



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

IN REPLY PLEASE
REFER TO OUR FILE

August 15, 2024

Docket No. P-2024-3050183

Utility Code 221925

HUNTER STOVER
CITY OF LOCK HAVEN WATER DEPARTMENT
20 E CHURCH STREET
LOCK HAVEN PA 17745
HSTOVER@LOCKHAVENPA.GOV

RE: Petition of City of Lock Haven for Approval of its Lead Service Line Replacement Program at Docket No. P-2024-3050183

Dear Hunter Stover:

On July 19, 2024, City of Lock Haven (Lock Haven) filed the above-captioned document (Petition) with the Pennsylvania Public Utility Commission (Commission). For the Commission to complete its analysis of the filing, please respond with the information requested in the attached document.

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

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

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

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

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

Signature _____
Title _____
Date _____

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

In addition, to expedite completion of the review, please send a copy of the response to Matthew T. Lamb, P.E. in the Water/Wastewater Section of the Bureau of Technical Utility Services via e-mail at mlamb@pa.gov. Please also direct any questions to Matthew Lamb at telephone number (717) 783-1001. Thank you in advance for your cooperation.

Sincerely,



Rosemary Chiavetta
Secretary

Enclosure: TUS Data Request Set 1

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

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

- P-1. Lock Haven's Petition for a Lead Service Line Replacement Program (LSLR Program) did not include a copy of a pro forma tariff or tariff supplement. Pursuant to 52 Pa. Code § 65.55(b)(2), an entity's Lead Service Line Replacement (LSLR) program must include a pro forma tariff or tariff supplement containing the proposed changes necessary to implement the entity's LSLR program. Please note that a model *pro forma* tariff supplement is available on the Commission's website at <https://www.puc.pa.gov/filing-resources/forms/waterwastewater-forms/>. Please provide a copy of a pro forma tariff or tariff supplement containing the proposed changes necessary to implement Lock Haven's LSLR Program.
- P-2. The LSLR Program's Appendix A included a copy of Data Responses to 52 Pa. Code § 53.52 (Data Responses). Pursuant to 52 Pa. Code § 53.52(a), whenever a public utility files a tariff, revision or supplement effecting changes in the terms and conditions of service rendered or to be rendered, it shall submit to the Commission, with the tariff, revision or supplement, statements as listed in Data Responses. The Commission notes that complete responses to 52 Pa. Code § 53.52 (a) are required with a tariff revision or supplement filing. Please provide a revised Appendix A that includes complete responses to the following statements:
- a. The specific reasons for each change;
 - b. A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change;
 - c. The effect of the change on the utility's customers;
 - d. The direct or indirect effect of the proposed change on the utility's revenue and expenses;
 - e. The effect of the change on the service rendered by the utility;
 - f. All factors considered by the utility in its determination to make the change. The list shall include a comprehensive statement about why these factors were chosen and the relative importance of each;
 - g. Studies undertaken by the utility in order to specifically address the proposed changes;
 - h. Customer polls taken and other documents which indicate customer acceptance and desire for the proposed change. If the poll or other documents reveal discernible public opposition, an explanation of why the change is in the public interest shall be provided; and

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- i. Plans the utility has for introducing or implementing the changes with respect to its ratepayers.
- P-3. Lock Haven's LSLR Program included a copy of its Lead Service Line Replacement Plan (LSLR Plan) as the LSLR Program's Appendix B. The LSLR Plan, Section (a)(3), indicated the service line inventory (SLI) shall be provided annually until complete. Please provide responses to the following:
- a. Provide an estimate of the number of company-owned and customer-owned service lines that Lock Haven plans to have inventoried on annual basis to determine the material type of the unknown material service lines along with a target date for completion;
 - b. Pursuant to 52 Pa. Code § 65.56(a)(1), submit a current copy of the SLI in a live electronic spreadsheet format (i.e., Excel). The Commission notes that spreadsheet documents can be filed using the Secretary's Share Point File system. Filers should contact the Secretary's Bureau in advance to gain access to the Share Point File system;
 - c. Quantify the projected annual expenditure to complete the SLI; and
 - d. Provide a revised LSLR Plan response for 52 Pa. Code § 65.56(a)(3) that includes the provided information.
- P-4. Lock Haven's LSLR Program included a copy of its Lead Service Line Replacement Plan (LSLR Plan) as the LSLR Program's Appendix B. The LSLR Plan, Section (b)(1), indicated that Lock Haven will seek funding opportunities and grants to support the replacement program, minimizing financial burdens. However, pursuant to 52 Pa. Code § 65.56(b)(1), the planning and replacements section of the entity's LSLR plan must include the entity's projected annual investment in LSLRs (e.g., an annual value, in dollars) with an explanation of entity's anticipated sources of financing (e.g., debt, equity, internally generated funds, etc.). Please submit a revised LSLR Plan response for 52 Pa. Code § 65.56(b)(1) that provides Lock Haven's projected annual investment in LSLRs with an explanation of Lock Haven's anticipated sources of financing, for example, the entity projects to invest a maximum of [insert amount] per year to replace service lines that are identified or discovered to be an LSL or galvanized requiring replacement (GRR).
- P-5. The LSLR Plan, Section (b)(2), did not provide Lock Haven's projected number of LSLRs per calendar year with an explanation of how the projection was determined and a statement that this number is consistent with Lock Haven's annual cap on LSLR's. Please submit a revised LSLR Plan response for 52 Pa. Code § 65.56(b)(2) that provides Lock Haven's projected number of LSLRs per calendar year with an explanation of how the projection was determined and a statement that this number is consistent with Lock Haven's annual cap on LSLR's, for example, the entity projects to replace a maximum of

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[insert number] service lines per year that are identified or discovered to be an LSL or GRR based upon a projected expenditure of [insert amount] per LSLR and is consistent with the entity's projected annual investment.

- P-6. The LSLR Plan, Sections (b)(4) and (b)(6)(ii), indicated that LSLs identified due to a break or leak will be immediately replaced to the extent possible or necessary. This provision appears to allow for partial LSLRs based on completing LSL replacements to the extent possible or necessary. Pursuant to 52 Pa. Code § 65.62, the Commission notes that any repair of a known or discovered LSL would be considered a partial LSLR and is strictly prohibited. Correspondingly, the Commission also notes that a water main replacement or repair, regardless of whether the main replacement activities were planned or an emergency, that reveals a LSL would require a complete LSLR prior to the service line being placed back into service as the reconnection of a LSL to a new main segment or a new Company-owned service line would be considered a partial LSLR. Please provide responses to the following:
- a. Clarify whether Lock Haven will maintain the proper equipment and tools necessary for its staff, or if it intends to maintain third party, to complete emergency LSLRs; and
 - b. Submit a revised LSLR Plan that includes Lock Haven's processes and procedures to address emergency repairs or replacements which reveal LSLs that eliminates any partial LSLRs and that fully describes Lock Haven's procedures to fulfill its duty to communicate to customers and/or property owners that failure to allow Lock Haven to complete the LSLR or to replace the customer-owned LSL concurrent with Lock Haven replacing the main or company-owned service line will lead to termination of water service.
- P-7. The LSLR Plan, Section (b)(8), indicated customers and property owners will be informed of the presence of lead service lines if applicable and the risks associated with them. Please explain why Lock Haven is not including the provision of pitcher filters to all customers with identified LSLs until the completion of a LSLR as part of the process.
- P-8. The LSLR Plan, Section (b)(10), indicated that Lock Haven will include the option for a customer/property owner to refuse replacement of the LSL. Lock Haven provided a copy of the LSLR consent agreement form as Exhibit F. However, pursuant to 52. Pa Code § 65.56(b)(10), the entity is required to provide information to customers as detailed in 52. Pa Code §§ 65.56(b)(10)(i) through (iii) in the event a customer refuses a LSLR. Please submit a revised LSLR Plan that is compliant with 52. Pa Code §§ 65.56(b)(10)(i) through (iii).
- P-9. The LSLR Program's Appendix F included a copy of an LSLR Consent Agreement Form (Consent Form). The Consent Form indicated that "The City or its approved contractors and/or subcontractors, will install a Customer connecting line, and if applicable, a water meter pit, from the Installation to the Customer's residence at a predetermined cost to be

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paid by the customer.” However, 66 Pa.C.S. § 1311(b) details the provisions for the valuation of LSLRs, the method of cost allocation, and for recovering those costs through the entity’s tariff rates, and does not permit charging customers directly for LSLRs. Further, 52 Pa. Code § 65.60 directs an entity shall record LSLR costs in compliance with the National Association of Regulatory Utility Commissioners uniform system of accounts applicable to the entity and LSLR costs recorded as assets shall be maintained under separate and distinct subaccounts. Please submit a revised LSLR Plan response for 52 Pa. Code § 65.56(b)(6) and Consent Form that complies with Commission regulations for the water public utility to offer the replacement of an LSL or GRR at no cost to its customers.