers shall be signed by an Authorized Representative of the Industrial Customer defined as: a corporate officer if the Industrial Customer

is a corporation, a general partner or proprietor if the Industrial Customer is a partnership or sole proprietorship, or a designee of the above specified persons if such authorization is in writing, submitted to the Company and specifies a person or position having overall responsibility for the facility where the discharge originates or having overall responsibility of environmental matters for the facility.

- L. Signatory Statement: All baseline monitoring reports, 90-day compliance reports and periodic compliance reports from both Categorical and Noncategorical Industrial Customers shall be signed by an Authorized Representative of the Industrial Customer as defined in this Tariff and include the following certification statement:

“I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.”

Also included should be a statement, reviewed and signed by the Authorized Representative, and certified to by a qualified professional, indicating whether Pretreatment Standards, or BMP if applicable, are being met on a consistent basis, and, if not, whether additional operation and maintenance and/or additional pretreatment is required for the Industrial Customer to comply with the applicable Pretreatment Standards and Requirements.

- M. Sampling for Reporting Purposes: The baseline monitoring reports, 90-day Compliance Reports and periodic compliance reports from both Categorical and Noncategorical Industrial Customers shall be based upon sampling and analyses of the discharge, including the flow or production and mass where requested by the Company, performed during the period covered by the report. All sampling and analyses shall be representative of normal work cycles or production levels and the expected pollutant discharges to the WWTP. All techniques shall be in accordance with the procedures and standards described in 40 CFR Part 136 and amendments thereto. Where 40 CFR Part 136 does not include sampling or analytical techniques for the pollutant in question, or where the EPA Administrator determines that the Part 136 sampling and analytical techniques are inappropriate for the pollutant in question, sampling and analysis shall be performed using validated analytical methods or any other applicable sampling and analytical procedures, including procedures suggested by the Company or other persons, approved by the EPA Administrator.
- N. Additional Sampling Reporting: If a Customer subject to reporting requirements monitors any regulated pollutant at the appropriate sampling location more

frequently than required by the Pretreatment Coordinator, using the procedures prescribed by the CFR, the results of that monitoring must be included in the appropriate report.

- O. **Sample Collection:** Samples collected to satisfy reporting requirements must be based on data obtained through appropriate sampling and analysis performed during the period covered by the report, based on data that is representative of conditions occurring during the reporting period. Except as indicated in this Tariff, the Customer must collect wastewater samples using 24-hour flow-proportional composite sampling techniques. Where time-proportional composite sampling or grab sampling is authorized by the Company, the samples must be representative of the discharge. Using protocols (including appropriate preservation) specified in 40 CFR Part 136 and appropriate EPA guidance, multiple grab samples collected during a 24-hour period may be composited prior to the analysis as follows: for cyanide, total phenols, and sulfides the samples may be composited in the laboratory or in the field; for volatile organics, oil, and grease, the samples may be composited in the laboratory. Composite samples for other parameters unaffected by the compositing procedures as documented in approved EPA methodologies may be authorized by the Company, as appropriate. In addition, grab samples may be required to show compliance with Instantaneous Limits. Samples for oil and grease, temperature, pH, cyanide, total phenols, sulfides, and volatile organic compounds must be obtained using grab collection techniques. For sampling required in support of baseline monitoring and 90-day compliance reports, a minimum of 4 grab samples (over an eight hour period when the facility's production is occurring) must be used for pH, cyanide, total phenols, oil and grease, sulfide and volatile organic compounds for facilities for which historical sampling data do not exist; for facilities for which historical sampling data are available, the Pretreatment Coordinator may authorize a lower minimum.
- P. **Analytical Requirements:** All pollutant analyses and sampling techniques shall be performed in accordance with 40 CFR Part 136 and amendments thereto, unless otherwise specified in an applicable categorical Pretreatment Standard. If it does not contain sampling or techniques for the pollutant in question, or where the EPA determines that Part 136 is inappropriate for the pollutant in question, sampling and analyses shall be performed by using validated analytical methods or any other applicable procedures, including procedures suggested by the Pretreatment Coordinator or other parties approved by the EPA.
- Q. **Date Of Receipt Of Reports:** Written reports will be deemed to have been submitted on the date postmarked. For reports, which are not mailed, postage prepaid, into a mail facility serviced by the United States Posts Service, the date of receipt of the report shall govern.
- R. **Recordkeeping:** Customers shall retain, and make available for inspection and copying, all records of information obtained pursuant to any monitoring activities required by this Tariff, any additional records of information obtained pursuant to

monitoring activities undertaken by the Customer independent of such requirements, and documentation associated with Best Management Practices. Records shall include the date, exact place, method, and time of sampling, and the name of the person(s) taking the samples; the dates analyses were performed; who performed the analyses; the analytical techniques or methods used; and the results of such analyses. These records shall remain available for a period of at least 3 years. This period shall be automatically extended for the duration of any litigation concerning the Customer or the Company, or where the Customer has been specifically notified of a longer retention period by the Pretreatment Coordinator.

11.9 Permit Modifications

- A. The Pretreatment Coordinator may modify an individual wastewater discharge permit for good cause, including, but not limited to, the following:
1. To incorporate any new or revised Federal, State, or local Pretreatment Standards or Requirements; (Within 180 days after the effective date of a newly promulgated Federal Categorical Pretreatment Standard, any newly affected Customer shall submit an application for a permit and a baseline monitoring report.
 2. Any existing Customers currently holding a permit shall submit a baseline monitoring report and the information required by this Tariff.
 3. To address significant alterations or additions to the Customer's operation, processes, or wastewater volume or character since the time of the permit issuance;
 4. A change in the WWTP that requires either a temporary or permanent reduction or elimination of the authorized discharge;
 5. Information indicating that the permitted discharge poses a threat to the WWTP, personnel, or the receiving waters;
 6. Violation of any terms or conditions of the individual wastewater discharge permit;
 7. Misrepresentations or failure to fully disclose all relevant facts in the wastewater discharge permit application or in any required reporting;
 8. Revision of or a grant of variance from categorical Pretreatment Standards pursuant to 40 CFR 403.13;
 9. To correct typographical or other errors in the individual wastewater discharge permit; or

10. To reflect a transfer of the facility ownership or operation to a new owner or operator where requested.

11.10 Monitoring Facilities

- A. When required by the Company, an Industrial Customer shall install a suitable manhole or manholes on his connecting sewer or sewers to facilitate observation, sampling and measurement of the combined flow of wastes from his premises. Alternate monitoring facilities or arrangements may be acceptable to the Company under certain conditions and will be considered on a case-by-case basis. Such manhole or manholes shall be accessible and safely located and shall be constructed in accordance with plans approved by the Company. The monitoring facilities shall be installed by the Owner at its expense and shall be maintained by the Customer so as to be safe and accessible to the Company or its Authorized Representative at all times.
- B. There shall be ample room in or near such sampling manhole or monitoring facility to allow accurate sampling and preparation of samples for analysis. The monitoring facilities that the Customer is required to install shall be maintained at all times in a safe and proper operating condition at the expense of the Customer.
- C. Whether constructed on public or private property, the sampling and monitoring facilities shall be provided in accordance with the Company's requirements and all Applicable local construction standards and specifications. Construction shall be completed within 180 days following written notification by the Company.
- D. Monitoring facilities shall be supervised by the Customer to ensure that all procedures, sampling requirements, and maintenance are done in accordance with all guidelines of the Federal, State, or Local Pretreatment program requirements. When the proper procedures, sampling requirements, or maintenance are not maintained, the Company has the right to make decisions or enforce changes to bring the Customer into compliance.

11.11 Inspection and Sampling

The Company shall have the right to inspect the facilities of any Customer to ascertain whether the purpose of this Tariff is being met and all requirements are being complied with. Customers, persons, or occupants of premises that are connected to the wastewater system, where wastewater is created or discharged shall allow the Company or its representative(s) ready access at all reasonable times to all parts of the premises necessary for the purpose of inspecting, sampling, records examination (including the right to inspect and copy records) or in the performance of any of their duties. The right of access for inspection shall extend to, but not necessarily be limited to, production areas or other premises where wastewater discharges are generated, chemical storage areas, hazardous waste storage areas, any pretreatment facilities, and any sampling and monitoring equipment or facilities. The Company shall have the right to set up, on the Customer's

property, such devices as are necessary to conduct sampling, inspection, compliance monitoring and/or metering operations. Where a Customer has security measures in force which would require proper identification and clearance before entry into their premises, the Customer shall make necessary arrangements with their security guards such that upon presentation of suitable identification, personnel from the Company, designated representatives of the Company, and/or other approval authority will be permitted to enter, without delay, for the purposes of performing their specific responsibilities.

12. Line Extensions for Bona Fide Service Applicants

12.1 Line Extension Definitions

A. Annual Line Extension Costs

The sum of the Company's additional annual Operating and Maintenance Costs, Debt Costs and Depreciation Charges associated with the construction, operation and maintenance of the Line Extension.

B. Annual Revenue

The Company's expected additional Annual Revenue from the Line Extension based on the Company's currently effective tariff rates and on the average annual usage of Customers similar in nature and size to the Bona Fide Service Applicant.

C. Bona Fide Service Applicant

Any business applying for wastewater service to an existing or proposed structure within the Company's certificated service territory for which a valid occupancy or building permit has been issued. An applicant shall not be deemed a Bona Fide Service Applicant if:

1. the applicant is requesting wastewater service to a building lot or subdivision;
2. the request for service is part of a plan for the development of a residential dwelling or subdivision; or
3. the applicant is requesting Special Utility Service.

D. Debt Costs

The Company's additional annual cost of debt associated with financing the Line Extension investment based on the current debt ratio and weighted long-term debt cost rate for the Company.

E. Depreciation Charges

The Company's additional annual depreciation charges associated with the specific Line Extension investment to be made based on the current depreciation accrual rates for the Company.

F. Line Extension

An addition to the Company's main line which is necessary to serve the premises of a Customer.

G. Operating and Maintenance Costs

The Company's average annual operating and maintenance costs associated with serving an additional Customer, including customer accounting, billing, collections, power purchased, chemicals, and other variable costs based on the current total Company level of such costs, as well as costs particular to the specific needs of that Customer.

H. Special Utility Service

Business service which exceeds that required for ordinary purposes. By way of illustration and not limitation, special utility service shall include: the installation of facilities such as oversized mains and booster pumps as necessary to provide adequate capacity, or service to large wastewater discharge commercial and industrial facilities.

12.2 Line Extensions

Whenever a developer, owner or occupant of a property within the service territory of the Company requests the Company to extend service to such property, the Company will extend service under the following conditions:

A. Requests by Bona Fide Service Applicant:

Upon request by a Bona Fide Service Applicant, the Company shall construct Line Extensions within its franchised territory consistent with the following:

1. Line Extensions to Bona Fide Service Applicants shall be funded without customer advance where the Annual Revenue from the Line Extension will equal or exceed the Company's Annual Line Extension Costs.
2. If the Annual Revenue from the Line Extension will not equal or exceed the Company's Annual Line Extension Costs, a Bona Fide Service Applicant may be required to provide a Customer advance to the Company's cost of construction for the Line Extension. The Company's investment for the Line Extension shall be the portion of the total construction costs which

generate Annual Line Extension Costs equal to Annual Revenue from the Line Extension. The Customer advance amount shall be determined by subtracting the Company's investment for the Line Extension from the total construction costs.

3. The Company's investment for the Line Extension shall be based on the following formula, where X equals the Company's investment attributed to each Bona Fide Service Applicant:

$$\begin{aligned} X &= [\text{AR} - \text{OM}] \text{ divided by } [\text{I} + \text{D}]; \text{ and,} \\ \text{AR} &= \text{the Company's Annual Revenue} \\ \text{OM} &= \text{the Company's Operating and Maintenance Costs} \\ \text{I} &= \text{the Company's current debt ratio multiplied by the} \\ &\quad \text{Company's weighted long-term debt cost rate} \\ \text{D} &= \text{the Company's current, depreciation accrual rate} \end{aligned}$$

B. Customer Advance Financing, Refunds and Facilities on Private Property:

1. When a Customer advance is required of a service applicant and an additional Customer or Customers attach Service Lines to the Line Extension within ten years, the Company shall refund a portion of the advance to the Customer. Deposits made for additional facilities other than the Line Extension are contributions in aid of construction and need not be refunded.
2. The Company will refund to the applicant, during a period of ten (10) years from the date of the extension deposit, a per-Customer amount for each additional Bona Fide Service Applicant from whom a street service connection shall be directly attached to such main extension as distinguished from extensions or branches thereof. Provided, however, that the total amount refunded shall not exceed the original deposit without interest, and provided that all or any part of the deposit not refunded within said 10 year period shall become the property of the Company and shall be treated as contributions in aid of construction for ratemaking purposes. The per Customer refund amount shall equal the Company's investment attributed to each Bona Fide Service Applicant as calculated in the formula contained in this tariff.
3. The Company shall require a Customer to pay, in advance, a reasonable charge for Service Lines and equipment installed on private property for the exclusive use of the Customer.
4. An otherwise Bona Fide Service Applicant requesting service which includes a Special Utility Service component is entitled to Bona Fide Service Applicant status, including the corresponding Company

contribution toward the costs to the line extension which do not meet the Special Utility Service criteria.

C. Requirement for Extension Deposit Agreement

Where extension of facilities is not fully funded by the Company pursuant to this Rule 12, the execution by the applicant of an Extension Deposit Agreement for Customer contribution or advance shall be a condition of extending the facilities. Upon notice that the Company is prepared and able to go forward with the work, the applicant will deposit with the Company the amount specified in the Extension Deposit Agreement.

D. Size of Line:

The Company shall have the exclusive right to determine the type and size of lines to be installed and the other facilities required to render adequate service. However, where the Company decides to install a pipe larger than necessary to render extension of adequate service to the applicant, estimated or actual cost figures in the Extension Deposit Agreement shall include only the material and installation cost for a pipe the size of which is necessary to provide adequate service to the applicant. Any incremental costs of a larger pipe will be the responsibility of the Company. All estimated or actual cost figures referred to in the Extension Deposit Agreement shall include a reasonable allowance for overhead costs and taxes as appropriate. The minimum pipe size for main extensions will be eight (8) inches in diameter.

E. Length of Extension

In determining the necessary length of an extension, the terminal point of such extension shall be at that point in the curb line, which is equidistant from the side property lines of the last lot for which wastewater service is requested. A Company service connection will be provided only for Service Lines that extend at right angles from the curb line in a straight line to the premises to be served.

F. Cost True-up

At the conclusion of the Line Extension project, there shall be a reconciliation of the actual costs incurred to the amount of extension deposit that has been paid by the applicant. If the actual cost exceeds the deposit, the applicant shall be responsible for payment to the Company of the difference. If the deposit exceeds the actual cost, the Company shall refund the difference.

13. Line Extensions for Non Bona Fide Service Applicants

13.1 Definitions

A Non Bona Fide Service Applicant is a business applying for wastewater service that does not satisfy the definition of a Bona Fide Service Applicant in Rule 12. Without limiting the generality of the foregoing, an applicant for Special Utility Service is a Non Bona Fide Service Applicant.

13.2 Requests by a Non Bona Fide Service Applicant

Whenever a Non Bona Fide Service Applicant requests the Company to extend service to property in the Company's service territory, service will be extended, as provided in this Rule 13. Line extensions will be fully funded by the Non Bona Fide Service Applicant, except as provided in this Rule 13.

13.3 Size of Line

The Company will have the exclusive right to determine the type and size of lines to be installed and the other facilities required to render adequate service. However, where the Company requires the installation of a pipe larger than necessary to render extension of adequate service to the applicant, the Non Bona Fide Service Applicant will only be responsible for the material and installation cost for a pipe the size of which is necessary to provide adequate service to the applicant. Any incremental costs of a larger pipe will be the responsibility of the Company. The minimum pipe size for main extensions will be eight (8) inches in diameter.

13.4 Length of Extension

The Company will have the sole discretion to determine the necessary length of an extension.

13.5 Construction of the Line Extension

The Non Bona Fide Service Applicant will have the option of constructing the line extension or paying all costs for the Company to construct the line extension. If the Non Bona Fide Service Applicant chooses to construct the line extension, the Company will provide the Customer with specifications for the line extension. Designs and plans for the line extension must be submitted to, and approved by, the Company prior to the commencement of construction. Company personnel may inspect the construction, and must approve the line extension before the Bona Fide Service Applicant turns the line extension over to the Company. Following approval, the Company will own and maintain the line extension.

13.6 Requirement for Extension Agreement

- A. An Extension Agreement will be required for any line extension by a Non Bona Fide Service Applicant.
- B. Where the applicant constructs the project, but the line extension is not fully funded by the applicant, the Extension Agreement will estimate the amount of the Company's contribution. The Extension Agreement also will require the Company to pay the estimated amount of its contribution to the Customer, subject to a reconciliation of the actual amount of the Company's contribution, compared to the estimated amount of the Company's contribution.
- C. Where the Company constructs the line extension, a Customer contribution or advance will be a condition of extending the facilities. Upon notice that the Company is prepared and able to go forward with the work, the applicant will deposit with the Company the amount specified in the Extension Agreement. All estimated or actual cost figures referred to in the Extension Agreement will include a reasonable allowance for overhead costs and taxes as appropriate. At the conclusion of the line extension project, there shall be a reconciliation of the actual costs incurred compared to the amount of extension deposit that has been paid by the applicant. If the actual cost exceeds the deposit, the applicant shall be responsible for payment to the Company of the difference. If the deposit exceeds the actual cost, the Company will refund the difference.

14. Liability of Company

14.1 Regularity of Service

The Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in service, but cannot and does not guarantee that such will not occur. The Company may at any time interrupt service in case of accident, or for the purpose of making connections, alterations, repairs, changes or for other reasons. The Company will, so far as circumstances permit, notify Customers to be affected by any interruptions in service. The Company reserves the right to restrict the use of wastewater service whenever the public welfare may require it.

14.2 Liability of Company

A. Limitation of Damages

The Company's liability to a Customer for any loss or damage from any excess or deficiency in the wastewater collection service due to any cause other than willful misconduct or negligence by the Company, its employees or agents shall be limited to an amount no more than the customer charge or minimum bill for the period in question.

B. Responsibility for Customer Facilities

The Company shall in no event be liable for any loss or damage caused by reasons of any break, leak or defect in the Service Line, a Customer-owned meter, or any Customer-owned fixtures, not caused by any negligent act of omission or commission of the Company.

C. Limitation of Liability

The Company shall not be liable in any action where the loss or damage involves an act of God or does not involve a duty of the Company, including, but not limited to, breaks or leaks on facilities that are not owned by the Company. Further, the Company shall not be liable in any action where the loss or damage does not involve a breach of a duty of the Company, including, but not limited to, where the Company does not receive actual notice, whether written or oral, that a Company facility is in need of repair.

Greater Hazleton Community Area New Development Organization, Inc A/K/A CAN DO, Inc.
SUMMARY OF APPLICATION OF PRESENT RATES AND PROPOSED RATES
12 MONTHS ENDING JUNE 30 and June 30, 2024

Rate Zone	Commercial	Industrial	Aqua	Total
<u>Present Rate Application</u>				
CAN DO-USAGE	\$73,171	\$1,283,463	\$54,288	\$1,410,922
Going Level	1,552	33,987	1,151	36,690
	\$74,723	\$1,317,450	\$55,439	\$1,447,612
Private Fire Services				\$832,636
Public Fire Services				
Going Level				22,727
Other Operating Revenues				16,115
Total @ Present Rate	\$74,723	\$1,317,450	\$55,439	\$2,319,090
<u>Proposed Rate Application</u>				
CAN DO-USAGE	\$94,202	\$1,653,352	\$70,096	\$1,817,650
Going Level	2,004	43,883	1,486	\$47,373
	\$96,206	\$1,697,235	\$71,582	\$1,865,023
Private Fire Services				\$1,075,075
Going Level				\$29,344
Public Fire Services				-
Other Operating Revenues				19,632
Total @ Proposed Rate	\$96,206	\$1,697,235	\$71,582	\$2,989,074
Change in Revenues	\$21,483	\$379,785	\$16,143	\$669,984
% Change in Revenues	28.75%	28.83%	29.12%	28.89%

Greater Hazleton Community Area New Development Organization, Inc A/K/A CAN DO, Inc.
 APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
 YEAR ENDING JUNE 30, 2023 AND 2024

Commercial Class	Present Rates Usage (in 1000 Gallons)	Present Rates Number of Bills	Present Rates Annualized Revenues	Proposed Rates Usage (in 1000 Gallons)	Proposed Rates Number of Bills	Proposed Rates Proforma Revenues
All Commercial	7,289	293	\$73,171	7,289	293	\$94,202
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
Total Commercial	7,289	293	\$73,171	7,289	293	\$94,202

Rate Zone 1 Most Areas	Present Rates Billing Determinants	Present Rates Current Rate	Present Rates Annualized Revenue	Proposed Rates Billing Determinants	Proposed Rates Proposed Rate	Proposed Rates Annualized Revenue
<u>Customer Charge</u>						
5/8 - Meter	24	\$39.00	\$936	24	\$39.00	\$936
3/4 - Meter	0	\$0.00	-	0	\$0.00	-
1 - Meter	0	\$0.00	-	0	\$0.00	-
1 1/2 - Meter	96	\$39.00	3,744	96	\$50.36	4,834
2 - Meter	125	\$78.00	9,750	125	\$100.71	12,589
3 - Meter	12	\$118.00	1,416	12	\$152.36	1,828
4 - Meter	12	\$156.00	1,872	12	\$201.42	2,417
6 - Meter	24	\$199.50	4,788	24	\$257.59	6,182
8 - Meter	0	-	-	0	-	-
10 - Meter	0	-	-	0	-	-
Subtotal	293		\$22,506	293		\$28,786
Usage (in 1000 Gallons)						
First 50,000 Gal	4,836	\$8.6400	\$41,785	4,836	\$11.1557	\$53,951
All Over 50,000	2,453	3.6200	8,880	2,453	4.6740	11,465
Subtotal	7,289		\$50,665	7,289		\$65,416
RZ 1 Commercial Revenues			\$73,171			\$94,202

Greater Hazleton Community Area New Development Organization, Inc A/K/A CAN DO, Inc.
 APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
 YEAR ENDING JUNE 30, 2023 and 2024

<u>Industrial Class</u>	Present Rates Usage (in 1000 Gallons)	Present Rates Number of Bills	Present Rates Annualized Revenues	Proposed Rates Usage (in 1000 Gallons)	Proposed Rates Number of Bills	Proposed Rates Proforma Revenues
Zone 1 - Most Areas	275,144	1,895	\$1,283,463	275,144	1,895	\$1,653,352
Total Industrial	275,144	1,895	\$1,283,463	275,144	1,895	\$1,653,352

<u>Rate Zone 1 Most Areas</u>	Present Rates Billing Determinants	Current Rate	Present Rates Annualized Revenue	Proposed Rates Billing Determinants	Proposed Rate	Proposed Rates Annualized Revenue
<u>Customer Charge</u>						
5/8 - Meter	336	\$39.00	\$13,104	336	\$39.00	\$13,104
3/4 - Meter	0	\$0.00	-	0	\$0.00	-
1 - Meter	0	\$0.00	-	0	\$0.00	-
1 1/2 - Meter	360	\$39.00	14,040	360	\$50.36	18,128
2 - Meter	324	\$78.00	25,272	324	\$100.71	32,630
3 - Meter	293	\$118.00	34,574	293	\$152.36	44,641
4 - Meter	498	\$156.00	77,688	498	\$201.42	100,308
6 - Meter	72	\$199.50	14,364	72	\$257.59	18,546
8 - Meter	12	\$275.00	3,300	12	\$355.07	4,261
10 - Meter						-
Subtotal	1,895		\$182,342	1,895		\$231,618
<u>Usage (in 1000 Gallons)</u>						
First 50,000 Gal	20,936	\$8.6400	\$180,891	20,936	\$11.1557	\$233,561
Next 584,000 Gal						
All over 50,000	254,207	\$3.6200	920,230	254,207	\$4.6740	1,188,173
Subtotal	275,144		\$1,101,121	275,144		\$1,421,734
Subtotal	0		\$0	0		\$0
RZ 1 Industrial Usage	275,144			275,144		
RZ 1 Industrial Revenues			\$1,283,463			\$1,653,352

Greater Hazleton Community Area New Development Organization, Inc A/K/A CAN DO, Inc.
 APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
 YEAR ENDING JUNE 30, 2023 AND 2024

<u>Other Water Utilities Class</u>	Present Rates Usage (in 1000 Gallons)	Present Rates Number of Bills	Present Rates Annualized Revenues	Proposed Rates Usage (in 1000 Gallons)	Proposed Rate Number of Bills	Proposed Rates Proforma Revenues
Group A	16,334	12	\$54,288	16,334	12	\$70,096
Total Other Water Utilities	16,334	12	\$54,288	16,334	12	\$70,096

<u>Rate Zone 1</u>	Present Rates Billing Determinants	Current Rate	Present Rates Annualized Revenue	Proposed Rates Billing Determinants	Proposed Rate	Proposed Rates Annualized Revenue
<u>Customer Charge - Group A</u>						
5/8 - Meter	0		\$0	0		\$0
3/4 - Meter	0		0	0		0
1 - Meter	0		0	0		0
1 1/2 - Meter	0		0	0		0
2 - Meter	0		0	0		0
3 - Meter	0		0	0		0
4 - Meter	12	985.00	11,820	12	1,271.80	15,262
6 - Meter	0		0	0		0
8 - Meter	0		0	0		0
10 - Meter	0		0	0		0
Subtotal	12		\$11,820	12		\$15,262
Usage (in 1000 Gallons) All Usage (Group A)	16,334	\$2.6000	\$42,468	16,334	3.36	\$54,834
Total OWU - Group A	16,334		\$54,288	16,334		\$70,096
RZ 1 Other Water Utilities Usage	16,334			16,334		
Total Demand-Based Service			\$54,288			\$70,096

Greater Hazleton Community Area New Development Organization, Inc A/K/A CAN DO, Inc.
APPLICATION OF PRESENT AND PROPOSED RATES
PRIVATE FIRE SERVICE

Service Connection Size	Number	Present Rates		Number	Proposed Rates	
		Rate	Revenue		Rate	Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1" or 1 1/4"			\$0			\$0
1 1/2"			0	0		0
2"			0			0
3"			0			0
4"			0			0
6"			0			0
8"	5,695	138.49	788,701	5,695	178.81	1,018,346
10"		154.88	0		199.98	0
12"			0			0
1" Metered			0			0
1-1/2" Metered			0			0
2" Metered			0			0
3" Metered			0			0
4" Metered			0			0
6" Metered			0			0
8" Metered			0			0
10" Metered			0			0
Hydrants	2,511	17.50	43,936	2,511	22.60	56,728
Total Private Fire	8,206		\$832,636	8,206		\$1,075,075

Greater Hazleton Community Area New Development Organization, Inc A/K/A CAN DO, Inc.
 Miscellaneous & Other Operating Revenues
 YEAR ENDING JUNE 30, 2023 AND 2024

	Per Books		Adjusted		Proposed
	12 ME JUNE 2023	Adjustments	12 ME JUNE 2023	Adjustments	12 ME JUNE 2024
					2024
Guaranteed Revenues	\$0		\$0		\$0
Late Payment Fees	14,068		14,068		18,139
Scrap Revenue	1,026		1,026		0
					0
					0
Interest Income	1,021	0	1,021		1,493
Total Other Revenues	\$16,115	\$0	\$16,115	\$0	\$19,632

CAN DO, Inc.

COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
 COMMERCIAL - MONTHLY
 5/8 INCH METERS

CONSUMPTION GALLONS (1)	BILLS UNDER		INCREASE		5/8-Meter	Present	Proposed
	PRESENT RATES (2)	PROPOSED RATES (3)	AMOUNT (4)	PERCENT (5)			
0	\$39.00	\$39.00	\$0.00	0.00%	5/8-Meter	\$39.00	\$39.00
100	47.64	50.16	2.52	5.28%	First 50000	8.6400	\$11.16
500	82.20	94.78	12.58	15.30%	Over 50000	3.6200	\$4.67
1,000	125.40	150.56	25.16	20.06%			
2,000	211.80	262.11	50.31	23.76%			
3,000	298.20	373.67	75.47	25.31%			
3,500	341.40	429.45	88.05	25.79%			
4,000	384.60	485.23	100.63	26.16%			
5,000	471.00	596.79	125.79	26.71%			
6,000	557.40	708.34	150.94	27.08%			
7,000	643.80	819.90	176.10	27.35%			
8,000	730.20	931.46	201.26	27.56%			
9,000	816.60	1,043.01	226.41	27.73%			
10,000	903.00	1,154.57	251.57	27.86%			
16,000	1,421.40	1,823.91	402.51	28.32%			
20,000	1,767.00	2,270.14	503.14	28.47%			
21,000	1,853.40	2,381.70	528.30	28.50%			
22,000	1,939.80	2,493.26	553.46	28.53%			
22,094	1,947.92	2,503.74	555.82	28.53%			
23,000	2,026.20	2,604.81	578.61	28.56%			
24,000	2,112.60	2,716.37	603.77	28.58%			
25,000	2,199.00	2,827.93	628.93	28.60%			
26,000	2,285.40	2,939.48	654.08	28.62%			
27,000	2,371.80	3,051.04	679.24	28.64%			
28,000	2,458.20	3,162.60	704.40	28.66%			
29,000	2,544.60	3,274.16	729.56	28.67%			
30,000	2,631.00	3,385.71	754.71	28.69%			
40,000	3,495.00	4,501.28	1,006.28	28.79%			
50,000	4,359.00	5,616.85	1,257.85	28.86%			
60,000	3,014.20	3,880.49	866.29	28.74%			
70,000	3,376.20	4,347.89	971.69	28.78%			

CAN DO, Inc.

COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
INDUSTRIAL - MONTHLY
2 INCH METERS

CONSUMPTION GALLONS (1)	BILLS UNDER		INCREASE		2-Meter	Present	Proposed
	PRESENT RATES (2)	PROPOSED RATES (3)	AMOUNT (4)	PERCENT (5)			
0	\$78.00	\$100.71	\$22.71	29.12%	Over 50,000	3.6200	\$ 4.67
1,000	156.00	201.42	45.42	29.12%			
2,000	312.00	402.85	90.85	29.12%			
3,000	546.00	704.98	158.98	29.12%			
4,000	858.00	1,107.82	249.82	29.12%			
5,000	1,248.00	1,611.38	363.38	29.12%			
10,000	2,028.00	2,618.49	590.49	29.12%			
16,000	3,276.00	4,229.87	953.87	29.12%			
20,000	4,836.00	6,244.10	1,408.10	29.12%			
30,000	7,176.00	9,265.44	2,089.44	29.12%			
40,000	10,296.00	13,293.89	2,997.89	29.12%			
50,000	14,196.00	18,329.45	4,133.45	29.12%	First 50,000	8.6400	\$ 11.16
60,000	14,491.20	18,710.60	4,219.40	29.12%			
70,000	14,527.40	18,757.34	4,229.94	29.12%			
80,000	14,563.60	18,804.08	4,240.48	29.12%			
90,000	14,599.80	18,850.82	4,251.02	29.12%			
100,000	14,636.00	18,897.56	4,261.56	29.12%			
200,000	14,998.00	19,364.97	4,366.97	29.12%			
300,000	15,360.00	19,832.37	4,472.37	29.12%			
400,000	15,722.00	20,299.77	4,577.77	29.12%			
500,000	16,084.00	20,767.18	4,683.18	29.12%			
600,000	16,446.00	21,234.58	4,788.58	29.12%			
685,947	16,757.13	21,636.30	4,879.17	29.12%			
700,000	16,808.00	21,701.99	4,893.99	29.12%			
800,000	17,170.00	22,169.39	4,999.39	29.12%			
900,000	17,532.00	22,636.79	5,104.79	29.12%			
1,000,000	17,894.00	23,104.20	5,210.20	29.12%			
1,100,000	18,256.00	23,571.60	5,315.60	29.12%			
1,200,000	18,618.00	24,039.00	5,421.00	29.12%			
1,300,000	18,980.00	24,506.41	5,526.41	29.12%			
1,400,000	19,342.00	24,973.81	5,631.81	29.12%			
1,500,000	19,704.00	25,441.21	5,737.21	29.12%			

Greater Hazleton Community Area New Development Organization, Inc A/K/A CAN DO, Inc.
 Water Bill Analysis Summary
 12 Months Ending June 2023 AND 2024

COMMERCIAL CLASS	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	6/30/2023 Billing Units	Old Rates	Current Rates	Base Year Billing Determinants	FR II.02e	Change in Customers FR II.02h	Usage	Creekside Annualization FR II.02m	Quarryville	
																	FR II.02e FR II.02e		Annualized Revenue Current Rate		Normalization FR II.02i	12th bill adj FR II.02u
Rate Zone 1 - Most Areas	(a)												(a)	(e) = (a)*(c)	(f)	(g)	(h)	(i)				
Total Billed Count																						
5/8-METER	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	24	39.00								
3/4-METER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00								
1-METER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00								
1.5-METER	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	96	39.00								
2-METER	10.00	10.00	10.00	10.00	10.00	10.00	10.00	11.00	11.00	11.00	11.00	11.00	125	78.00								
3-METER	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	12	118.00								
4-METER	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	12	156.00								
6-METER	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	24	199.50								
8-METER													0	275.00								
10-METER													0									
Total Billed Count																						
5/8-METER													0		\$39.00	24		\$936		4,572		
3/4-METER													0		\$0.00	0		0				
1-METER													0		\$0.00	0		0				
1.5-METER													0		\$50.36	96		4,834				
2-METER													0		\$100.71	125		12,589				
3-METER													0		\$152.36	12		1,828				
4-METER													0		\$201.42	12		2,417				
6-METER													0		\$257.59	24		6,182				
8-METER													0			0		0				
10-METER													0			0		0				
Usage in Thousand Gallons																						
First 50,000 Gal	421.700	346.400	375.100	343.900	381.400	261.200	492.900	368.100	370.100	378.200	652.600	444.600	4,836	\$8.6400								
													0									
All Over 50,000	207.000	324.000	176.000	271.000	230.000	297.000	43.000	170.000	196.000	184.000	93.000	262.000	2,453	3.6200	11.1557	4,836		\$53,951				
													0									
													0		4.6740	2,453		\$11,465	284,907.23	561,898		
	629	670	551	615	611	558	536	538	566	562	746	707	7,289									
TOTALCOMMERCIAL USAGE	629	670	551	615	611	558	536	538	566	562	746	707	7,289.200									
COM CUSTOMER COUNT	24	24	24	24	24	24	24	25	25	25	25	25	24									
Average Use Per Customer	26.20	27.93	22.96	25.62	25.48	23.26	22.33	21.52	22.64	22.49	29.82	28.26	24.88									

FR II.02e

6/30/2023 Revenues Incl All adj	FR II.02j 2024 Valley Rates	Change in Customers FR II.02h	Usage Trend adj FR II.02i	Findlay Township FR II.02w	Audubon from SFR to reg FR II.02x	Farmington from SFR to reg FR II.02y	Shale Gas Com Usage FR II.02l	Present Rate 6/30/2024 Revenues	2025 Rates	Change in Customers FR II.02h	Usage Trend adj FR II.02i	Creekside Annualization FR II.02m	Findlay Township FR II.02w	Present Rate 6/30/2025 Revenues	
j=(a+f+g+h+i)*c	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	s=(a+f+g+h+i+m+n+o+p+q+r)*k	(t)	(u)	(v)	(w)	(x)	y=(a+f+g+h+i+m+n+o+p+q+r+t+u+v+w+x)*t
\$179,244	\$18.50		2,055						\$123,044	\$18.50	4,110				\$199,079
0	28.00								0	28.00					0
0	46.60								0	46.60					0
4,834	76.10								7,306	76.10					7,306
12,589	121.80								15,225	121.80					15,225
1,828	227.20								2,726	227.20					2,726
2,417	285.10								3,421	285.10					3,421
6,182	426.80								10,243	426.80					10,243
0	826.30								0	826.30					0
0	1,196.60								0	1,196.60					0
\$53,951	1.5613	328,800.00	(737,316)				1,948		(\$627,223)	1.5613	657,600.00	(517,997)			(\$409,261)
3,969,463	1.1493	128,058.70	(430,725)				216,128		876,595	1.1493	256,117.39	(302,603)			823,168

6/30/2023 Revenues Incl All adj	FR II.02j		Change in Customers FR II.02h (m)	Usage Trend adj FR II.02i (n)	Findlay Township FR II.02w (o)	Audubon from SFR to reg FR II.02x (p)	Farmington from SFR to reg FR II.02y (q)	Shale Gas Com Usage FR II.02l (r)	Present Rate 6/30/2024 Revenues s=(a+f+g+h+i+m+n+o+p+q+r)*k	2025 Rates (t)	Change in Customers FR II.02h (u)	Usage Trend adj FR II.02i (v)	Creekside Annualization FR II.02m (w)	Findlay Township FR II.02w (x)	Present Rate 6/30/2025 Revenues y=(a+f+g+h+i+m+n+o+p+q+r+t+u+v+w+x)*t
	2024 Rates (k)	Valley Rates (l)													
\$13,104	\$28.00								\$9,408	\$28.00					\$9,408
0	42.00								0	42.00					0
0	70.00								0	70.00					0
18,128	140.00								50,400	140.00					50,400
32,630	224.00								72,576	224.00					72,576
44,641	420.00								123,060	420.00					123,060
100,308	701.00								349,098	701.00					349,098
25,565	1,401.00								100,872	1,401.00					100,872
#REF!	2,243.00								26,916	2,243.00					26,916
0	3,223.00								0	3,223.00					0
0	4,625.00								0	4,625.00					0
	67.50						96		\$6,480	\$0.00					\$0
	\$0.00						3,588		\$0	\$0.00					\$0
\$233,561	\$1.4200								\$29,730	\$1.4200					\$29,730
0	1.0804								0	1.0804					0
1,188,173	0.8499								216,051	0.8499					216,051

