
Venango Water Company - Ex		
Parte Emergency Order		Docket No.:
Naming Aqua Pennsylvania,		M-2023-3042180
Inc. as Receiver		
Section 529 Investigation		Docket No.:
of Venango Water Company		I-2023-3042312
Section 529 Investigation		Docket No.:
of Sugarcreek Water		P-2024-3045205
Company, West Hickory		
Water Company, Plumer		
Water Company, Fryburg		
Water Company,		
Cooperstown Water Company		
and Blaine E. Rhodes		
Sewer Company		
Call-In Telephonic		
Hearing		

Pages 67 - 113

Judge's Chambers
 Piatt Place
 301 5th Avenue
 Suite 220
 Pittsburgh, PA

Tuesday, October 15, 2024

Commencing at 10:14 a.m.

<u>NUMBER</u>	<u>FOR IDENTIFICATION</u>	<u>IN EVIDENCE</u>
Joint Stipulation of Facts		
Exhibit 1	79	81
Joint Stipulation of Facts		
I&E's Statement Number 1	80	88
Direct Testimony of Ethan H. Cline with Attached Exhibit 1		
I&E's Statement Number 2	80	91
Direct Testimony of Christopher Keller with Attached Exhibit 2		
OCA's Statement Number 1	75	85
Direct Testimony of Morgan N. DeAngelo, Schedule MND-1, Signed Verification		
Aqua's Statement Number 1	76	94
Direct Testimony of William C. Packer with Exhibit WCP-1		
Aqua's Statement Number 2	76	97
Direct Testimony of Stephen Clark with Exhibits		

SC-1 and SC-2

Joint Stipulation of Facts Hearing Exhibit 1

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Venango Water Company - Ex Parte : Docket No. M-2023-3042180
Emergency Order Naming Aqua Pennsylvania, :
Inc. as Receiver :

Section 529 Investigation of Venango : Docket No. I-2023-3042312
Water Company :

Section 529 Investigation of Sugarcreek : Docket No. P-2024-3045205
Water Company, West Hickory Water :
Company, Plumer Water Company, Fryburg :
Water Company, Cooperstown Water Company, :
and Blaine E. Rhodes Sewer Company :
:

STIPULATION OF FACTS

1. The Rhodes Utilities are comprised of Sugarcreek Water Company, Plumer Water Company, Fryburg Water Company, Cooperstown Water Company, West Hickory Water Company, and Blaine E. Rhodes Sewer Company.
2. The Rhodes Utilities are owned by the Estate of Blaine E. Rhodes.
3. The Executrix of the Estate is Desiree Rhodes.
4. Aqua Pennsylvania, Inc. (“AP”) was appointed the Receiver of Venango Water Company (“VWC”) by an *Ex Parte Order* of the Commission and continues in the capacity of Receiver for VWC.
5. The current employees of the Rhodes Utilities are Randall Rhodes, Kevin Rhodes, and Cinda Walentoski (“Rhodes Employees”).
6. The Rhodes Employees have informed the parties that they intend to resign as certified system operators as of October 31, 2024.
7. As a result, the Rhodes Utilities will be without a certified system operator starting on November 1, 2024.

Joint Stipulation of Facts Hearing Exhibit 1

8. The Rhodes Estate has previously attempted to secure a new certified operator for the Rhodes Utilities and was unsuccessful. No such attempt was made after having received the notice of intent to cease operations as of October 31, 2024.

9. There are no other alternatives to continue the operation of the Rhodes Utilities without a receivership.

10. The following are the 2022 revenues for the year ended December 31, 2022 for each of the companies:

Company	2022 Revenues
Sugarcreek	\$ 35,045
West Hickory	\$ 71,833
Plumer	\$ 38,717
Fryburg	\$ 108,036
Cooperstown	\$ 52,675
Venango	\$ 142,799
Blaine E. Rhodes Sewer Company (Sewer Service)	\$ 83,086
AP	\$ 544,528,547
Aqua Pennsylvania Wastewater, Inc. ("APW")	\$ 60,675,374

11. AP is a regulated Pennsylvania public utility that provides water service to approximately 456,000 customers throughout the Commonwealth of Pennsylvania.

12. APW is a regulated Pennsylvania public utility that provides wastewater service to approximately 62,000 customers throughout the Commonwealth of Pennsylvania.

13. AP and APW are technically, financially, and managerially fit to operate the Rhodes Utilities, e.g., in the provision of water and wastewater service, respectively.

14. Each of the Rhodes Utilities have alleged statutory and regulatory violations:

Table 1

Company	Number of Customers	Violations
Sugarcreek	67 residential, 1 commercial, and 3 public customers	a. Violation of 25 Pa. Code Section 109.3304(a) regarding

Joint Stipulation of Facts Hearing Exhibit 1

		<p>monitoring and reporting.</p> <p>b. Violation of 25 Pa. Code Section 109.703(a) regarding chlorine disinfection</p> <p>c. 20 minor deficiencies.</p> <p>d. A June 27, 2023 DEP inspection of the Sugarcreek system resulted in multiple violations of the Safe Drinking Water Act and its regulations.¹</p>
West Hickory	172 residential customers, 3 commercial customers, and 2 public customers	17 minor deficiencies impacting the Groundwater Under Direct Influence (GUIDI) sources, treatment plant and general chemical addition, distribution system, water storage, pumps and controls, monitoring and reporting, and system management. ²
Plumer	53 residential customers, 1 commercial customer, and 4 public customers	Plumer will lose its certified operator. ³
Fryburg	165 residential customers, 15 commercial, and 6 public customers	<p>a. Violation of 109.703(a) for failure to monitor and record water levels and flow rates to Well #1.</p> <p>b. Nineteen minor deficiencies that impacted the groundwater and GUIDI sources, treatment plant and general chemical</p>

¹ I&E Petition Exhibit G.

² I&E Petition Exhibit D.

³ I&E Petition Exhibit J.

Joint Stipulation of Facts Hearing Exhibit 1

		addition, chemical addition, corrosion control, iron and manganese treatment and fluoride, ion exchange, ae ration and activated carbon, distribution system, water storage and system management. ⁴
Cooperstown	127 residential customers	a. 2 violations of 25 Pa. Code Section 109.304(a) regarding monitoring and reporting, b. 2 violations of 25 Pa. Code Section 10903(a) regarding chlorine disinfection, and c. Nineteen minor deficiencies d. A June 14, 2023 DEP inspection of the Cooperstown system also resulted in the observation of multiple violations of the Safe Drinking Water Act and its regulations. ⁵
Venango	179 residential, 26 commercial, 4 industrial, and 5 public customers.	Do Not Consume Advisory ⁶
Blaine E. Rhodes Sewer Company (Sewer Service)	180 residential, 25 commercial, 4 industrial, and 5 public customers	4 instances of non-compliance ⁷

15. The Rhodes Utilities have not provided any indication that they have the ability or willingness to improve or address the violations and deficiencies identified by DEP.

16. The current system operators have indicated that it is not feasible to seek a rate increase for the Rhodes Utilities.

⁴ I&E Petition Exhibit D.

⁵ I&E Petition Exhibit F.

⁶ I&E Petition, p. 5, ¶15.

⁷ I&E Petition Exhibit C.

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17. “On September 15, 2023, representatives from the Rhodes Utilities submitted a letter to the Commission requesting that the rate increase Docket for the Venango, Sugarcreek, Plumer, Fryburg, and Cooperstown utilities be finalized and closed ‘due to the circumstances related to the operation of the business’” (I&E Statement No. 1, p. 10, ln. 9-12).

18. The parties to this proceeding agree that AP and APW consent to agree to accept the position of Receiver of the Rhodes Utilities (AP for water and APW for wastewater) with the following conditions:

a. That the Rhodes Utilities, including its owners, officers, and employees, are directed to provide full and unconditional cooperation with the orderly transition of operations, management, and oversight to the Receivers as appointed by the Commission in the time leading up to October 31, 2024, with the provision of information and access to Rhodes Utilities facilities. Facilities include office buildings and buildings that include customer data and control center information. Data includes all financial and customer data. Failure to provide full and unconditional cooperation may be subject to criminal and/or civil prosecution under Chapter 33 of the Public Utility Code and any other applicable state or federal law.

b. To allow for smooth transition of operations, the Receivers shall be allowed to install certain equipment or improvements prior to October 31, 2024 for the Rhodes Utilities systems, as needed, to facilitate the Receivers’ start of operations on October 31, 2024.

c. The Commission will coordinate with the Pennsylvania Department of Environmental Protection (“DEP”) to provide to Aqua all data and reports associated with the Rhodes Utilities as soon as possible.

d. The Receivers shall not be responsible for (i) any legal bills associated with litigation concerning the Blaine E. Rhodes Estate (the “Rhodes Estate”); (ii) legal bills of Randall Rhodes, Kevin Rhodes, and Cinda Walentoski (the “Rhodes Employees”) or the Rhodes Estate concerning participation in the Venango Water Company (“VWC”) 529 Proceeding or Rhodes Utilities 529 Proceeding; and (iii) any outstanding legal bills of the Rhodes Utilities.

e. The Receivers shall neither be responsible, nor shall it pay, for any amounts either owed or claimed to be owed (i) between or among the Rhodes Utilities, (ii) by the Rhodes Utilities to the Rhodes Estate, or (iii) by the Rhodes Utilities or Rhodes Estate to B.P. Rhodes & Son, Inc.

f. The Lead Service Line Replacement (“LSLR”) Plan filed by AP, as Receiver for the VWC currently pending at Docket No. P-2024-3050248, shall apply to the Rhodes Utilities and the requirements of 52 Pa. Code § 65.55(a) shall be waived so that the Receivers shall not be separately required to file LSLR Plans for each of the Rhodes Utilities. To the Receivers’ knowledge, the Rhodes Utilities have not filed LSLR Plans in accordance with 52 Pa. Code § 65.51 *et seq.*, nor have the Rhodes Utilities requested waiver of the Commission’s regulations regarding LSLR Plans.

g. The Rhodes Employees shall provide all documents evidencing ownership or right of access to property upon which Rhodes Utilities facilities are situate.

Joint Stipulation of Facts Hearing Exhibit 1

h. Based on the Rhodes Utilities' answers to Interrogatories in the Rhodes Utilities 529 Proceeding, all Rhodes Utilities' customers have meters that are not capable of radio frequency readings, and based on AP's prior experience having had issues accessing properties to manually read meters in VWC, AP shall be permitted to defer capital expenditures associated with the installation of new meters and radio frequency transmitters for accounting purposes. Such deferred accounting for the stated meter-related expenditures shall be in addition to the provisions regarding deferred accounting that are typically stated in an order issued in connection with a receiver's duties.

19. The parties also stipulate to the admission of the following Direct Testimonies and Exhibits:

- a. Ethan Cline: I&E Statement No. 1 I&E Exhibit No. 1
Christopher Keller: I&E Statement No. 2 I&E Exhibit No. 2
- b. OCA St. 1- Direct of Morgan N. DeAngelo, Exhibit MND-1, signed verification
- c. Aqua St. No. 1 – Direct Testimony of William C. Packer
Aqua St. No. 2 – Direct Testimony of Stephen Clark

Joint Stipulation of Facts Hearing Exhibit 1

Respectfully submitted,

/s/ Christy M. Appleby

Christy M. Appleby
Senior Assistant Consumer Advocate
PA Bar ID# 85824
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048
cappleby@paoca.org

/s/ Michael Podskoch, Jr.

Michael A. Podskoch, Jr.
Scott B. Granger
Prosecutors
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120
717.783.6156 (bus)
mpodskoch@pa.gov
sgranger@pa.gov

/s/ Courtney L. Schultz

Courtney L. Schultz, Esq.
Saul Ewing LLP
1500 Market Street
Centre Square West, 38th Floor
Philadelphia, PA 19102
(215) 972-7717
Courtney.schultz@saul.com
Counsel for Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.

DATED: October 15, 2024

I&E Exhibit No. 1
Witness: Ethan H. Cline

**VENANGO WATER COMPANY – EX PARTE EMERGENCY ORDER NAMING
AQUA PENNSYLVANIA, INC. AS RECEIVER**

SECTION 529 INVESTIGATION OF VENANGO WATER COMPANY

**SECTION 529 INVESTIGATION OF SUGARCREEK WATER COMPANY,
WEST HICKORY WATER COMPANY, PLUMER WATER COMPANY,
FRYBURG WATER COMPANY, COOPERSTOWN WATER COMPANY AND
BLAINE E. RHODES SEWER COMPANY**

Docket Nos. M-2023-3042180, I-2023-3042312, & P-2024-3045205

Exhibit to Accompany

the

Direct Testimony

of

Ethan H. Cline

Bureau of Investigation & Enforcement

Concerning:

**PUBLIC UTILITY CODE SECTION 529 INVESTIGATION
SECTION 529(a)(1)-(3)**

2022

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

Page 1

**Primary Facility Report for SUGARCREEK WATER CO (19592)
REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2022**

Client: SUGARCREEK WATER CO

PRIMARY FACILITY NAME AND MAILING ADDRESS

Name and Address: SUGARCREEK WATER COMPANY
PO BOX 397
RENO, PA 16343-0397

Contact Information: RANDALL RHODES
SECRETARY

Phone: 814-676-2730

Fax: 814-676-2730

Facility e-mail: VWC-RLR@PA.RR.COM

PEAK DAY WATER USE FOR REPORT YEAR 2022

Date: (mm/dd/yyyy)

Gallons Per Day:

MINIMUM DAY WATER USE FOR REPORT YEAR 2022

Date: (mm/dd/yyyy)

Gallons Per Day:

POPULATION SERVED

Population Served: 205

AVERAGE DAILY WATER USE

Type	Metered Connections		Unmetered Connections	
	Number	Water Use (GPD)	Number	Water Use (GPD)
Domestic	67	7,772	0	0
Commercial	1	1,904	0	0
Industrial	0	0	0	0
Institutional	0	0	0	0
Bulk Sales to other PWS	0	0	0	0
Oil and Gas	0	0	0	0
Other	3	1,718	0	0
Water Losses				1,867
Total	71	11,394	0	1,867
Explain 'Other' Connections:	PUBLIC			

BREAKDOWN OF WATER LOSSES FOR THE SYSTEM

Type	Water Use (GPD)
Apparent Losses	No Information reported.
Real Losses	No Information reported.

PRESENT NUMBER OF CONNECTIONS SERVED

Municipality Name	Present Number of Connections						% Pop Served	Multiple Unit Connections	
	Dom	Comm	Ind	Inst	Oil Gas	Other		No. Conn	No. Units
SUGARCREEK BORO (VENANGO)	67	1	0	0	0	3	4.27	1	16

2022

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

PRESENT NUMBER OF CONNECTIONS SERVED

Municipality Name	Present Number of Connections						% Pop Served	Multiple Unit Connections	
	Dom	Comm	Ind	Inst	Oil Gas	Other		No. Conn	No. Units
TOTAL	67	1	0	0	0	3		1	16

METERING, WATER CONSERVATION AND DISTRIBUTION SYSTEM

What is the average age of existing meters? 14 Years

Are you currently installing meters at new connections? YES

Are you currently installing meters at unmetered connections? NO

Is there an active meter replacement program for your water system? YES

How many meters did you replace during the report year? 0

Did you provide water conservation information to your customers during the report year? NO

What is the type, size (inches), and length of new pipe installed as an extension to your present system during the report year?

What is the frequency of flushing the distribution system during the past year? 2

Did you work your hydrants during the report year? NO

Did you work the valves in the system during the report year? YES

Does your system have an active leak detection program? YES

What type of equipment or methods do you use for leak detection?
COMPUTER ANALYSIS, MASTER METERS, AQUA SCOPE & GEOPHONES

Does your system have a cross-connection control program? YES

Has the water pressure been inadequate in any part of the system? NO

If yes, explain

Service Area Boundary Map: The box contains the date of the latest submitted service area boundary map for your system. If this date is older than 5 years, blank, or there has been a change in the area since then, please use the online service area boundary mapping tool to review and submit a current map. (See Instructions) 05/05/2014

Describe major system changes such as purchases and transfers:

REPORT CONTACT INFORMATION

Report Preparer: RANDALL RHODES
SECRETARY
SUGARCREEK WATER CO
PO BOX 397
RENO, PA 16343
Phone: 814-676-2730
Fax: 814-676-2730
Email Address: VWC-RLR@PA.RR.COM

REPORT SUBMISSION INFORMATION

Submitted By: Randall Rhodes
Submitted On: 03/23/2023
Submitted By Email: vwc-rlr@pa.rr.com

Primary Facility Report for WEST HICKORY WATER CO (19159)
REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2022

Client: WEST HICKORY WATER CO

PRIMARY FACILITY NAME AND MAILING ADDRESS

Name and Address: WEST HICKORY WATER COMPANY
PO BOX 397
RENO, PA 16343-0397

Contact Information: RANDALL RHODES
SECRETARY

Phone: 814-676-2730

Facility e-mail: VWC-RLR@PA.RR.COM

PEAK DAY WATER USE FOR REPORT YEAR 2022

Date: (mm/dd/yyyy)

Gallons Per Day:

MINIMUM DAY WATER USE FOR REPORT YEAR 2022

Date: (mm/dd/yyyy)

Gallons Per Day:

POPULATION SERVED

Population Served: 425

AVERAGE DAILY WATER USE

Type	Metered Connections		Unmetered Connections	
	Number	Water Use (GPD)	Number	Water Use (GPD)
Domestic	172	8,481	0	0
Commercial	3	578	0	0
Industrial	0	0	0	0
Institutional	0	0	0	0
Bulk Sales to other PWS	0	0	0	0
Oil and Gas	0	0	0	0
Other	2	14	0	0
Water Losses				5,880
Total	177	9,073	0	5,880

Explain 'Other' Connections: PUBLIC

BREAKDOWN OF WATER LOSSES FOR THE SYSTEM

Type	Water Use (GPD)
Apparent Losses	No Information reported.
Real Losses	No Information reported.

PRESENT NUMBER OF CONNECTIONS SERVED

Municipality Name	Present Number of Connections						% Pop Served	Multiple Unit Connections	
	Dom	Comm	Ind	Inst	Oil Gas	Other		No. Conn	No. Units
HARMONY TWP (FOREST)	172	3	0	0	0	2	6.31	0	0
TOTAL	172	3	0	0	0	2		0	0

2022

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

METERING, WATER CONSERVATION AND DISTRIBUTION SYSTEM

What is the average age of existing meters? 9 Years
Are you currently installing meters at new connections? YES
Are you currently installing meters at unmetered connections? NO
Is there an active meter replacement program for your water system? YES
How many meters did you replace during the report year? 1
Did you provide water conservation information to your customers during the report year? NO
What is the type, size (inches), and length of new pipe installed as an extension to your present system during the report year?
What is the frequency of flushing the distribution system during the past year? 2
Did you work your hydrants during the report year? NO
Did you work the valves in the system during the report year? YES
Does your system have an active leak detection program? YES
What type of equipment or methods do you use for leak detection?
COMPUTER ANALYSIS, MASTER METERS, AQUA SCOPE & GEOPHONES
Does your system have a cross-connection control program? YES
Has the water pressure been inadequate in any part of the system? NO
If yes, explain

Service Area Boundary Map: The box contains the date of the latest submitted service area boundary map for your system. If this date is older than 5 years, blank, or there has been a change in the area since then, please use the online service area boundary mapping tool to review and submit a current map. (See Instructions) 05/05/2014

Describe major system changes such as purchases and transfers:

REPORT CONTACT INFORMATION

Report Preparer: RANDALL RHODES
SECRETARY
WEST HICKORY WATER CO
PO BOX 397
RENO, PA 16343
Phone: 814-676-2730
Fax: 814-676-2730
Email Address: VWC-RLR@PA.RR.COM

REPORT SUBMISSION INFORMATION

Submitted By: Randall Rhodes
Submitted On: 03/23/2023
Submitted By Email: vwc-rlr@pa.rr.com

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Primary Facility Report for PLUMER WATER CO (19586)
REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2022

Client: PLUMER WATER CO

PRIMARY FACILITY NAME AND MAILING ADDRESS

Name and Address: PLUMER WATER COMPANY
PO BOX 397
RENO, PA 16343-0397
Contact Information: RANDALL RHODES
SECRETARY
Phone: 814-676-2730
Fax: 814-676-2730
Facility e-mail: VWC-RLR@PA.RR.COM

PEAK DAY WATER USE FOR REPORT YEAR 2022

Date: (mm/dd/yyyy)
Gallons Per Day:

MINIMUM DAY WATER USE FOR REPORT YEAR 2022

Date: (mm/dd/yyyy)
Gallons Per Day:

POPULATION SERVED

Population Served: 185

AVERAGE DAILY WATER USE

Type	Metered Connections		Unmetered Connections	
	Number	Water Use (GPD)	Number	Water Use (GPD)
Domestic	53	3,976	0	0
Commercial	1	41	0	0
Industrial	0	0	0	0
Institutional	0	0	0	0
Bulk Sales to other PWS	0	0	0	0
Oil and Gas	0	0	0	0
Other	4	60	0	0
Water Losses				713
Total	58	4,077	0	713
Explain 'Other' Connections:	PUBLIC			

BREAKDOWN OF WATER LOSSES FOR THE SYSTEM

Type	Water Use (GPD)
Apparent Losses	No Information reported.
Real Losses	No Information reported.

PRESENT NUMBER OF CONNECTIONS SERVED

Municipality Name	Present Number of Connections						% Pop Served	Multiple Unit Connections	
	Dom	Comm	Ind	Inst	Oil Gas	Other		No. Conn	No. Units
CORNPLANTER TWP (VENANGO)	53	1	0	0	0	4	8.42	0	0

2022

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

PRESENT NUMBER OF CONNECTIONS SERVED									
Municipality Name	Present Number of Connections						% Pop Served	Multiple Unit Connections	
	Dom	Comm	Ind	Inst	Oil Gas	Other		No. Conn	No. Units
TOTAL	53	1	0	0	0	4		0	0

METERING, WATER CONSERVATION AND DISTRIBUTION SYSTEM

What is the average age of existing meters? 10 Years

Are you currently installing meters at new connections? YES

Are you currently installing meters at unmetered connections? NO

Is there an active meter replacement program for your water system? YES

How many meters did you replace during the report year? 0

Did you provide water conservation information to your customers during the report year? NO

What is the type, size (inches), and length of new pipe installed as an extension to your present system during the report year?

What is the frequency of flushing the distribution system during the past year? 2

Did you work your hydrants during the report year? NO

Did you work the valves in the system during the report year? YES

Does your system have an active leak detection program? YES

What type of equipment or methods do you use for leak detection?

COMPUTER ANALYSIS, MASTER METERS, AQUA SCOPE & GEOPHONES

Does your system have a cross-connection control program? YES

Has the water pressure been inadequate in any part of the system? NO

If yes, explain

Service Area Boundary Map: The box contains the date of the latest submitted service area boundary map for your system. If this date is older than 5 years, blank, or there has been a change in the area since then, please use the online service area boundary mapping tool to review and submit a current map. (See Instructions) 05/05/2014

Describe major system changes such as purchases and transfers:

REPORT CONTACT INFORMATION

Report Preparer: RANDALL RHODES
SECRETARY
PLUMER WATER CO
PO BOX 397
RENO, PA 16343
Phone: 814-676-2730
Fax: 814-676-2730
Email Address: VWC-RLR@PA.RR.COM

REPORT SUBMISSION INFORMATION

Submitted By: Randall Rhodes
Submitted On: 03/23/2023
Submitted By Email: vwc-rlr@pa.rr.com

2022

COMMONWEALTH OF PENNSYLVANIA
 DEPARTMENT OF ENVIRONMENTAL PROTECTION

Subfacility Report for ROUSEVILLE MUNI WATERWORKS INTC (43138)
 REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2022

Client: PLUMER WATER CO
 Primary Facility: PLUMER WATER CO

MEASURING/METERING OF WATER

Measure Method METERED (2" SENSUS METER)
 Last Date Tested 09/15/2009 (mm/dd/yyyy)
 Tested By MANUFACTURER

INTERCONNECTIONS WITH OTHER WATER SUPPLIERS

Name of Interconnected Water Supplier
 ROUSEVILLE MUNI WATERWORKS (19591)

PURCHASED FROM

<u>Month</u>	<u>Total Gallons</u>	<u>Month</u>	<u>Days</u>
Jan Gallons Purchased	160,700	Jan Days Use Purchased	31
Feb Gallons Purchased	134,000	Feb Days Use Purchased	28
Mar Gallons Purchased	135,400	Mar Days Use Purchased	31
Apr Gallons Purchased	125,800	Apr Days Use Purchased	30
May Gallons Purchased	142,700	May Days Use Purchased	31
Jun Gallons Purchased	191,200	Jun Days Use Purchased	30
Jul Gallons Purchased	139,300	Jul Days Use Purchased	31
Aug Gallons Purchased	138,600	Aug Days Use Purchased	31
Sep Gallons Purchased	134,500	Sep Days Use Purchased	30
Oct Gallons Purchased	141,600	Oct Days Use Purchased	31
Nov Gallons Purchased	142,800	Nov Days Use Purchased	30
Dec Gallons Purchased	161,900	Dec Days Use Purchased	31
Total Gallons Purchased	1,748,500	Total Days Use Purchased	365

Maximum Water Transfer Capability, GPD From: 0

Double Counted: N

If changed, Explain why:

DATA ENTRY INFORMATION

Entered By: Randall Rhodes
 Last Data Entry Date: 03/23/2023
 Email: vwc-rlr@pa.rr.com

2022

COMMONWEALTH OF PENNSYLVANIA
 DEPARTMENT OF ENVIRONMENTAL PROTECTION

Primary Facility Report for FRYBURG WATER CO (19041)
 REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2022

Client: FRYBURG WATER CO

PRIMARY FACILITY NAME AND MAILING ADDRESS

Name and Address: FRYBURG WATER COMPANY
 PO BOX 397
 RENO, PA 16343-0397
 Contact Information: RANDALL RHODES
 SECRETARY
 Phone: 814-676-2730
 Fax: 814-676-2730
 Facility e-mail: VWC-RLR@PA.RR.COM

PEAK DAY WATER USE FOR REPORT YEAR 2022

Date: (mm/dd/yyyy)
 Gallons Per Day:

MINIMUM DAY WATER USE FOR REPORT YEAR 2022

Date: (mm/dd/yyyy)
 Gallons Per Day:

POPULATION SERVED

Population Served: 490

AVERAGE DAILY WATER USE

Type	Metered Connections		Unmetered Connections	
	Number	Water Use (GPD)	Number	Water Use (GPD)
Domestic	165	13,743	0	0
Commercial	15	1,617	0	0
Industrial	0	0	0	0
Institutional	0	0	0	0
Bulk Sales to other PWS	0	0	0	0
Oil and Gas	0	0	0	0
Other	6	80	0	0
Water Losses				3,677
Total	186	15,440	0	3,677
Explain 'Other' Connections:	PUBLIC			

BREAKDOWN OF WATER LOSSES FOR THE SYSTEM

Type	Water Use (GPD)
Apparent Losses	No Information reported.
Real Losses	No Information reported.

PRESENT NUMBER OF CONNECTIONS SERVED

Municipality Name	Present Number of Connections						% Pop Served	Multiple Unit Connections	
	Dom	Comm	Ind	Inst	Oil Gas	Other		No. Conn	No. Units
WASHINGTON TWP (CLARION)	150	15	0	0	0	5	22.29	2	7

2022

COMMONWEALTH OF PENNSYLVANIA
 DEPARTMENT OF ENVIRONMENTAL PROTECTION

PRESENT NUMBER OF CONNECTIONS SERVED

Municipality Name	Present Number of Connections						% Pop Served	Multiple Unit Connections	
	Dom	Comm	Ind	Inst	Oil Gas	Other		No. Conn	No. Units
PINEGROVE TWP (VENANGO)	15	0	0	0	0	1	4.37	0	0
TOTAL	165	15	0	0	0	6		2	7

METERING, WATER CONSERVATION AND DISTRIBUTION SYSTEM

What is the average age of existing meters? 17 Years
 Are you currently installing meters at new connections? YES
 Are you currently installing meters at unmetered connections? NO
 Is there an active meter replacement program for your water system? YES
 How many meters did you replace during the report year? 2
 Did you provide water conservation information to your customers during the report year? NO
 What is the type, size (inches), and length of new pipe installed as an extension to your present system during the report year?
 What is the frequency of flushing the distribution system during the past year? 2
 Did you work your hydrants during the report year? NO
 Did you work the valves in the system during the report year? YES
 Does your system have an active leak detection program? YES
 What type of equipment or methods do you use for leak detection?
 COMPUTER ANALYSIS, MASTER METERS, AQUA SCOPE & GEOPHONES
 Does your system have a cross-connection control program? YES
 Has the water pressure been inadequate in any part of the system? NO
 If yes, explain
 Service Area Boundary Map: The box contains the date of the latest submitted service area boundary map for your system. If this date is older than 5 years, blank, or there has been a change in the area since then, please use the online service area boundary mapping tool to review and submit a current map. (See Instructions) 05/05/2014
 Describe major system changes such as purchases and transfers:

REPORT CONTACT INFORMATION

Report Preparer: RANDALL RHODES
 SECRETARY
 FRYBURG WATER CO
 PO BOX 397
 RENO, PA 16343
 Phone: 814-676-2730
 Fax: 814-676-2730
 Email Address: WWC-RLR@PA.RR.COM

REPORT SUBMISSION INFORMATION

Submitted By: Randall Rhodes
Submitted On: 03/23/2023
Submitted By Email: wwc-rlr@pa.rr.com

2022

COMMONWEALTH OF PENNSYLVANIA
 DEPARTMENT OF ENVIRONMENTAL PROTECTION

Subfacility Report for WELL 3 (8099)
 REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2022

Client: FRYBURG WATER CO
 Primary Facility: FRYBURG WATER CO

MEASURING/METERING OF WATER

Measure Method METERED (5/8" HAYS CONTACT METER)
 Last Date Tested 12/30/2011 (mm/dd/yyyy)
 Tested By MANUFACTURER

WITHDRAWALS OR USE FOR REPORTING YEAR 2022

Month	Total Gallons	Month	Days
Jan Gallons	97,640	Jan Days	31
Feb Gallons	86,290	Feb Days	28
Mar Gallons	88,590	Mar Days	31
Apr Gallons	104,520	Apr Days	30
May Gallons	103,790	May Days	31
Jun Gallons	98,070	Jun Days	30
Jul Gallons	95,050	Jul Days	31
Aug Gallons	96,040	Aug Days	31
Sep Gallons	87,910	Sep Days	30
Oct Gallons	82,560	Oct Days	31
Nov Gallons	69,930	Nov Days	30
Dec Gallons	80,000	Dec Days	31
Total Gallons	1,090,390	Total Days	365

FOR PUBLIC WATER SUPPLIERS

Double Counted: N
 If changed, Explain why:

DATA ENTRY INFORMATION

Entered By: Randall Rhodes
 Last Data Entry Date: 03/23/2023
 Email: vwc-rlr@pa.rr.com

2022

COMMONWEALTH OF PENNSYLVANIA
 DEPARTMENT OF ENVIRONMENTAL PROTECTION

Page 1

Primary Facility Report for COOPERSTOWN WATER CO (19585)
 REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2022

Client: COOPERSTOWN WATER CO

PRIMARY FACILITY NAME AND MAILING ADDRESS

Name and Address: COOPERSTOWN WATER COMPANY
 PO BOX 397
 RENO, PA 16343-0397
 Contact Information: RANDALL RHODES
 SECRETARY
 Phone: 814-676-2730
 Fax: 814-676-2730
 Facility e-mail: VWC-RLR@PA.RR.COM

PEAK DAY WATER USE FOR REPORT YEAR 2022

Date: (mm/dd/yyyy)
 Gallons Per Day:

MINIMUM DAY WATER USE FOR REPORT YEAR 2022

Date: (mm/dd/yyyy)
 Gallons Per Day:

POPULATION SERVED

Population Served: 360

AVERAGE DAILY WATER USE

Type	Metered Connections		Unmetered Connections	
	Number	Water Use (GPD)	Number	Water Use (GPD)
Domestic	127	12,271	0	0
Commercial	0	0	0	0
Industrial	0	0	0	0
Institutional	0	0	0	0
Bulk Sales to other PWS	0	0	0	0
Oil and Gas	0	0	0	0
Other	0	0	0	0
Water Losses				6,296
Total	127	12,271	0	6,296

Explain 'Other' Connections:

BREAKDOWN OF WATER LOSSES FOR THE SYSTEM

Type	Water Use (GPD)
Apparent Losses	No Information reported.
Real Losses	No Information reported.

PRESENT NUMBER OF CONNECTIONS SERVED

Municipality Name	Present Number of Connections						% Pop Served	Multiple Unit Connections	
	Dom	Comm	Ind	Inst	Oil Gas	Other		No. Conn	No. Units
COOPERSTOWN BORO (VENANGO)	101	0	0	0	0	0	72.72	0	0

2022

COMMONWEALTH OF PENNSYLVANIA
 DEPARTMENT OF ENVIRONMENTAL PROTECTION

PRESENT NUMBER OF CONNECTIONS SERVED

Municipality Name	Present Number of Connections						% Pop Served	Multiple Unit Connections	
	Dom	Comm	Ind	Inst	Oil Gas	Other		No. Conn	No. Units
JACKSON TWP (VENANGO)	26	0	0	0	0	0	9.37	0	0
TOTAL	127	0	0	0	0	0		0	0

METERING, WATER CONSERVATION AND DISTRIBUTION SYSTEM

What is the average age of existing meters? 12 Years
 Are you currently installing meters at new connections? YES
 Are you currently installing meters at unmetered connections? NO
 Is there an active meter replacement program for your water system? YES
 How many meters did you replace during the report year? 0
 Did you provide water conservation information to your customers during the report year? NO
 What is the type, size (inches), and length of new pipe installed as an extension to your present system during the report year?
 What is the frequency of flushing the distribution system during the past year? 2
 Did you work your hydrants during the report year? NO
 Did you work the valves in the system during the report year? YES
 Does your system have an active leak detection program? YES
 What type of equipment or methods do you use for leak detection?
 COMPUTER ANALYSIS, MASTER METERS, AQUA SCOPE & GEOPHONES
 Does your system have a cross-connection control program? YES
 Has the water pressure been inadequate in any part of the system? NO
 If yes, explain
 Service Area Boundary Map: The box contains the date of the latest submitted service area boundary map for your system. If this date is older than 5 years, blank, or there has been a change in the area since then, please use the online service area boundary mapping tool to review and submit a current map. (See Instructions) 05/05/2014
 Describe major system changes such as purchases and transfers:

REPORT CONTACT INFORMATION

Report Preparer: RANDALL RHODES
 SECRETARY
 COOPERSTOWN WATER CO
 PO BOX 397
 RENO, PA 16343
 Phone: 814-676-2730
 Fax: 814-676-2730
 Email Address: VWC-RLR@PA.RR.COM

REPORT SUBMISSION INFORMATION

Submitted By: Randall Rhodes
 Submitted On: 03/23/2023
 Submitted By Email: vwc-rlr@pa.rr.com

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Primary Facility Report for VENANGO WATER CO (19593)
REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2022

Client: VENANGO WATER CO

PRIMARY FACILITY NAME AND MAILING ADDRESS

Name and Address: VENANGO WATER COMPANY
PO BOX 397
RENO, PA 16343-0397
Contact Information: RANDALL RHODES
SECRETARY
Phone: 814-676-2730
Fax: 814-676-2730
Facility e-mail: VWC-RLR@PA.RR.COM

PEAK DAY WATER USE FOR REPORT YEAR 2022

Date: (mm/dd/yyyy)
Gallons Per Day:

MINIMUM DAY WATER USE FOR REPORT YEAR 2022

Date: (mm/dd/yyyy)
Gallons Per Day:

POPULATION SERVED

Population Served: 550

AVERAGE DAILY WATER USE

Type	Metered Connections		Unmetered Connections	
	Number	Water Use (GPD)	Number	Water Use (GPD)
Domestic	179	15,751	0	0
Commercial	26	5,162	0	0
Industrial	4	2,095	0	0
Institutional	0	0	0	0
Bulk Sales to other PWS	0	0	0	0
Oil and Gas	0	0	0	0
Other	5	271	0	0
Water Losses				11,825
Total	214	23,279	0	11,825
Explain 'Other' Connections:	PUBLIC			

BREAKDOWN OF WATER LOSSES FOR THE SYSTEM

Type	Water Use (GPD)
Apparent Losses	No Information reported.
Real Losses	No Information reported.

PRESENT NUMBER OF CONNECTIONS SERVED

Municipality Name	Present Number of Connections						% Pop Served	Multiple Unit Connections	
	Dom	Comm	Ind	Inst	Oil Gas	Other		No. Conn	No. Units
SUGARCREEK BORO (VENANGO)	179	26	4	0	0	5	12.65	0	0

2022

COMMONWEALTH OF PENNSYLVANIA
 DEPARTMENT OF ENVIRONMENTAL PROTECTION

PRESENT NUMBER OF CONNECTIONS SERVED

Municipality Name	Present Number of Connections						% Pop Served	Multiple Unit Connections	
	Dom	Comm	Ind	Inst	Oil Gas	Other		No. Conn	No. Units
TOTAL	179	26	4	0	0	5	0	0	

METERING, WATER CONSERVATION AND DISTRIBUTION SYSTEM

What is the average age of existing meters? 10 Years
 Are you currently installing meters at new connections? YES
 Are you currently installing meters at unmetered connections? NO
 Is there an active meter replacement program for your water system? YES
 How many meters did you replace during the report year? 0
 Did you provide water conservation information to your customers during the report year? NO
 What is the type, size (inches), and length of new pipe installed as an extension to your present system during the report year?
 What is the frequency of flushing the distribution system during the past year? 2
 Did you work your hydrants during the report year? YES
 Did you work the valves in the system during the report year? YES
 Does your system have an active leak detection program? YES
 What type of equipment or methods do you use for leak detection?
 COMPUTER ANALYSIS, MASTER METERS, AQUA SCOPE & GEOPHONES
 Does your system have a cross-connection control program? YES
 Has the water pressure been inadequate in any part of the system? NO
 If yes, explain
 Service Area Boundary Map: The box contains the date of the latest submitted service area boundary map for your system. If this date is older than 5 years, blank, or there has been a change in the area since then, please use the online service area boundary mapping tool to review and submit a current map. (See Instructions) 05/05/2014
 Describe major system changes such as purchases and transfers:

REPORT CONTACT INFORMATION

Report Preparer: RANDALL RHODES
 SECRETARY
 VENANGO WATER CO
 PO BOX 397
 RENO, PA 16343
 Phone: 814-676-2730
 Fax: 814-676-2730
 Email Address: VWC-RLR@PA.RR.COM

REPORT SUBMISSION INFORMATION

Submitted By: Randall Rhodes
 Submitted On: 03/23/2023
 Submitted By Email: vwc-rlr@pa.rr.com

B. E. Rhodes Sewer Company

For the Year Ended December 31, 2022

(Company Name)

402. OPERATING REVENUES SUPPORTING SCHEDULE - CUSTOMER DATA

Customers should be reported on the basis of number of meters, (except where multiple customers have one meter) plus number of flat rate accounts. Where separate meter readings are added for billing purposes, one customer shall be counted for each group of meters so added.

Line No.	Customer Classes (a)	Customers End of Current Year (b)	Customers End of Previous Year (c)	Increase/ (Decrease) (d)
1	Unmetered Charges	XXX	XXX	XXX
2	Residential			
3	Commercial			
4	Industrial			
5	Public Authorities			
6	Multiple Family Dwellings*			
7	Availability			
8	Other			
9				
10	Total Unmetered Charges			
11				
12	Measured Sales	XXX	XXX	XXX
13	Residential	178	180	(2)
14	Commercial	25	25	
15	Industrial	4	4	
16	Public Authority	5	5	
17	Multiple Family Dwellings*			
18	Other			
19	Other Systems			
20	Interdepartmental			
21	Other Systems-Interdepartmental			
22				
23	Total Measured Sales	212	214	(2)

* Use number of Individual Dwelling Units

Venango Water Company
P. O. Box 397
Reno, PA 16343
(814) 676-2730

PA Public Utility Commission
Commission Secretary
Rosemary Chiavetta
Secretarys Bureau
400 North Street
Harrisburg, PA 17105-0211

DATE OF DEPOSIT

MAY - 3 2023

USPS Tracking # 9114901230803379525945

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

May 3, 2023

Re: Extension of 120 day filing rule for rate changes.

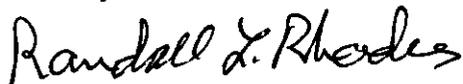
Dear Ms. Chiavetta,

Enclosed with this letter are five petitions to waiver the 120-day filing rule for small utilities for the following companies:

- Venango Water Company
- Sugarcreek Water Company ←
- Plumer Water Company
- Fryburg Water Company
- Cooperstown Water Company

Also enclosed is the required certificate of service stating that this information was submitted to the Office of Consumer Advocate, the Office of Small Business Advocate and the Bureau of Investigation and Enforcement.

Sincerely,



Randall L. Rhodes,
Secretary

Sugarcreek Water Company
P. O. Box 397
Reno, PA 16343
(814) 676-2730

PA Public Utility Commission
Commission Secretary
Rosemary Chiavetta
P. O. Box 3265
Harrisburg, PA 17105-3265

USPS Tracking # 9114901230803379525945

May 3, 2023

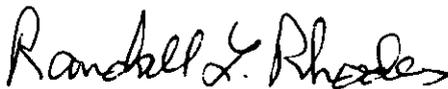
Re: Extension of 120 day filing rule for rate changes.

Dear Ms. Chiavetta,

I am writing to you to petition a waiver to the 120-day filing rule for small water utilities. Due to circumstances related to the operation of the business, I have been unable to approach this matter until recently. I am currently waiting on the completion of financial reports which relate to the preparation of the filing. After receiving this information, I will be able to formalizing the increase. Therefore, I am requesting a 120-day extension of the 120-day filing rule for a rate change to August 28th, 2023.

Approval of this extension will enable the Company to file for additional revenues required to meet current and new regulations imposed by the Department of Environmental Protection and to continue to provide adequate safe and reliable service to its customers.

Sincerely,



Randall L. Rhodes,
Secretary

DATE OF DEPOSIT

MAY - 3 2023

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Instructions: You must serve a copy of the Application and any amendments upon the Office of Consumer Advocate, Office of Small Business Advocate, and the Bureau of Investigation and Enforcement.

Certificate of Service

I hereby certify that I have on this date May 3, 2023, served a true copy of the foregoing document(s) upon the participants, listed below, in accordance with the requirements of §1.54 (relating to service by a participant).

Signature Randall L. Rhodes

Name (printed) Randall L. Rhodes

Title (printed) Secretary

Office of Consumer Advocate
Forum Place – 5th Floor
555 Walnut Street
Harrisburg, PA 17101-1923

Office of Small Business Advocate
Commonwealth of Pennsylvania
Office of Small Business Advocate
555 Walnut Street, 1st Floor Forum Place
Harrisburg, PA, 17101-1901

Bureau of Investigation and Enforcement
Pa PUC
PO Box 3265
Harrisburg, PA 17105

DATE OF DEPOSIT

MAY - 3 2023

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**



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

May 15, 2023

Docket No. R-2023-3040516
Utility Code: 212920

Randall L. Rhodes
Sugarcreek Water Company
P. O. Box 397
Reno, PA 16343

Re: Petition of Sugarcreek Water Company for Waiver of the 120-Day Filing Period
Under 52 Pa. Code § 53.52(b)(2)

Dear Mr. Rhodes:

On May 3, 2023, Sugarcreek Water Company (the Company) filed for a waiver of 52 Pa. Code § 53.52(b)(2) concerning the time period between the end of an historic test year and the date on which a proposed increase in base rates is filed. The Company is requesting a 120-day extension of the 120-day filing rule for a rate change to be filed by August 28, 2023. The Commission grants your request.

If you need further information or assistance, you may contact Marissa Boyle at (717) 787-7237 or maboyle@pa.gov.

Sincerely,

A handwritten signature in black ink that reads "Rosemary Chiavetta". The signature is written in a cursive, flowing style.

Rosemary Chiavetta
Secretary

Venango Water Company
P. O. Box 397
Reno, PA 16343
(814) 676-2730

PA Public Utility Commission
Commission Secretary
Rosemary Chiavetta
Secretarys Bureau
400 North Street
Harrisburg, PA 17105-0211

DATE OF DEPOSIT

SEP 18 2023

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

USPS Tracking # 9114901230803379525983

September 15, 2023

Re: Finalize and close Docket Numbers

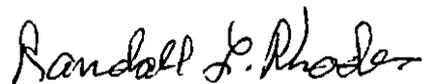
Dear Ms. Chiavetta,

Enclosed with this letter are five requests to finalize and close Docket Numbers for the following companies:

- Venango Water Company – Docket No. R-2023-3040514
- Sugarcreek Water Company – Docket No. R-2023-3040516
- Plumer Water Company – Docket No. R-2023-3040517
- Fryburg Water Company – Docket No. R-2023-3040518
- Cooperstown Water Company – Docket No. R-2023-3040513

Also enclosed is the required certificate of service stating that this information was submitted to the Office of Consumer Advocate, the Office of Small Business Advocate and the Bureau of Investigation and Enforcement.

Sincerely,



Randall L. Rhodes,
Secretary

Sugarcreek Water Company
P. O. Box 397
Reno, PA 16343
(814) 676-2730

PA Public Utility Commission
Commission Secretary
Rosemary Chiavetta
P. O. Box 3265
Harrisburg, PA 17105-3265

DATE OF DEPOSIT

SEP 18 2023

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

USPS Tracking # 9114901230803379525983

September 15, 2023

Re: Closure of Dockets.

Dear Ms. Chiavetta,

On May 3, 2023, I submitted a request to petition a waiver to the 120-day filing rule for small water utilities. This request was approved at Docket No. R-2023-3040516. However, due to circumstances related to the operation of the business, I have been unable to approach this matter. Therefore, I am requesting to have Docket No. R-2023-3040516 be finalized and closed.

Sincerely,



Randall L. Rhodes,
Secretary

Instructions: You must serve a copy of the Application and any amendments upon the Office of Consumer Advocate, Office of Small Business Advocate, and the Bureau of Investigation and Enforcement.

Certificate of Service

I hereby certify that I have on this date September 15, 2023, served a true copy of the foregoing document(s) upon the participants, listed below, in accordance with the requirements of §1.54 (relating to service by a participant).

Signature Randall L. Rhodes

Name (printed) Randall L. Rhodes

Title (printed) Secretary

Office of Consumer Advocate
Forum Place – 5th Floor
555 Walnut Street
Harrisburg, PA 17101-1923

Office of Small Business Advocate
Commonwealth of Pennsylvania
Office of Small Business Advocate
555 Walnut Street, 1st Floor Forum Place
Harrisburg, PA, 17101-1901

Bureau of Investigation and Enforcement
Pa PUC
PO Box 3265
Harrisburg, PA 17105

DATE OF DEPOSIT

SEP 18 2023

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

I&E Exhibit No. 2
Witness: Christopher Keller

**PETITION FOR A COMMISSION ORDER AUTHORIZING THE
ACQUISITION OF SEVERAL SMALL WATER AND WASTEWATER
UTILITIES OWNED BY THE BLAINE EDWIN RHODES ESTATE BY A
CAPABLE PUBLIC UTILITY PURSUANT TO 66 PA. C.S. SECTION 529**

Docket Nos. M-2023-3042180, I-2023-3042312, and P-2024-3045205

Exhibit to Accompany

the

Direct Testimony

of

Christopher Keller

Bureau of Investigation and Enforcement

Concerning:

**PUBLIC UTILITY CODE SECTION 529 INVESTIGATION
SECTION 529(a)(4)-(6)**

NOTICE OF SECTION 529 ACQUISITION INVESTIGATION

I&E Exhibit No. 2

Schedule 1

Page 1 of 2

To Proximate Service Providers and Proximate Municipalities:

The PUC's Acquisition Investigation

Sugar Creek Water Company, West Hickory Water Company, Plumer Water Company, Fryburg Water Company, Cooperstown Water Company, Blaine E. Rhodes Sewer Company, and Venango Water Company (the Rhodes Utilities) are water and/or wastewater service providers operating within the proximate vicinity of your service territory or serving customers within proximity to your municipality. The Rhodes Utilities are regulated by the Pennsylvania Public Utility Commission (PUC) under the Pennsylvania Public Utility Code. The PUC has opened an investigation at PUC Docket Nos. I-2023-3042312 and P-2024-3045205 into whether it should order a capable public utility to acquire any or all of the Rhodes Utilities pursuant to Section 529 of the Public Utility Code (66 Pa. C.S. Section 529).

Notice of the Investigation

Section 529(h) of the Public Utility Code (66 Pa. C.S. Section 529(h)) states that the notice required by subsection (a) of Section 529 shall be served upon all proximate public utilities providing the same type of service as the small sewer utility, all proximate municipalities and municipal authorities providing the same type of service as the small sewer utility, and the municipalities served by the small sewer utility. The PUC's Bureau of Investigation & Enforcement has identified you as a proximate public utility providing the same type of service as the small sewer utility or a municipality in proximity to the customers served by the small sewer utility. Having been identified as described above, you are required to receive Notice of the Acquisition Investigation (Notice) and you may be joined as a party to the proceeding at Docket No. I-2023-3042312 and P-2024-3045205.

Actions You Can Take

The burden to prosecute the proceeding is with the PUC's Bureau of Investigation and Enforcement. However, as stated above, you are required to receive this Notice and you may be joined as a party to the proceeding.

You may file a formal Petition to Intervene stating your specific concerns, or you may file any other responsive pleading by **July 12, 2024**. Petitions or other pleadings should include the docket number (I-2023-3042312 and P-2024-3045205) and be sent to:

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

with a copy to Deputy Chief Administrative Law Judge Mark A Hoyer, PUC, Piatt Place, 301 Fifth Avenue, Suite 220, Pittsburgh, Pennsylvania 15222. Petitions or other responsive pleadings must be received by the Secretary by close of business on Friday July 12, 2024. Or, you may eFile your Petition or other pleading using the Commission's website at www.puc.pa.gov. The link to eFile is located under the Filing & Resources tab on the homepage. NHSC and/or any other party to this proceeding have the right to file a responsive pleading to any petition or other pleading you file.

Otherwise, as a person or entity receiving this Notice, or as a party to the proceeding, you will continue to be served with all documents, correspondence, and all other relevant materials regarding this proceeding.



Rosemary Chiavetta
Secretary

Dated: June 1, 2018

Aqua Pennsylvania, Inc.
Alexander R. Stahl, Esq.
762 West Lancaster Avenue
Bryn Mawr, PA 19010

Pennsylvania American Water
Elizabeth Triscari, Esq.
800 West Hersheypark Drive
Hershey, PA 17033

Veolia Water Pennsylvania
James C. Cagle
4211 East Park Circle
Harrisburg, PA 17111

Rouseville Borough
c/o Joseph Dengel
P.O. Box 317
Rouseville, PA 16344

Franklin Water Department
c/o Kurt McFadden
430 13th Street
Franklin, PA 16323

Clintonville Borough Sewer and
Water Authority
P.O. Box 292
Clintonville, PA 16372

City of Oil City
Water Department
21 Seneca St., #100
Oil City, PA 16301

Cornplanter Township
136 Petroleum Center Road
Oil City, PA 16301

Respondent: William C. Packer

Date: 07/17/2024

SECTION 529 INVESTIGATION OF VENANGO WATER COMPANY AND RHODES UTILITIES

DOCKET NOS. M-2023-3042180, I-2023-3042312, & P-2024-3045205

BUREAU OF INVESTIGATION AND ENFORCEMENT

SET I INTERROGATORIES

I&E-I-1 Provide a list of all acquisitions made by Aqua Pennsylvania, Inc. (Aqua) for 2022, 2023, and 2024. For each acquisition, provide the docket number and the number of customers acquired by water and wastewater.

RESPONSE

Aqua Pennsylvania, Inc. has acquired the following systems in 2022, 2023, and 2024:

Acquisition	Docket No.	W / WW	Date Closed	Customer Count
James Black Water Service Company – Belle Aire Acres	M-2019-3012563	Water	05/02/2024	19
Municipal Authority of the Borough of Shenandoah	A-2022-303413	Water	07/24/2023	2,899

Aqua Pennsylvania Wastewater, Inc. has acquired the following systems in 2022, 2023, and 2024:

Acquisition	Docket No.	W / WW	Date Closed	Customer Count
North Heidelberg Sewer Company	M-2018-2645983 I-2018-3001161	Wastewater	03/31/2023	274
East Whiteland Township	A-2021-3026132	Wastewater	08/12/2022	3,895
Lower Makefield Township	A-2021-3024267	Wastewater	03/04/2022	11,151

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Venango Water Company – Ex Parte	:	
Emergency Order naming Aqua Pennsylvania,	:	
Inc. as receiver.	:	
	:	Docket Nos. M-2023-3042180
Section 529 Investigation of Venango Water	:	I-2023-3042312
Company.	:	P-2024-3045205
	:	
Section 529 Investigation of Sugarcreek Water	:	
Company, West Hickory Water Company,	:	
Plumer Water Company, Fryburg Water	:	
Company, Cooperstown Water Company and	:	
Blaine E. Rhodes Sewer Company.	:	

DIRECT TESTIMONY
OF
MORGAN N. DEANGELO

ON BEHALF OF
PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

August 30, 2024

Table of Contents

Introduction..... 1
 Background and Qualifications..... 1
 Purpose of Direct Testimony..... 2
Standard of Review..... 3
Summary of I&E Review..... 5
Capability of Acquiring Utility..... 6
Consumer Perspective..... 9
Conclusion 14

1 **Introduction**

2 **Background and Qualifications**

3 **Q. Please state your name, business address and occupation.**

4 A. My name is Morgan N. DeAngelo. My business address is 555 Walnut Street, 5th Floor,
5 Forum Place, Harrisburg, Pennsylvania 17101. I am currently employed as a Regulatory
6 Analyst by the Pennsylvania Office of Consumer Advocate (OCA).

7 **Q. Please describe your educational background and qualifications to provide**
8 **testimony in this case.**

9 A. I have a Master's degree in Business Administration and a Bachelor of Business
10 Administration Degree, with a concentration in Finance and a minor in Accounting from
11 Wilkes University. My education background and qualifications are described in
12 Appendix A.

13 **Q. On whose behalf are you testifying in this proceeding?**

14 A. I am testifying on behalf of the OCA.

15 **Q. Have you previously testified before the Pennsylvania Public Utility Commission?**

16 A. Yes. I have provided written testimony in rate cases concerning rate case normalization,
17 cash working capital and operation and maintenance expenses, rate of return, the impact
18 the COVID-19 Pandemic has had on consumers in Pennsylvania, acquisition adjustments,
19 and various provisions to the utility's tariff, as well as petitions for a smaller utility to be
20 acquired by a capable utility concerning adequate and reasonable service, and
21 applications regarding the acquisition of municipal utilities under fair market value,
22 concerning affirmative public benefits. A list of cases for which I have provided
23 testimony is contained within Appendix A.

1 **Purpose of Direct Testimony**

2 **Q. What is the purpose of your direct testimony in this proceeding?**

3 A. The purpose of my direct testimony is to present the analysis, results and conclusions of
4 my review of the seven systems owned by the Estate of Blaine E. Rhodes (collectively
5 Rhodes Utilities), to the Pennsylvania Public Utility Commission (Commission). The
6 systems consist of Blaine E. Rhodes Sewer Company (BE Rhodes), Cooperstown Water
7 Company (Cooperstown), Fryburg Water Company (Fryburg), Plumer Water Company
8 (Plumer), Sugar Creek Water Company (Sugarcreek), Venango Water Company
9 (Venango), and West Hickory Water Company (West Hickory).

10 **Q. Have you prepared any exhibits to accompany your testimony?**

11 A. Yes, I have Exhibit MND-1 attached to my testimony.

12 **Q. Please summarize the nature of this case before the Commission.**

13 A. On August 11, 2023, the Commission issued an Ex Parte Emergency Order naming Aqua
14 Pennsylvania, Inc. (Aqua) as receiver of Venango. A further investigation was ordered
15 under Section 529 of the Public Utility Code because Venango was not providing safe and
16 adequate water service under Section 1501 of the Public Utility Code, 66 Pa. C.S. § 1501.
17 On January 3, 2024, the Commission's Bureau of Investigation and Enforcement (I&E)
18 filed a Petition (Petition) requesting the Commission initiate an investigation under
19 Section 529 to determine whether a capable utility should be ordered to take over any or
20 all of the Rhodes Utilities. In its Petition, I&E identified Pennsylvania Department of
21 Environmental Protection (DEP) violations and/or deficiencies with each of the Rhodes
22 Utilities. Randall and Kevin Rhodes (the Rhodes Brothers) are the current, certified
23 operators of Rhodes Utilities, and they desire to end their services as certified operators

1 as of December 31, 2023. On December 27, 2023, the Rhodes Brothers agreed to
 2 continue performing certified operator duties while the parties worked toward a
 3 resolution. Due to the violations and deficiencies, as well as the desire to exit the
 4 business, Rhodes Utilities cannot reasonably be expected to furnish and maintain
 5 adequate, efficient, safe and reasonable service and facilities in the future.

6 **Standard of Review**

7 **Q. What authority is the Commission granted under Section 529 of the Public Utility**
 8 **Code?**

9 A. Section 529(a) of the Public Utility Code allows the Commission to order a capable
 10 public utility to acquire a small water or wastewater system if it determines the following:

11 (1) that the small water or sewer utility is in violation of statutory or regulatory
 12 standards, including, but not limited to, the act of June 22, 1937 (P.L.1987,
 13 No.394), known as The Clean Streams Law, the act of January 24, 1966 (1965
 14 P.L.1535, No.537), known as the Pennsylvania Sewage Facilities Act, and the act
 15 of May 1, 1984 (P.L.206, No.43), known as the Pennsylvania Safe Drinking
 16 Water Act, and the regulations adopted thereunder, which affect the safety,
 17 adequacy, efficiency or reasonableness of the service provided by the small water
 18 or sewer utility.

19
 20 (2) that the small water or sewer utility has failed to comply, within a reasonable
 21 period of time, with any order of the Department of Environmental Resources or
 22 the commission concerning the safety, adequacy, efficiency or reasonableness of
 23 service, including, but not limited to, the availability of water, the potability of
 24 water, the palatability of water or the provision of water at adequate volume and
 25 pressure.

26
 27 (3) that the small water or sewer utility cannot reasonably be expected to furnish
 28 and maintain adequate, efficient, safe and reasonable service and facilities in the
 29 future.

30
 31 (4) that alternatives to acquisition have been considered in accordance with
 32 subsection (b) and have been determined by the commission to be impractical or
 33 not economically feasible.

34 (5) that the acquiring capable public utility is financially, managerially and
 35 technically capable of acquiring and operating the small water or sewer utility in

1 compliance with applicable statutory and regulatory standards; and

2
 3 (6) that the rates charged by the acquiring capable public utility to its
 4 preacquisition customers will not increase unreasonably because of the
 5 acquisition.

6 **Q. Please state whether the alternatives to acquisition such as, (1) reorganization under**
 7 **new management; (2) entering into a contract with another public utility or**
 8 **management or service company to operate the small utility; (3) the appointment of**
 9 **a receiver to assure the adequate, efficient, safe and reasonable service and facilities**
 10 **are provided to the public; (4) the merger of Rhodes Utilities with one or more other**
 11 **public utilities and (5) the acquisition of Rhodes Utilities by a municipality,**
 12 **municipal authority or cooperative, have been considered.**

13 A. The alternatives to acquisition have all been considered and at this point, and aside from
 14 alternative (3) the appointment of a receiver to assure the adequate, efficient, safe and
 15 reasonable service of facilities are provided to the public, which has occurred with
 16 Venango Water, the remaining criteria have not been met. For criterion (1), the Rhodes
 17 Brothers wish to cease their duties as the certified operators for the Rhodes Utilities.
 18 When asked for a succession plan that will ensure the utilities are able to continue to
 19 provide safe and reliable operation and provision of service to the public, the Rhodes
 20 Brothers indicated the Estate of Blaine E. Rhodes would make the succession plan, and
 21 contact information was provided. (TUS Data Request Set 1-2) For criteria (2), (4) and
 22 (5) considering the fact that Venango has already been placed under receivership by the
 23 Commission, such alternatives should be deemed impractical and economically
 24 unfeasible.

1 **Summary of I&E Review**

2 **Q. What were I&E witnesses Cline and Keller's recommendations?**

3 A. I&E witness Cline examined (a)(1) through (3) of Section 529 which addresses the safety,
4 adequacy, and efficiency of the services offered by the Rhode Utilities to its customers.

5 I&E witness Cline also testified that the Company had identified an inability to file for a
6 rate increase for the Venango, Sugarcreek, Plumer, Fryburg, and Cooperstown utilities
7 due to circumstances related to the operation of the business.¹ I&E witness Cline
8 concluded that the evidence supported a final determination that elements (1) through (3)
9 had been met.²

10 I&E witness Keller testified regarding the results of I&E's 529 investigation of the
11 companies and whether (a)(4) through (6) of Section 529 had been met. In particular, he
12 examined whether alternatives were available, whether the acquiring utility was capable
13 financially, managerially, and technically capable, and whether the rates would increase
14 unreasonably as a result of the acquisition. Mr. Keller concluded that the remaining three
15 elements had been met.

16 **Q. Did you also review whether the elements of 529 have been met?**

17 A. Yes, as discussed below, I have reviewed the elements of Section 529 and believe that
18 they are met in this case for each of the utilities.

19 **Q. Do you agree with the recommendations of I&E witnesses Cline and Keller?**

20 A. Yes.

¹ See I&E St. 1 at 10.

² See I&E St. 1 at 6-12.

1 **Capability of Acquiring Utility**

2 **Q. Please list all of the capable water and wastewater utilities that have the potential to**
3 **be appointed as a receiver.**

4 A. According to I&E's Petition for Consolidation, potential capable water and wastewater
5 public utilities are Aqua; Pennsylvania American Water Company, Inc. (PAWC); and
6 Veolia Water, Inc. Additionally, Rouseville Borough expressed interest in exploring the
7 possibility of purchasing at least one of the water companies. Despite being provided
8 notice of the proceeding, Rouseville Borough has not entered appearances in this case.
9 The OCA issued a set of discovery to each of the PUC-regulated utilities named by I&E
10 in this matter (Aqua, PAWC and Veolia), and each provided responses to the OCA.

11 **Q. Please state whether Aqua is financially, managerially and technically capable of**
12 **acquiring and operating the small water or sewer utility in compliance with**
13 **applicable statutory and regulatory standards.**

14 A. If acquired by Aqua, Rhodes Utilities will be incorporated into Aqua's and Aqua
15 Pennsylvania Wastewater, Inc.'s (APW) existing tariffs as separate divisions and would
16 be consolidated with other existing rate zones over one or more base rate cases. (Aqua
17 Response to OCA-1-3) The distance between Aqua's closest water customer connection
18 and Rhodes Utility systems range between 13-22 miles. (Aqua Response to OCA-1-5) In
19 response to OCA discovery Set I-1, Aqua anticipates that it would be able to better
20 manage operational expenses through utilizing its own staff and leveraging Aqua's
21 corporate purchasing agreements for expenditures like power, chemicals and construction
22 materials. If acquired by Aqua, Aqua would need to hire three employees to operate the
23 systems, and Aqua also anticipates incurring additional operational expenses related to

1 chemicals, communications/IT, infrastructure inspections, valve exercising, hydrant
 2 flushing, meter reading, etc., as well as normal expenses associated with owning and
 3 operating a utility system. (Aqua Response to OCA-1-4) Aqua does not have enough
 4 information to estimate capital costs associated with the Rhodes Utilities; however, it
 5 anticipates approximately \$8.6 million in capital expenditures related to Venango. (Aqua
 6 Response to OCA-1-5)

7 **Q. Will the rates charged to Aqua’s pre-acquisition customers increase unreasonably if**
 8 **Aqua acquires Rhodes Utilities?**

9 A. In response to OCA-1-7, Aqua indicated:

10 There would be no immediate effect on the rates of current customers of
 11 Aqua or APW if the existing rates of Venango and the Rhodes Utilities were
 12 implemented and brought into the Company’s tariffs under separate rate
 13 zones. If Venango and the Rhodes Utilities were consolidated into an
 14 existing rate zone at less than their full cost of service, any revenue
 15 deficiency related to Venango and the Rhodes Utilities would have to be
 16 recovered from other Aqua and APW ratepayers.”

17 **Q. Please compare the revenues of each company to the revenues of Aqua.**

18 A. Table 2 below shows the revenues for the year ended December 31, 2022 for each of the
 19 companies:

Table 2

Company	2022 Revenues
Sugarcreek	\$ 35,045
West Hickory	\$ 71,833
Plumer	\$ 38,717
Fryburg	\$ 108,036
Cooperstown	\$ 52,675
Venango	\$ 142,799
Blaine E. Rhodes Sewer Company (Sewer Service)	\$ 83,086
Aqua Water	\$ 544,528,547
Aqua Wastewater	\$ 60,675,374

1 Although the revenues does not indicate the cost of service, it puts the very small size of
 2 the Rhodes Utilities into perspective in comparison to Aqua.

3 **Q. Please state whether PAWC is financially, managerially and technically capable of**
 4 **acquiring and operating the small water or sewer utility in compliance with**
 5 **applicable statutory and regulatory standards.**

6 A. In responses to OCA-1-1 through 5, PAWC indicated the Company does not have
 7 sufficient information to answer the questions at this time, and to do so, it would need to
 8 conduct financial, operational and regulatory due diligence on each of the utility systems.
 9 The distance between PAWC’s closest water customer connection and Rhodes Utilities
 10 ranges from 4-28 miles. PAWC calculated this distance using its current service area, plus
 11 the future service area from the pending acquisition of Farmington Township water and
 12 wastewater systems. (PAWC Response to OCA-1-11)

13 **Q. Will the rates charged to PAWC’s pre-acquisition customers increase unreasonably**
 14 **if PAWC acquires Rhodes Utilities?**

15 A. In response to OCA-1-7, PAWC indicated, “The Company cannot identify the impact the
 16 acquisition of these companies would have on the rates for existing customers given that
 17 the information necessary to calculate a rate impact (e.g. the purchase price) is not known
 18 at this time.”.

19 **Q. Please state whether Veolia is financially, managerially and technically capable of**
 20 **acquiring and operating the small water or sewer utility in compliance with**
 21 **applicable statutory and regulatory standards.**

22 A. Veolia responded to OCA’s Set I discovery. Veolia identified that the distance between the
 23 Company’s nearest operations and the Rhodes Utilities is approximately 250 miles.

1 Veolia identified that given the proximity of the Company’s current operations that Veolia
2 has not considered a potential acquisition of Venango or the Rhodes Utilities and has not
3 performed an analysis to determine whether they would be able to acquire the utilities.

4 **Q. Do you have any comments about the purchase price of the Rhodes Utilities?**

5 A. Yes. When setting the purchase price for the Rhodes Utilities, it is critical that the impact
6 on the customers of Rhodes Utilities and Aqua’s existing customers as well as the capital
7 and operating expense needs of the acquired systems are taken into account. The OCA
8 notes that it is in the interests of consumers to ensure that when the purchase price is
9 negotiated that the both the OCA and I&E be involved in the negotiation to ensure that
10 consumer interests are protected.

11 **Consumer Perspective**

12 **Q. How many customers does Venango and each of the Rhodes Utilities have, and what**
13 **violations have I&E alleged in its Petitions?**

14 A. Table 1 presents the number of customers for each utility and the alleged violation of
15 statutory and regulatory obligations:

1

Table 1

Company	Number of Customers	Violations
Sugarcreek	67 residential, 1 commercial, and 3 public customers	a. Violation of 25 Pa. Code Section 109.3304(a) regarding monitoring and reporting. b. Violation of 25 Pa. Code Section 109.703(a) regarding chlorine disinfection c. 20 minor deficiencies. d. A June 27, 2023 DEP inspection of the Sugarcreek system resulted in multiple violations of the Safe Drinking Water Act and its regulations. ³
West Hickory	172 residential customers, 3 commercial customers, and 2 public customers	17 minor deficiencies impacting the Groundwater Under Direct Influence (GUIDI) sources, treatment plant and general chemical addition, distribution system, water storage, pumps and controls, monitoring and reporting, and system management. ⁴
Plumer	53 residential customers, 1 commercial customer, and 4 public customers	Plumer will lose its certified operator. ⁵
Fryburg	165 residential customers, 15 commercial, and 6 public customers	a. Violation of 109.703(a) for failure to monitor and record water levels and flow rates to Well #1.

³ I&E Petition Exhibit G.

⁴ I&E Petition Exhibit D.

⁵ I&E Petition Exhibit J.

		b. Nineteen minor deficiencies that impacted the groundwater and GUDI sources, treatment plant and general chemical addition, chemical addition, corrosion control, iron and manganese treatment and fluoride, ion exchange, ae ration and activated carbon, distribution system, water storage and system management. ⁶
Cooperstown	127 residential customers	a. 2 violations of 25 Pa. Code Section 109.304(a) regarding monitoring and reporting, b. 2 violations of 25 Pa. Code Section 10903(a) regarding chlorine disinfection, and c. Nineteen minor deficiencies d. A June 14, 2023 DEP inspection of the Cooperstown system also resulted in the observation of multiple violations of the Safe Drinking Water Act and its regulations. ⁷
Venango	179 residential, 26 commercial, 4 industrial, and 5 public customers.	Do Not Consume Advisory ⁸
Blaine E. Rhodes Sewer Company (Sewer Service)	180 residential, 25 commercial, 4 industrial, and 5 public customers	4 instances of non-compliance ⁹

⁶ I&E Petition Exhibit D.

⁷ I&E Petition Exhibit F.

⁸ I&E Petition, p. 5, ¶15.

⁹ I&E Petition Exhibit C.

1 **Q. How has the service to the customers of each of the utilities been impacted by the**
2 **current operations?**

3 Under Section 1501 of the Public Utility Code, a utility has an obligation to provide, and
4 customers have the right to be provided, “adequate, efficient, safe and reasonable service
5 and facilities” and the utility has the obligation to “make all such repairs, changes,
6 alterations, substitutions, extensions, and improvements in or to such facilities as shall be
7 necessary...” As I discuss below, each of the utilities has failed to provide service to the
8 customers that meets the requirements of Section 1501 of the Public Utility Code.

9 The list of DEP violations, deficiencies, and non-compliance is lengthy for most of the
10 utilities. The Companies have not provided any indication that they have the ability or
11 willingness to improve or address the violations and deficiencies identified by DEP.
12 Moreover, the current system operators have indicated that they no longer intend to
13 continue service and that it is not feasible for the business operations to seek a rate
14 increase. These extensive issues overall have impacted the quality of service provided to
15 customers such that the customers have not been provided safe and adequate service as
16 required by the utility.

17 The most extreme impact on customers has been the example of Venango Water. Venango
18 Water was placed under Aqua’s receivership as a result of an August 11, 2023 Ex-Parte
19 Emergency Order due to the issuance of Do Not Consumer advisory. DEP required
20 Venango’s 179 residential, 26 commercial, 4 industrial, and 5 public customers to be
21 placed under a Do Not Consumer advisory due to a possible contamination of a Venango
22 water source. While the Commission has granted the receivership over Venango Water,
23 the receivership is only a temporary solution. Aqua, in each of its reports, have identified

1 significant operational and capital expenditures that have been made in order to provide
2 customers with safe and adequate service.

3 Overall, it is clear that without the intervention of the Commission through this Section
4 529 proceeding that customers will not have access to safe and adequate service.

5 **Q. If the Rhodes Utilities addressed the service issues discussed above, would there be a**
6 **financial impact on customers? Please explain.**

7 A. Yes. While the companies could address the service issues discussed above, they are not
8 viable or capable from a financial standpoint to do so. For example, Aqua anticipates \$8.6
9 million in capital improvements for the Venango system. If those same improvements
10 were made by the Rhodes Utilities and paid for by the existing 179 Venango customers,
11 the cost per customer would be upwards of \$48,000. This amount only includes the
12 capital cost calculation. Once the revenue requirement is added, the cost per customer
13 would be more. Even if this was spread out over a number of years, this would be such a
14 large increase that the customers would not be able to financially or economically support
15 it. The financial viability of the other systems is likely similarly low. As I discussed
16 above, the technical fitness is going to be impacted if the certified operators were to stop
17 providing services to companies.

1 **Q. When was the last base rate case for each of the companies?**

2 A. The last base rate cases were the following years, shown in Table 3:

Table 3¹⁰

Company	Last Rate Case
Sugarcreek	2009
West Hickory	1997
Plumer	2014
Fryburg	2013
Cooperstown	2013
Venango	2014
Blaine E. Rhodes Sewer Company (Sewer Service)	2014

3 As mentioned earlier, I&E witness Cline, indicated in his testimony “on September 15,
4 2023, representatives from the Rhodes Utilities submitted a letter to the Commission
5 requesting that the rate increase Docket for the Venango, Sugarcreek, Plumer, Fryburg,
6 and Cooperstown utilities be finalized and closed ‘due to the circumstances related to the
7 operation of the business’” (I&E Statement No. 1, p. 10, ln. 9-12).

8 **Conclusion**

9 **Q. Please Summarize the OCA’s recommendations in this proceeding.**

10 A. It is the position of the OCA that Venango and the Rhodes Utilities lack the financial,
11 managerial and technical fitness to continue to operate and provide safe and adequate
12 service to customers. I recommend that based on the information provided in discovery
13 responses, as well as already being the receiver of Venango, the Commission order Aqua,
14 as a Capable Public Utility, to acquire Venango and Rhodes Utilities.

15 **Q. Does this conclude your direct testimony at this time?**

16 A. Yes, it does.

¹⁰ R-2009-2105603, R-963702, R-2014-2430945, R-2013-2367108, R-2013-2367125, R-2014-2427035, R-2014-2427189

Exhibit MND-1

Appendix A

**QUALIFICATIONS OF
MORGAN N. DEANGELO**

Education:

2020 M.B.A., Wilkes University

2018 B.B.A. concentration in Finance, minor in Accounting, Wilkes University

Positions:

June 2020 – Present Regulatory Analyst, Pennsylvania Office of Consumer Advocate

2018 – 2020 Graduate Assistant, Office of Student Development,
Wilkes University

Experience:

I am currently employed by the Pennsylvania Office of Attorney General, Office of Consumer Advocate (OCA) as a Regulatory Analyst. In this position, my responsibilities include reviewing utility company filings with the Pennsylvania Public Utility Commission (Commission) and analyzing the financial, economic, rate of return, and policy issues that are relevant to the filings. Additionally, I am tasked with preparing recommendations for the OCA's involvement in utility filings with the PA PUC, writing testimony and presenting oral testimony on behalf of the OCA.

Relevant Training:

IPU Regulatory Studies - Intermediate Course, August 2020

IPU Accounting and Ratemaking Course, February 2021

SURFA Cost of Capital Workshop, April 2024

Previous Cases where testimony was submitted:

- Petition of Twin Lakes Utilities, Inc., P-2020-3020914
- Application of Pennsylvania American Water Company, A-2020-3019634
- PaPUC v. UGI Utilities, Inc. – Electric Division, R-2021-3023618
- PaPUC v. Pittsburgh Water and Sewer Authority, R-2021-3024773, R-2021,3024774, R-2021-3024779
- PaPUC v. Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., R-2021-3027285, R-2021-3027186
- PaPUC v. City of Lancaster – Water Department, R-2021-3026682
- Application of Aqua Pennsylvania Wastewater, Inc., A-2021-3027268
- PaPUC v. Borough of Ambler – Water, R-2022-3031704
- PaPUC v. Citizens' Electric Company of Lewisburg, PA, R-2022-3032369, C-2022-3032529
- PaPUC v. Valley Energy, R-2022-3032300, C-2022-3032533
- PaPUC v. Pennsylvania American Water Company, R-2022-3031672, C-2022-3032485, R-2022-3031673, C-2022-3032487
- PaPUC v. The York Water Company, R-2022-3031340, C-2022-3032868, C-2022-3032902, R-2022-3032806, C-2022-3032869, C-2022-3033016
- Application of Aqua Pennsylvania, Inc., A-2022-3034143
- PaPUC v. UGI Utilities, Inc. - Electric Division, R-2022-3037368
- Application of Pennsylvania American Water Company, A-2022-3037047
- PaPUC, Bureau of Investigation and Enforcement v. Planet Energy (Pennsylvania) Corporation d/b/a RiteRate Energy d/b/a Value Plus Energy, C-2023-3041126

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Venango Water Company – Ex Parte	:	
Emergency Order naming Aqua	:	
Pennsylvania, Inc. as receiver.	:	
	:	
Section 529 Investigation of Venango Water	:	Docket Nos. M-2023-3042180
Company.	:	I-2023-3042312
	:	P-2024-3045205
	:	
Section 529 Investigation of Sugarcreek	:	
Water Company, West Hickory Water	:	
Company, Plumer Water Company, Fryburg	:	
Water Company, Cooperstown Water	:	
Company and Blaine E. Rhodes Sewer	:	
Company.	:	

VERIFICATION

I, Morgan N. DeAngelo, hereby state that the facts above set forth in my Direct Testimony, OCA Statement 1, are true and correct (or 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).

DATED: August 30, 2024

Signature: *Morgan N. DeAngelo*
Morgan N. DeAngelo

Witness Address:
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NOS. M-2023-3042180, I-2023-3042312, P-2024-3045205

AQUA STATEMENT NO. 1

**DIRECT TESTIMONY OF
WILLIAM C. PACKER**

**With Regard To
Overview of the Company
Fitness
Section 529 Factors**

August 30, 2024

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AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF WILLIAM C. PACKER

1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is William C. Packer. My business address is 762 West Lancaster Avenue, Bryn
4 Mawr, Pennsylvania 19010.

5

6 **Q. By whom are you employed and in what capacity?**

7 A. I am employed by Essential Utilities, Inc. (“Essential”), as Vice President, Regulatory
8 Accounting and Regional Controller. In this position, I am the Regional Controller of Aqua
9 Pennsylvania, Inc. (“AP”) and Aqua New Jersey, Inc. Additionally, I oversee rate issues
10 for all subsidiaries of Essential. Aqua PA is the parent company to Aqua Pennsylvania
11 Wastewater, Inc. (“APW”) (collectively AP and APW shall be referred to as “Aqua” or the
12 “Company”).

13

14 **Q. Please provide a brief description of your education and work experience.**

15 A. I graduated from Richard Stockton College of New Jersey in 1998 with a Bachelor of
16 Science degree in Business Studies with a concentration in Accounting. In 1998, I joined
17 GE Capital Mortgage Services Inc. as a Staff Accountant. In September 1999, I joined
18 New Jersey American Water Company (“American”) as a General Staff Accountant
19 responsible for financial statement preparation, account reconciliation, financial support
20 for rate cases, and account analysis. In September 2001, I was transferred to American’s
21 Service Company. I was employed there for four years in several roles, including Senior
22 Fixed Assets/Job Cost Accountant, Financial Support Analyst, and Accounting Supervisor
23 Fixed Assets. At American, I had the opportunity to support the rate-making process by

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF WILLIAM C. PACKER

1 working closely with operating subsidiaries in 23 states, preparing schedules and
2 answering interrogatories.

3 In March 2005, I joined Aqua NJ, where I served as Assistant Controller until
4 December 2006, when I transferred to Aqua America, Inc. In July 2008, I was promoted
5 to the position of Mid-Atlantic Manager of Rates and since then have assumed increasing
6 levels of responsibility and promotions. In April 2017, I was promoted to Vice President
7 – Controller of AP. In 2020, I was promoted to my current position of Vice President,
8 Regulatory Accounting and Regional Controller where I have additional responsibilities to
9 oversee rates and regulatory accounting matters of Essential.

10 In addition to my corporate experience, I served three terms as a Councilman in the
11 Borough of Woodbury Heights, New Jersey. In that role, I served as the Chairman of the
12 Finance, Administration, and Personnel committee; in addition, I served as a member of
13 the Public Safety and Streets/Roads committees. I was elected as Mayor of the Borough
14 of Woodbury Heights in November of 2018 and was sworn in on January 5, 2019. I served
15 as Mayor until July 31, 2024. The Borough of Woodbury Heights is one of 565
16 municipalities in New Jersey and has a population of approximately 3,000 residents.

17
18 **Q. Have you testified before the Pennsylvania Public Utility Commission (“PUC” or the**
19 **“Commission”) before?**

20 **A.** Yes, I have testified in various proceedings before the Commission, including, Aqua’s last
21 six rate cases, Aqua’s 12 previous Section 1329 proceedings, and in various other
22 proceedings before the Commission.

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF WILLIAM C. PACKER

1 **Q. What is the purpose of your Direct Testimony?**

2 A. The purpose of my Direct Testimony is as follows: (1) to provide a general overview of
3 Aqua; (2) to describe Aqua’s legal and financial fitness; and (3) to discuss the factors of
4 Section 529(c) as set forth in the Commission’s August 11, 2023 Ex Parte Emergency
5 Order¹ for VWC and also to discuss these factors regarding the public utility systems
6 owned by the Blaine E. Rhodes Estate (“Rhodes Estate”), which include: VWC,
7 Sugarcreek Water Company (“SWC”), West Hickory Water Company (“WHWC”),
8 Plumer Water Company (“PWC”), Fryburg Water Company (“FWC”), Cooperstown
9 Water Company (“CWC”), and Blaine E. Rhodes Sewer Company (“BERSC”)
10 (collectively, the “Rhodes Utilities”).

11
12 **Q. Are you sponsoring any Exhibits with your Direct Testimony?**

13 A. Yes. I am sponsoring WCP-1 Exhibit 1.

14
15 **II. OVERVIEW OF AP AND APW**

16 **Q. Please provide a general overview of AP and APW.**

17 A. AP is the second largest investor-owned regulated water/wastewater utility operating in the
18 Commonwealth of Pennsylvania. AP provides water and wastewater utility service to
19 approximately 510,000 customers – 450,000 water and 60,000 wastewater. AP employs
20 approximately 600 highly trained utility professionals to achieve its mission to provide
21 safe, adequate, and reliable utility service at reasonable rates. In addition, AP is one of

¹ *In re: Venango Water Company*, Docket No. M-2023-3042180, Ex Parte Emergency Order, Ordering Paragraph 4, Appendix A Section 1.q. (Aug. 11, 2023).

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF WILLIAM C. PACKER

1 eight regulated water and wastewater subsidiaries of Essential, which brings to bear its own
2 financial, technical, and managerial resources to assist in AP's mission.

3 APW is a subsidiary of AP and is engaged in the business of collecting, treating,
4 transporting, and disposing of wastewater for the public. Aqua provides wastewater
5 service to customers in Adams, Berks, Bucks, Carbon, Chester, Clarion, Clearfield,
6 Delaware, Lackawanna, Luzerne, Monroe, Montgomery, Pike, Schuylkill, Venango, and
7 Wyoming Counties.

8
9 **III. FITNESS**

10 **Q. Please describe how the Company is legally fit to own and operate public utilities in**
11 **the Commonwealth.**

12 A. AP and APW are public utilities operating under Commission-granted certificates of public
13 convenience. There are no pending legal proceedings challenging AP's or APW's ability
14 to provide safe and adequate service to customers. Thus, they are legally fit.

15
16 **Q. Please describe the Company's financial fitness to own and operate public utilities in**
17 **the Commonwealth.**

18 A. AP is the largest water/wastewater subsidiary of Essential, with total net utility plant assets
19 of \$5.0 billion and annual operating revenues of \$639 million in 2023. As of December
20 31, 2023, AP had operating income of approximately \$337 million and net income of \$235
21 million, and its cash flows from operations equaled approximately \$241 million. AP has
22 an A- rating from Standard and Poor's Rating Service and has approximately \$2.207 billion
23 in outstanding long-term debt at a weighted average interest rate of approximately 4.26%.

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF WILLIAM C. PACKER

1 AP also utilizes low-cost long-term debt financing instruments through the Pennsylvania
2 Infrastructure Investment Authority. In addition to AP's access to long-term debt, AP has
3 a short-term credit facility of \$100 million and has access to equity capital as a subsidiary
4 of Essential.

5 APW is a Class A wastewater utility in the Commonwealth, with total net utility
6 plant assets of approximately \$502 million and annual revenues of approximately \$72
7 million, as of December 31, 2023. APW, as a subsidiary of AP, has access to all of AP's
8 financing capabilities.

9

10 **Q. Has Aqua assumed the operations, as receiver, of small troubled systems in the past?**

11 A. Yes. AP and APW have both assumed the operations of small troubled water and
12 wastewater systems in recent years. AP was named as Receiver for the James Black Water
13 Service Company – Belle Aire Acres ("Belle Aire"), Twin Lakes Utilities, Inc. ("TLU"),
14 and Deer Haven, LLC (water). APW was named as receiver for North Heidelberg Sewer
15 Company ("NHSC") and Deer Haven, LLC (wastewater).

16

17 **IV. SECTION 529(C) FACTORS**

18 **Q. What factors of Section 529 are you addressing in your Direct Testimony?**

19 A. I am addressing the financial capability of (i) the Rhodes Utilities under Section 529(c)(1)
20 and (ii) proximate providers under Section 529(c)(2).

21

22

23

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF WILLIAM C. PACKER

1 **Q. Please describe the financial capability of the Rhodes Utilities.**

2 A. Based on my review of the financial statements provided in response to AQUA-I-4 for each
3 of the Rhodes Utilities, attached to my Direct Testimony as WCP-1 Exhibit 1, the Rhodes
4 Utilities have generally operated at a net operating loss for the last three years, as shown in
5 the below Table 1.

6 **Table 1**

	YE 2023	YE 2022	YE 2021
BERSC	(\$14,405.63)	(\$7,158.31)	\$1,149.84
CWC	(\$23,549.60)	(\$11,101.23)	(\$22,128.20)
FWC	(\$16,807.06)	(\$9,893.34)	\$2,315.76
PWC	(\$13,482.02)	(\$748.26)	(\$10,287.16)
SWC	(\$3,466.09)	(\$5,637.48)	(\$119.04)
WHWC	\$9,539.92	\$5,193.62	(\$2,297.42)

7
8 **Q. Despite the above, have the Rhodes Utilities filed for base rate increases in recent**
9 **years?**

10 A. Yes. In 2014, VWC², BERSC³, and PWC⁴ filed for an increase in rates. Those rate
11 increases were fully or partially granted through settlement in each of those cases. In 2018,
12 VWC⁵, SWC⁶, BERSC⁷, and WHWC⁸ filed for an increase in rates, each of which was
13 partially granted. The 2014 and 2018 rate case filings for increased annual operating
14 revenues are shown in the below Table 2.

15
16

² See *Pa. Pub. Util. Comm'n v. Venango Water Company*, Docket No. R-2014-2427035, Order (Jun. 11, 2015).

³ See *Pa. Pub. Util. Comm'n v. B.E. Rhodes Sewer Company*, Docket No. R-2014-2427189, Order (Jun. 11, 2015).

⁴ See *Pa. Pub. Util. Comm'n v. Plumer Water Company*, Docket No. R-2014-2430945, Order (Jun. 11, 2015).

⁵ See *Pa. Pub. Util. Comm'n v. Venango Water Company*, Docket No. R-2018-3001503, Order (Oct. 25, 2018).

⁶ See *Pa. Pub. Util. Comm'n v. Sugarcreek Water Company*, Docket No. R-2018-3001506, Order (Oct. 25, 2018).

⁷ See *Pa. Pub. Util. Comm'n v. Blaine E. Rhodes Sewer Company*, Docket No. R-2018-3001505, Order (Oct. 25, 2018).

⁸ See *Pa. Pub. Util. Comm'n v. West Hickory Water Company*, Docket No. R-2018-3001507, Order (Oct. 25, 2018).

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF WILLIAM C. PACKER

1 **Table 2**

2 **Requested vs. Granted Rate Increases**

	2014 Case Filing	2014 Granted	2018 Case Filing	2018 Granted
BERSC	\$20,267.00	\$17,800.00	\$14,228.00	\$10,617.00
CWC	N/A	N/A	N/A	N/A
FWC	N/A	N/A	N/A	N/A
PWC	\$11,409.00	\$11,409.00	N/A	N/A
SWC	N/A	N/A	\$7,038.00	\$3,245.00
VWC	\$13,692.00	\$7,100.00	\$23,208.00	\$19,644.00
WHWC	N/A	N/A	\$18,393.00	\$13,546.99

3

4 **Q. Has any of the Rhodes Utilities indicated that they would be filing a base rate**
5 **proceeding in recent years?**

6 A. Yes. On May 3, 2023, VWC, SWC, PWC, FWC, and CWC filed a letter petition to request
7 waiver of the 120-day filing rule.

8

9 **Q. Were those base rate cases subsequently filed?**

10 A. No. On September 15, 2023, VWC, SWC, PWC, FWC, and CWC filed letters with the
11 Commission's Secretary requesting that the Commission finalize and close the dockets
12 associated with the petitions to request waiver of the 120-day filing rule.

13

14 **Q. Based on your review of the financial position of the Rhodes Utilities, do you believe**
15 **they are financially able to own and operate their systems?**

16 A. The Rhodes Utilities clearly have been able to increase operating revenues for their systems
17 as shown by their history of filing base rate increases. This demonstrates, at minimum,
18 that they are capable of increasing revenues.

19

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF WILLIAM C. PACKER

1 **Q. Does the ability to increase revenues mean they are financially able to own and**
2 **operate the system?**

3 A. Not necessarily. Simply because a utility may have the ability to increase revenues or raise
4 funds, does not mean they are financially able to run their systems. As is evident by the
5 recent years' operating losses, the revenues received have not been enough to cover
6 operating expenses and, as noted by Company Witness Stephen Clark, the extent to which
7 the Rhodes Utilities have evaluated needed capital improvements is unclear at this time.
8 Here also, each of the Rhodes Utilities are separate companies that are operated by VWC
9 through an affiliated interest agreement on file with the Commission, whereby VWC
10 provides the administrative, engineering, customer and public relations, employee
11 relations, accounting, corporate secretarial, treasury, purchasing, insurance, data
12 processing, rates, and general regulatory services. As far as I am aware, the Rhodes
13 Utilities file separate rate cases, separate reports with the PUC, and do not have
14 consolidated or single tariff pricing of systems.

15
16 **Q. Do the proximate utility service providers have the financial capability to own and**
17 **operate the Rhodes Utilities?**

18 A. The Company is a certificated public utility whose fitness is presumed. As I discussed
19 above in my description of AP and APW, Aqua is a financially fit utility. Pennsylvania
20 American Water Company ("PAWC") and Veolia Water Pennsylvania, Inc. ("Veolia") are
21 similarly certificated public utilities whose fitness is presumed.

22

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF WILLIAM C. PACKER

1 V. **CONCLUSION**

2 Q. **Does this conclude your Direct Testimony?**

3 A. Yes it does. However, I reserve the right to supplement my Direct Testimony as additional
4 issues and facts arise during the course of this proceeding.

WCP-1 Exhibit 1

Blaine E. Rhodes Sewer
Company

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 15
 FROM 1/1/2023 TO 12/31/2023

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$224,676.75	
				\$224,676.75
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$2,759.76)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$175,941.39)	
				(\$178,701.15)
1170 . 0	CASH IN BANK	A - D	(\$47,686.27)	
				(\$47,686.27)
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$7,246.13	
				\$7,246.13
				\$5,535.46
11650 . 2	A/P TO AFFILIATED COMPANIES	L - C	(\$30,000.00)	
				(\$30,000.00)
11860 . 1	CURRENT YEAR	L - C	\$14,405.63	
11860 . 2	BEGINNING BALANCE	L - C	\$10,058.91	
				\$24,464.54
				(\$5,535.46)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
 INCOME STATEMENT FOR COST CENTER 15
 FROM 1/1/2023 TO 12/31/2023

Tuesday, July 16, 2024

23000 . 0	METERED SALES	R - C	(\$81,801.91)	
23140 . 0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 . 0	CUSTOMER PENALTIES	R - C	(\$331.53)	
90010 . 0	NON-OPER. INCOME & INTEREST	R - C	\$0.00	
				(\$82,133.44)
57000 . 0	COLLECTION SYS OPERATION	E - D	\$1,232.10	
57040 . 0	COLLECTION SYS MAINTENANCE	E - D	\$308.02	
57210 . 0	PUMPING SYS OPERATION	E - D	\$3,872.55	
57250 . 0	PUMPING SYS MAINTENANCE	E - D	\$4,097.14	
57290 . 0	POWER PURCHASED	E - D	\$7,839.75	
57410 . 0	PURIFICATION SYS OPERATION	E - D	\$47,994.79	
57440 . 0	PURIFICATION SYS MAINTENANCE	E - D	\$646.74	
57510 . 0	DISTRIBUTION SYS OPERATION	E - D	\$1,694.14	
57550 . 0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00	
57560 . 0	DISTRIBUTION SYS MAINTENANCE	E - D	\$2,706.11	
57810 . 0	METER READING	E - D	\$0.00	
57820 . 0	CUSTOMER BILLING & ACCOUNTING	E - D	\$10,014.23	
57840 . 0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 . 0	SALARIES	E - D	\$6,160.49	
57910 . 0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 . 0	OFFICE EXPENSES	E - D	\$287.43	
57940 . 0	JOINT OFFICE EXPENSES	E - D	\$4,471.90	
57950 . 0	GENERAL LEGAL & ACCOUNTING	E - D	\$0.00	
57970 . 0	REGULATORY COMMISSION EXPENSES	E - D	\$565.00	
57980 . 0	INSURANCE	E - D	\$1,152.00	
57990 . 0	INJURIES & DAMAGES	E - D	\$0.00	
58010 . 0	MISC GENERAL EXPENSE	E - D	\$0.00	
58030 . 0	RENT	E - D	\$0.00	
65030 . 0	DEPRECIATION	E - D	\$2,759.76	
65070 . 0	TAXES	E - D	\$616.41	
90020 . 0	NON-OPER. EXPENSE & INTEREST	E - D	\$120.51	
				\$96,539.07
			TOTAL LOSS	\$14,405.63

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 15
 FROM 1/1/2022 TO 12/31/2022

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$224,676.75	
				\$224,676.75
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$2,759.76)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$173,181.63)	
				(\$175,941.39)
1170 . 0	CASH IN BANK	A - D	(\$66,911.44)	
				(\$66,911.44)
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$8,117.17	
				\$8,117.17
				(\$10,058.91)
11860 . 1	CURRENT YEAR	L - C	\$7,158.31	
11860 . 2	BEGINNING BALANCE	L - C	\$2,900.60	
				\$10,058.91
				\$10,058.91
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
INCOME STATEMENT FOR COST CENTER 15
FROM 1/1/2022 TO 12/31/2022

Tuesday, July 16, 2024

23000 .0	METERED SALES	R - C	(\$82,726.96)	
23140 .0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 .0	CUSTOMER PENALTIES	R - C	(\$359.13)	
90010 .0	NON-OPER. INCOME & INTEREST	R - C	\$0.00	
				(\$83,086.09)
57000 .0	COLLECTION SYS OPERATION	E - D	\$1,214.95	
57040 .0	COLLECTION SYS MAINTENANCE	E - D	\$303.74	
57210 .0	PUMPING SYS OPERATION	E - D	\$3,846.84	
57250 .0	PUMPING SYS MAINTENANCE	E - D	\$3,420.25	
57290 .0	POWER PURCHASED	E - D	\$6,950.16	
57410 .0	PURIFICATION SYS OPERATION	E - D	\$42,484.07	
57440 .0	PURIFICATION SYS MAINTENANCE	E - D	\$607.47	
57510 .0	DISTRIBUTION SYS OPERATION	E - D	\$1,670.55	
57550 .0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00	
57560 .0	DISTRIBUTION SYS MAINTENANCE	E - D	\$3,253.24	
57810 .0	METER READING	E - D	\$0.00	
57820 .0	CUSTOMER BILLING & ACCOUNTING	E - D	\$9,587.28	
57840 .0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 .0	SALARIES	E - D	\$6,074.75	
57910 .0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 .0	OFFICE EXPENSES	E - D	\$494.17	
57940 .0	JOINT OFFICE EXPENSES	E - D	\$4,074.22	
57950 .0	GENERAL LEGAL & ACCOUNTING	E - D	\$580.00	
57970 .0	REGULATORY COMMISSION EXPENSES	E - D	\$565.00	
57980 .0	INSURANCE	E - D	\$1,060.88	
57990 .0	INJURIES & DAMAGES	E - D	\$0.00	
58010 .0	MISC GENERAL EXPENSE	E - D	\$634.02	
58030 .0	RENT	E - D	\$0.00	
65030 .0	DEPRECIATION	E - D	\$2,759.76	
65070 .0	TAXES	E - D	\$658.85	
90020 .0	NON-OPER. EXPENSE & INTEREST	E - D	\$4.20	
				\$90,244.40
			TOTAL LOSS	\$7,158.31

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 15
 FROM 1/1/2021 TO 12/31/2021

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$224,676.75	
				\$224,676.75
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$2,759.76)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$170,421.87)	
				(\$173,181.63)
1170 . 0	CASH IN BANK	A - D	(\$64,164.27)	
				(\$64,164.27)
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$9,768.55	
				\$9,768.55
				(\$2,900.60)
11860 . 1	CURRENT YEAR	L - C	(\$1,149.84)	
11860 . 2	BEGINNING BALANCE	L - C	\$4,050.44	
				\$2,900.60
				\$2,900.60
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
 INCOME STATEMENT FOR COST CENTER 15
 FROM 1/1/2021 TO 12/31/2021

Tuesday, July 16, 2024

23000 .0	METERED SALES	R - C	(\$86,755.55)	
23140 .0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 .0	CUSTOMER PENALTIES	R - C	(\$559.04)	
90010 .0	NON-OPER. INCOME & INTEREST	R - C	\$0.00	
				(\$87,314.59)
57000 .0	COLLECTION SYS OPERATION	E - D	\$1,151.46	
57040 .0	COLLECTION SYS MAINTENANCE	E - D	\$287.87	
57210 .0	PUMPING SYS OPERATION	E - D	\$3,633.07	
57250 .0	PUMPING SYS MAINTENANCE	E - D	\$2,458.56	
57290 .0	POWER PURCHASED	E - D	\$7,227.70	
57410 .0	PURIFICATION SYS OPERATION	E - D	\$41,287.06	
57440 .0	PURIFICATION SYS MAINTENANCE	E - D	\$575.73	
57510 .0	DISTRIBUTION SYS OPERATION	E - D	\$1,838.26	
57550 .0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00	
57560 .0	DISTRIBUTION SYS MAINTENANCE	E - D	\$1,519.81	
57810 .0	METER READING	E - D	\$0.00	
57820 .0	CUSTOMER BILLING & ACCOUNTING	E - D	\$9,074.39	
57840 .0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 .0	SALARIES	E - D	\$5,757.33	
57910 .0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 .0	OFFICE EXPENSES	E - D	\$609.17	
57940 .0	JOINT OFFICE EXPENSES	E - D	\$5,977.86	
57950 .0	GENERAL LEGAL & ACCOUNTING	E - D	\$0.00	
57970 .0	REGULATORY COMMISSION EXPENSES	E - D	\$65.00	
57980 .0	INSURANCE	E - D	\$1,056.00	
57990 .0	INJURIES & DAMAGES	E - D	\$0.00	
58010 .0	MISC GENERAL EXPENSE	E - D	\$206.57	
58030 .0	RENT	E - D	\$0.00	
65030 .0	DEPRECIATION	E - D	\$2,759.76	
65070 .0	TAXES	E - D	\$674.95	
90020 .0	NON-OPER. EXPENSE & INTEREST	E - D	\$4.20	
				\$86,164.75
			TOTAL PROFIT	(\$1,149.84)

Cooperstown Water Company

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 17
 FROM 1/1/2023 TO 12/31/2023

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$196,518.10	
				\$196,518.10
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$4,478.00)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$138,622.66)	
				(\$143,100.66)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$6,835.59	
				\$6,835.59
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$6,518.91)	
				(\$6,518.91)
1170 . 0	CASH IN BANK	A - D	(\$50,722.05)	
				(\$50,722.05)
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$3,870.37	
				\$3,870.37
1290 . 0	PREPAID TAXES	A - D	\$1,175.00	
				\$1,175.00
				\$8,057.44
11500 . 2	CAPITAL STOCK	L - C	(\$15,000.00)	
				(\$15,000.00)
11650 . 1	A/P TO AFFILIATED COMPANIES	L - C	(\$26,842.50)	
11650 . 2	A/P TO AFFILIATED COMPANIES	L - C	(\$54,000.00)	
				(\$80,842.50)
11860 . 1	CURRENT YEAR	L - C	\$23,549.60	
11860 . 2	BEGINNING BALANCE	L - C	\$64,235.46	
				\$87,785.06
				(\$8,057.44)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
INCOME STATEMENT FOR COST CENTER 17
FROM 1/1/2023 TO 12/31/2023

Tuesday, July 16, 2024

23000 .0	METERED SALES	R - C	(\$52,873.66)
23090 .0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00
23140 .0	OTHER OPERATING REVENUE	R - C	\$0.00
23150 .0	CUSTOMER PENALTIES	R - C	(\$185.70)
90010 .0	NON-OPER. INCOME & INTEREST	R - C	(\$40.00)
			(\$53,099.36)
57000 .0	COLLECTION SYS OPERATION	E - D	\$1,239.63
57040 .0	COLLECTION SYS MAINTENANCE	E - D	\$309.91
57210 .0	PUMPING SYS OPERATION	E - D	\$3,994.53
57250 .0	PUMPING SYS MAINTENANCE	E - D	\$1,220.06
57290 .0	POWER PURCHASED	E - D	\$2,874.90
57410 .0	PURIFICATION SYS OPERATION	E - D	\$18,585.13
57440 .0	PURIFICATION SYS MAINTENANCE	E - D	\$619.82
57510 .0	DISTRIBUTION SYS OPERATION	E - D	\$1,704.49
57540 .0	OPERATION OF METERS	E - D	\$0.00
57550 .0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00
57560 .0	DISTRIBUTION SYS MAINTENANCE	E - D	\$16,405.50
57810 .0	METER READING	E - D	\$3,300.00
57820 .0	CUSTOMER BILLING & ACCOUNTING	E - D	\$9,925.68
57840 .0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00
57900 .0	SALARIES	E - D	\$6,198.15
57910 .0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00
57930 .0	OFFICE EXPENSES	E - D	\$287.43
57940 .0	JOINT OFFICE EXPENSES	E - D	\$2,698.86
57950 .0	GENERAL LEGAL & ACCOUNTING	E - D	\$876.22
57970 .0	REGULATORY COMMISSION EXPENSES	E - D	\$650.00
57980 .0	INSURANCE	E - D	\$695.25
57990 .0	INJURIES & DAMAGES	E - D	\$0.00
58010 .0	MISC GENERAL EXPENSE	E - D	\$0.00
58030 .0	RENT	E - D	\$0.00
65030 .0	DEPRECIATION	E - D	\$4,478.00
65070 .0	TAXES	E - D	\$446.00
90020 .0	NON-OPER. EXPENSE & INTEREST	E - D	\$139.40
			\$76,648.96
			TOTAL LOSS
			\$23,549.60

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 17
 FROM 1/1/2022 TO 12/31/2022

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$196,518.10	
				\$196,518.10
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$4,494.96)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$134,127.70)	
				(\$138,622.66)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$6,835.59	
				\$6,835.59
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$6,518.91)	
				(\$6,518.91)
1170 . 0	CASH IN BANK	A - D	(\$57,221.58)	
				(\$57,221.58)
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$3,874.00	
				\$3,874.00
1290 . 0	PREPAID TAXES	A - D	\$1,175.00	
				\$1,175.00
				\$6,039.54
11500 . 2	CAPITAL STOCK	L - C	(\$15,000.00)	
				(\$15,000.00)
11640 . 0	CUSTOMER DEPOSITS	L - C	(\$1,275.00)	
				(\$1,275.00)
11650 . 2	A/P TO AFFILIATED COMPANIES	L - C	(\$54,000.00)	
				(\$54,000.00)
11860 . 1	CURRENT YEAR	L - C	\$11,101.23	
11860 . 2	BEGINNING BALANCE	L - C	\$53,134.23	
				\$64,235.46
				(\$6,039.54)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
 INCOME STATEMENT FOR COST CENTER 17
 FROM 1/1/2022 TO 12/31/2022

Tuesday, July 16, 2024

23000 .0	METERED SALES	R - C	(\$52,485.61)	
23090 .0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 .0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 .0	CUSTOMER PENALTIES	R - C	(\$189.13)	
90010 .0	NON-OPER. INCOME & INTEREST	R - C	(\$56.18)	
				(\$52,730.92)
57000 .0	COLLECTION SYS OPERATION	E - D	\$1,221.33	
57040 .0	COLLECTION SYS MAINTENANCE	E - D	\$305.33	
57210 .0	PUMPING SYS OPERATION	E - D	\$4,127.09	
57250 .0	PUMPING SYS MAINTENANCE	E - D	\$1,443.33	
57290 .0	POWER PURCHASED	E - D	\$2,464.69	
57410 .0	PURIFICATION SYS OPERATION	E - D	\$15,981.44	
57440 .0	PURIFICATION SYS MAINTENANCE	E - D	\$610.66	
57510 .0	DISTRIBUTION SYS OPERATION	E - D	\$1,679.33	
57540 .0	OPERATION OF METERS	E - D	\$0.00	
57550 .0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00	
57560 .0	DISTRIBUTION SYS MAINTENANCE	E - D	\$7,017.63	
57810 .0	METER READING	E - D	\$3,300.00	
57820 .0	CUSTOMER BILLING & ACCOUNTING	E - D	\$9,635.14	
57840 .0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 .0	SALARIES	E - D	\$6,106.65	
57910 .0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 .0	OFFICE EXPENSES	E - D	\$286.98	
57940 .0	JOINT OFFICE EXPENSES	E - D	\$2,458.36	
57950 .0	GENERAL LEGAL & ACCOUNTING	E - D	\$1,555.00	
57970 .0	REGULATORY COMMISSION EXPENSES	E - D	\$600.00	
57980 .0	INSURANCE	E - D	\$640.13	
57990 .0	INJURIES & DAMAGES	E - D	\$0.00	
58010 .0	MISC GENERAL EXPENSE	E - D	\$34.20	
58030 .0	RENT	E - D	\$0.00	
65030 .0	DEPRECIATION	E - D	\$4,494.96	
65070 .0	TAXES	E - D	(\$229.66)	
90020 .0	NON-OPER. EXPENSE & INTEREST	E - D	\$99.56	
				\$63,832.15
			TOTAL LOSS	\$11,101.23

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 17
 FROM 1/1/2021 TO 12/31/2021

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$196,518.10	
				\$196,518.10
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$4,494.96)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$129,632.74)	
				(\$134,127.70)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$6,835.59	
				\$6,835.59
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$6,518.91)	
				(\$6,518.91)
1170 . 0	CASH IN BANK	A - D	(\$51,469.84)	
				(\$51,469.84)
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$4,968.53	
				\$4,968.53
1290 . 0	PREPAID TAXES	A - D	\$1,175.00	
				\$1,175.00
				\$17,380.77
11500 . 2	CAPITAL STOCK	L - C	(\$15,000.00)	
				(\$15,000.00)
11640 . 0	CUSTOMER DEPOSITS	L - C	(\$1,515.00)	
				(\$1,515.00)
11650 . 2	A/P TO AFFILIATED COMPANIES	L - C	(\$54,000.00)	
				(\$54,000.00)
11860 . 1	CURRENT YEAR	L - C	\$22,128.20	
11860 . 2	BEGINNING BALANCE	L - C	\$31,006.03	
				\$53,134.23
				(\$17,380.77)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
INCOME STATEMENT FOR COST CENTER 17
FROM 1/1/2021 TO 12/31/2021

Tuesday, July 16, 2024

23000 .0	METERED SALES	R - C	(\$54,109.16)	
23090 .0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 .0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 .0	CUSTOMER PENALTIES	R - C	(\$167.08)	
90010 .0	NON-OPER. INCOME & INTEREST	R - C	\$0.00	
				(\$54,276.24)
57000 .0	COLLECTION SYS OPERATION	E - D	\$1,188.05	
57040 .0	COLLECTION SYS MAINTENANCE	E - D	\$297.01	
57210 .0	PUMPING SYS OPERATION	E - D	\$4,424.72	
57250 .0	PUMPING SYS MAINTENANCE	E - D	\$2,483.48	
57290 .0	POWER PURCHASED	E - D	\$2,696.05	
57410 .0	PURIFICATION SYS OPERATION	E - D	\$19,197.99	
57440 .0	PURIFICATION SYS MAINTENANCE	E - D	\$594.03	
57510 .0	DISTRIBUTION SYS OPERATION	E - D	\$1,633.02	
57540 .0	OPERATION OF METERS	E - D	\$0.00	
57550 .0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00	
57560 .0	DISTRIBUTION SYS MAINTENANCE	E - D	\$15,098.05	
57810 .0	METER READING	E - D	\$3,300.00	
57820 .0	CUSTOMER BILLING & ACCOUNTING	E - D	\$9,497.00	
57840 .0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 .0	SALARIES	E - D	\$5,792.59	
57910 .0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 .0	OFFICE EXPENSES	E - D	\$286.92	
57940 .0	JOINT OFFICE EXPENSES	E - D	\$3,608.37	
57950 .0	GENERAL LEGAL & ACCOUNTING	E - D	\$0.00	
57970 .0	REGULATORY COMMISSION EXPENSES	E - D	\$600.00	
57980 .0	INSURANCE	E - D	\$637.43	
57990 .0	INJURIES & DAMAGES	E - D	\$0.00	
58010 .0	MISC GENERAL EXPENSE	E - D	\$32.01	
58030 .0	RENT	E - D	\$0.00	
65030 .0	DEPRECIATION	E - D	\$4,494.96	
65070 .0	TAXES	E - D	\$432.00	
90020 .0	NON-OPER. EXPENSE & INTEREST	E - D	\$110.76	
				\$76,404.44
			TOTAL LOSS	\$22,128.20

Fryburg Water Company

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 14
 FROM 1/1/2023 TO 12/31/2023

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$453,252.66	
				\$453,252.66
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$8,379.00)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$285,126.75)	
				(\$293,505.75)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$29,966.98	
				\$29,966.98
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$29,966.98)	
				(\$29,966.98)
1170 . 0	CASH IN BANK	A - D	\$3,733.44	
				\$3,733.44
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$8,975.32	
				\$8,975.32
				\$172,455.67
11500 . 2	CAPITAL STOCK	L - C	(\$8,300.00)	
				(\$8,300.00)
11650 . 2	A/P TO AFFILIATED COMPANIES	L - C	(\$212,000.00)	
				(\$212,000.00)
11750 . 0	TAXES ACCRUED	L - C	\$258.00	
				\$258.00
11860 . 1	CURRENT YEAR	L - C	\$16,807.06	
11860 . 2	BEGINNING BALANCE	L - C	\$30,779.27	
				\$47,586.33
				(\$172,455.67)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
INCOME STATEMENT FOR COST CENTER 14
FROM 1/1/2023 TO 12/31/2023

Tuesday, July 16, 2024

23000 . 0	METERED SALES	R - C	(\$109,342.05)	
23090 . 0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 . 0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 . 0	CUSTOMER PENALTIES	R - C	(\$329.06)	
90010 . 0	NON-OPER. INCOME & INTEREST	R - C	(\$11,416.85)	
				(\$121,087.96)
57000 . 0	COLLECTION SYS OPERATION	E - D	\$1,786.21	
57040 . 0	COLLECTION SYS MAINTENANCE	E - D	\$446.55	
57210 . 0	PUMPING SYS OPERATION	E - D	\$6,891.90	
57250 . 0	PUMPING SYS MAINTENANCE	E - D	\$1,116.38	
57290 . 0	POWER PURCHASED	E - D	\$2,796.36	
57410 . 0	PURIFICATION SYS OPERATION	E - D	\$51,760.79	
57440 . 0	PURIFICATION SYS MAINTENANCE	E - D	\$893.10	
57510 . 0	DISTRIBUTION SYS OPERATION	E - D	\$2,456.04	
57540 . 0	OPERATION OF METERS	E - D	\$565.64	
57550 . 0	MISC. SERVICE FOR CUSTOMERS	E - D	\$4,775.00	
57560 . 0	DISTRIBUTION SYS MAINTENANCE	E - D	\$20,643.02	
57810 . 0	METER READING	E - D	\$3,500.00	
57820 . 0	CUSTOMER BILLING & ACCOUNTING	E - D	\$14,379.99	
57840 . 0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 . 0	SALARIES	E - D	\$8,931.04	
57910 . 0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 . 0	OFFICE EXPENSES	E - D	\$700.91	
57940 . 0	JOINT OFFICE EXPENSES	E - D	\$3,891.08	
57950 . 0	GENERAL LEGAL & ACCOUNTING	E - D	\$1,135.92	
57970 . 0	REGULATORY COMMISSION EXPENSES	E - D	\$615.00	
57980 . 0	INSURANCE	E - D	\$1,002.38	
57990 . 0	INJURIES & DAMAGES	E - D	\$0.00	
58010 . 0	MISC GENERAL EXPENSE	E - D	\$84.78	
58030 . 0	RENT	E - D	\$0.00	
65030 . 0	DEPRECIATION	E - D	\$8,379.00	
65070 . 0	TAXES	E - D	\$953.00	
90020 . 0	NON-OPER. EXPENSE & INTEREST	E - D	\$190.93	
				\$137,895.02
			TOTAL LOSS	\$16,807.06

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 14
 FROM 1/1/2022 TO 12/31/2022

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$453,252.66	
				\$453,252.66
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$8,373.24)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$276,753.51)	
				(\$285,126.75)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$29,966.98	
				\$29,966.98
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$29,966.98)	
				(\$29,966.98)
1170 . 0	CASH IN BANK	A - D	\$5,766.70	
				\$5,766.70
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$11,603.06	
				\$11,603.06
1270 . 0	PREPAID EXPENSES	A - D	\$5,413.06	
				\$5,413.06
				\$190,908.73
11500 . 2	CAPITAL STOCK	L - C	(\$8,300.00)	
				(\$8,300.00)
11640 . 0	CUSTOMER DEPOSITS	L - C	(\$1,646.00)	
				(\$1,646.00)
11650 . 2	A/P TO AFFILIATED COMPANIES	L - C	(\$212,000.00)	
				(\$212,000.00)
11750 . 0	TAXES ACCRUED	L - C	(\$258.00)	
				(\$258.00)
11860 . 1	CURRENT YEAR	L - C	\$9,893.34	
11860 . 2	BEGINNING BALANCE	L - C	\$21,401.93	
				\$31,295.27
				(\$190,908.73)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
 INCOME STATEMENT FOR COST CENTER 14
 FROM 1/1/2022 TO 12/31/2022

Tuesday, July 16, 2024

23000 . 0	METERED SALES	R - C	(\$107,698.48)	
23090 . 0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 . 0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 . 0	CUSTOMER PENALTIES	R - C	(\$337.14)	
90010 . 0	NON-OPER. INCOME & INTEREST	R - C	(\$11,050.99)	
				(\$119,086.61)
57000 . 0	COLLECTION SYS OPERATION	E - D	\$1,760.90	
57040 . 0	COLLECTION SYS MAINTENANCE	E - D	\$440.23	
57210 . 0	PUMPING SYS OPERATION	E - D	\$10,445.03	
57250 . 0	PUMPING SYS MAINTENANCE	E - D	\$3,008.97	
57290 . 0	POWER PURCHASED	E - D	\$2,597.78	
57410 . 0	PURIFICATION SYS OPERATION	E - D	\$44,827.70	
57440 . 0	PURIFICATION SYS MAINTENANCE	E - D	\$886.80	
57510 . 0	DISTRIBUTION SYS OPERATION	E - D	\$2,421.24	
57540 . 0	OPERATION OF METERS	E - D	\$0.00	
57550 . 0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00	
57560 . 0	DISTRIBUTION SYS MAINTENANCE	E - D	\$14,838.61	
57810 . 0	METER READING	E - D	\$4,400.00	
57820 . 0	CUSTOMER BILLING & ACCOUNTING	E - D	\$13,991.61	
57840 . 0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 . 0	SALARIES	E - D	\$8,804.50	
57910 . 0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 . 0	OFFICE EXPENSES	E - D	\$710.20	
57940 . 0	JOINT OFFICE EXPENSES	E - D	\$3,542.80	
57950 . 0	GENERAL LEGAL & ACCOUNTING	E - D	\$2,024.10	
57970 . 0	REGULATORY COMMISSION EXPENSES	E - D	\$565.00	
57980 . 0	INSURANCE	E - D	\$922.50	
57990 . 0	INJURIES & DAMAGES	E - D	\$0.00	
58010 . 0	MISC GENERAL EXPENSE	E - D	\$3,239.98	
58030 . 0	RENT	E - D	\$0.00	
65030 . 0	DEPRECIATION	E - D	\$8,373.24	
65070 . 0	TAXES	E - D	\$1,080.00	
90020 . 0	NON-OPER. EXPENSE & INTEREST	E - D	\$98.76	
				\$128,979.95
			TOTAL LOSS	\$9,893.34

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 14
 FROM 1/1/2021 TO 12/31/2021

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$453,252.66	
				\$453,252.66
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$8,373.24)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$268,380.27)	
				(\$276,753.51)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$29,966.98	
				\$29,966.98
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$29,966.98)	
				(\$29,966.98)
1170 . 0	CASH IN BANK	A - D	\$10,756.40	
				\$10,756.40
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$11,096.46	
				\$11,096.46
1270 . 0	PREPAID EXPENSES	A - D	\$2,450.06	
				\$2,450.06
				\$200,802.07
11500 . 2	CAPITAL STOCK	L - C	(\$8,300.00)	
				(\$8,300.00)
11640 . 0	CUSTOMER DEPOSITS	L - C	(\$1,646.00)	
				(\$1,646.00)
11650 . 2	A/P TO AFFILIATED COMPANIES	L - C	(\$212,000.00)	
				(\$212,000.00)
11750 . 0	TAXES ACCRUED	L - C	(\$258.00)	
				(\$258.00)
11860 . 1	CURRENT YEAR	L - C	(\$2,315.76)	
11860 . 2	BEGINNING BALANCE	L - C	\$23,717.69	
				\$21,401.93
				(\$200,802.07)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
INCOME STATEMENT FOR COST CENTER 14
FROM 1/1/2021 TO 12/31/2021

Tuesday, July 16, 2024

23000 .0	METERED SALES	R - C	(\$110,623.14)	
23090 .0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 .0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 .0	CUSTOMER PENALTIES	R - C	(\$449.04)	
90010 .0	NON-OPER. INCOME & INTEREST	R - C	(\$10,494.86)	
				(\$121,567.04)
57000 .0	COLLECTION SYS OPERATION	E - D	\$1,679.43	
57040 .0	COLLECTION SYS MAINTENANCE	E - D	\$419.86	
57210 .0	PUMPING SYS OPERATION	E - D	\$21,400.73	
57250 .0	PUMPING SYS MAINTENANCE	E - D	\$1,049.65	
57290 .0	POWER PURCHASED	E - D	\$2,728.78	
57410 .0	PURIFICATION SYS OPERATION	E - D	\$36,249.86	
57440 .0	PURIFICATION SYS MAINTENANCE	E - D	\$839.72	
57510 .0	DISTRIBUTION SYS OPERATION	E - D	\$2,309.22	
57540 .0	OPERATION OF METERS	E - D	\$0.00	
57550 .0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00	
57560 .0	DISTRIBUTION SYS MAINTENANCE	E - D	\$3,838.66	
57810 .0	METER READING	E - D	\$4,400.00	
57820 .0	CUSTOMER BILLING & ACCOUNTING	E - D	\$13,323.95	
57840 .0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 .0	SALARIES	E - D	\$8,397.18	
57910 .0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 .0	OFFICE EXPENSES	E - D	\$749.56	
57940 .0	JOINT OFFICE EXPENSES	E - D	\$5,229.43	
57950 .0	GENERAL LEGAL & ACCOUNTING	E - D	\$50.30	
57970 .0	REGULATORY COMMISSION EXPENSES	E - D	\$565.00	
57980 .0	INSURANCE	E - D	\$923.79	
57990 .0	INJURIES & DAMAGES	E - D	\$0.00	
58010 .0	MISC GENERAL EXPENSE	E - D	\$87.65	
58030 .0	RENT	E - D	\$1,050.00	
65030 .0	DEPRECIATION	E - D	\$8,373.24	
65070 .0	TAXES	E - D	\$2,455.00	
90020 .0	NON-OPER. EXPENSE & INTEREST	E - D	\$3,130.27	
				\$119,251.28
			TOTAL PROFIT	(\$2,315.76)

Plumer Water Company

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 13
 FROM 1/1/2023 TO 12/31/2023

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$74,769.17		
				\$74,769.17	
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$4,572.28)		
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$56,933.53)		
				(\$61,505.81)	
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$8,994.30		
				\$8,994.30	
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$8,370.30)		
				(\$8,370.30)	
1170 . 0	CASH IN BANK	A - D	(\$757.33)		
				(\$757.33)	
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$3,531.79		
				\$3,531.79	
1290 . 0	PREPAID TAXES	A - D	(\$597.00)		
				(\$597.00)	
				\$16,064.82	
11500 . 2	CAPITAL STOCK	L - C	(\$6,000.00)		
				(\$6,000.00)	
11650 . 2	A/P TO AFFILIATED COMPANIES	L - C	(\$80,708.75)		
				(\$80,708.75)	
11860 . 1	CURRENT YEAR	L - C	\$13,482.02		
11860 . 2	BEGINNING BALANCE	L - C	\$57,161.91		
				\$70,643.93	
				(\$16,064.82)	
					\$0.00

RHODES ENTERPRISE CONSOLIDATED
INCOME STATEMENT FOR COST CENTER 13
FROM 1/1/2023 TO 12/31/2023

Tuesday, July 16, 2024

23000 . 0	METERED SALES	R - C	(\$39,484.91)	
23090 . 0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 . 0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 . 0	CUSTOMER PENALTIES	R - C	(\$159.20)	
90010 . 0	NON-OPER. INCOME & INTEREST	R - C	(\$60.00)	
				(\$39,704.11)
57000 . 0	COLLECTION SYS OPERATION	E - D	\$0.00	
57040 . 0	COLLECTION SYS MAINTENANCE	E - D	\$0.00	
57210 . 0	PUMPING SYS OPERATION	E - D	\$0.00	
57250 . 0	PUMPING SYS MAINTENANCE	E - D	\$0.00	
57290 . 0	WATER PURCHASED	E - D	\$15,332.80	
57410 . 0	PURIFICATION SYS OPERATION	E - D	\$673.29	
57440 . 0	PURIFICATION SYS MAINTENANCE	E - D	\$0.00	
57510 . 0	DISTRIBUTION SYS OPERATION	E - D	\$2,831.23	
57540 . 0	OPERATION OF METERS	E - D	\$0.00	
57550 . 0	MISC. SERVICE FOR CUSTOMERS	E - D	\$2,915.78	
57560 . 0	DISTRIBUTION SYS MAINTENANCE	E - D	\$16,550.08	
57810 . 0	METER READING	E - D	\$1,650.00	
57820 . 0	CUSTOMER BILLING & ACCOUNTING	E - D	\$3,359.63	
57840 . 0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 . 0	SALARIES	E - D	\$2,059.08	
57910 . 0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 . 0	OFFICE EXPENSES	E - D	\$0.00	
57940 . 0	JOINT OFFICE EXPENSES	E - D	\$1,196.58	
57950 . 0	GENERAL LEGAL & ACCOUNTING	E - D	\$875.00	
57970 . 0	REGULATORY COMMISSION EXPENSES	E - D	\$565.00	
57980 . 0	INSURANCE	E - D	\$308.25	
57990 . 0	INJURIES & DAMAGES	E - D	\$0.00	
58010 . 0	MISC GENERAL EXPENSE	E - D	\$0.00	
58030 . 0	RENT	E - D	\$0.00	
65030 . 0	DEPRECIATION	E - D	\$4,572.28	
65070 . 0	TAXES	E - D	\$246.00	
90020 . 0	NON-OPER. EXPENSE & INTEREST	E - D	\$51.13	
				\$53,186.13
			TOTAL LOSS	\$13,482.02

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 13
 FROM 1/1/2022 TO 12/31/2022

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$74,769.17	
				\$74,769.17
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$479.76)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$56,453.77)	
				(\$56,933.53)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$8,994.30	
				\$8,994.30
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$8,370.30)	
				(\$8,370.30)
1170 . 0	CASH IN BANK	A - D	\$8,440.24	
				\$8,440.24
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$3,768.96	
				\$3,768.96
1290 . 0	PREPAID TAXES	A - D	(\$597.00)	
				(\$597.00)
				\$30,071.84
11500 . 2	CAPITAL STOCK	L - C	(\$6,000.00)	
				(\$6,000.00)
11640 . 0	CUSTOMER DEPOSITS	L - C	(\$525.00)	
				(\$525.00)
11650 . 2	A/P TO AFFILIATED COMPANIES	L - C	(\$80,708.75)	
				(\$80,708.75)
11860 . 1	CURRENT YEAR	L - C	\$748.26	
11860 . 2	BEGINNING BALANCE	L - C	\$56,413.65	
				\$57,161.91
				(\$30,071.84)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
 INCOME STATEMENT FOR COST CENTER 13
 FROM 1/1/2022 TO 12/31/2022

Tuesday, July 16, 2024

23000 . 0	METERED SALES	R - C	(\$38,570.08)	
23090 . 0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 . 0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 . 0	CUSTOMER PENALTIES	R - C	(\$146.56)	
90010 . 0	NON-OPER. INCOME & INTEREST	R - C	\$0.00	
				(\$38,716.64)
57000 . 0	COLLECTION SYS OPERATION	E - D	\$0.00	
57040 . 0	COLLECTION SYS MAINTENANCE	E - D	\$0.00	
57210 . 0	PUMPING SYS OPERATION	E - D	\$0.00	
57250 . 0	PUMPING SYS MAINTENANCE	E - D	\$0.00	
57290 . 0	WATER PURCHASED	E - D	\$11,953.76	
57410 . 0	PURIFICATION SYS OPERATION	E - D	\$563.46	
57440 . 0	PURIFICATION SYS MAINTENANCE	E - D	\$0.00	
57510 . 0	DISTRIBUTION SYS OPERATION	E - D	\$2,782.17	
57540 . 0	OPERATION OF METERS	E - D	\$0.00	
57550 . 0	MISC. SERVICE FOR CUSTOMERS	E - D	\$87.97	
57560 . 0	DISTRIBUTION SYS MAINTENANCE	E - D	\$12,696.44	
57810 . 0	METER READING	E - D	\$1,750.00	
57820 . 0	CUSTOMER BILLING & ACCOUNTING	E - D	\$3,258.38	
57840 . 0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 . 0	SALARIES	E - D	\$2,023.40	
57910 . 0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 . 0	OFFICE EXPENSES	E - D	\$0.00	
57940 . 0	JOINT OFFICE EXPENSES	E - D	\$1,084.44	
57950 . 0	GENERAL LEGAL & ACCOUNTING	E - D	\$1,583.76	
57970 . 0	REGULATORY COMMISSION EXPENSES	E - D	\$565.00	
57980 . 0	INSURANCE	E - D	\$282.38	
57990 . 0	INJURIES & DAMAGES	E - D	\$12.69	
58010 . 0	MISC GENERAL EXPENSE	E - D	\$31.57	
58030 . 0	RENT	E - D	\$0.00	
65030 . 0	DEPRECIATION	E - D	\$479.76	
65070 . 0	TAXES	E - D	\$271.62	
90020 . 0	NON-OPER. EXPENSE & INTEREST	E - D	\$38.10	
				\$39,464.90
			TOTAL LOSS	\$748.26

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 13
 FROM 1/1/2021 TO 12/31/2021

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$74,769.17	
				\$74,769.17
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$479.76)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$55,974.01)	
				(\$56,453.77)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$8,994.30	
				\$8,994.30
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$8,370.30)	
				(\$8,370.30)
1170 . 0	CASH IN BANK	A - D	\$8,959.21	
				\$8,959.21
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$3,628.49	
				\$3,628.49
1290 . 0	PREPAID TAXES	A - D	(\$597.00)	
				(\$597.00)
				\$30,930.10
11500 . 2	CAPITAL STOCK	L - C	(\$6,000.00)	
				(\$6,000.00)
11640 . 0	CUSTOMER DEPOSITS	L - C	(\$635.00)	
				(\$635.00)
11650 . 2	A/P TO AFFILIATED COMPANIES	L - C	(\$80,708.75)	
				(\$80,708.75)
11860 . 1	CURRENT YEAR	L - C	\$10,287.16	
11860 . 2	BEGINNING BALANCE	L - C	\$46,126.49	
				\$56,413.65
				(\$30,930.10)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
 INCOME STATEMENT FOR COST CENTER 13
 FROM 1/1/2021 TO 12/31/2021

Tuesday, July 16, 2024

23000 .0	METERED SALES	R - C	(\$37,991.52)	
23090 .0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 .0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 .0	CUSTOMER PENALTIES	R - C	(\$142.55)	
90010 .0	NON-OPER. INCOME & INTEREST	R - C	(\$30.00)	
				(\$38,164.07)
57000 .0	COLLECTION SYS OPERATION	E - D	\$0.00	
57040 .0	COLLECTION SYS MAINTENANCE	E - D	\$0.00	
57210 .0	PUMPING SYS OPERATION	E - D	\$29.12	
57250 .0	PUMPING SYS MAINTENANCE	E - D	\$0.00	
57290 .0	WATER PURCHASED	E - D	\$17,155.78	
57410 .0	PURIFICATION SYS OPERATION	E - D	\$526.98	
57440 .0	PURIFICATION SYS MAINTENANCE	E - D	\$0.00	
57510 .0	DISTRIBUTION SYS OPERATION	E - D	\$2,895.59	
57540 .0	OPERATION OF METERS	E - D	\$0.00	
57550 .0	MISC. SERVICE FOR CUSTOMERS	E - D	\$2,955.91	
57560 .0	DISTRIBUTION SYS MAINTENANCE	E - D	\$8,428.16	
57810 .0	METER READING	E - D	\$1,750.00	
57820 .0	CUSTOMER BILLING & ACCOUNTING	E - D	\$3,537.83	
57840 .0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 .0	SALARIES	E - D	\$1,914.76	
57910 .0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 .0	OFFICE EXPENSES	E - D	\$0.00	
57940 .0	JOINT OFFICE EXPENSES	E - D	\$1,592.40	
57950 .0	GENERAL LEGAL & ACCOUNTING	E - D	\$7.00	
57970 .0	REGULATORY COMMISSION EXPENSES	E - D	\$565.00	
57980 .0	INSURANCE	E - D	\$281.30	
57990 .0	INJURIES & DAMAGES	E - D	\$3,600.00	
58010 .0	MISC GENERAL EXPENSE	E - D	\$29.54	
58030 .0	RENT	E - D	\$0.00	
65030 .0	DEPRECIATION	E - D	\$479.76	
65070 .0	TAXES	E - D	\$2,664.00	
90020 .0	NON-OPER. EXPENSE & INTEREST	E - D	\$38.10	
				\$48,451.23
			TOTAL LOSS	\$10,287.16

Sugarcreek Water Company

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 12
 FROM 1/1/2023 TO 12/31/2023

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$169,778.23	
				\$169,778.23
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$2,932.61)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$77,258.17)	
				(\$80,190.78)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$2,135.33	
				\$2,135.33
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$2,114.33)	
				(\$2,114.33)
1170 . 0	CASH IN BANK	A - D	(\$19,763.47)	
				(\$19,763.47)
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$2,453.57	
				\$2,453.57
1290 . 0	PREPAID TAXES	A - D	\$513.00	
				\$513.00
				\$72,811.55
11500 . 2	CAPITAL STOCK	L - C	(\$8,000.00)	
				(\$8,000.00)
11650 . 1	A/P TO AFFILIATED COMPANIES	L - C	(\$10,360.00)	
				(\$10,360.00)
11750 . 2	CORPORATE NET INCOME TAX	L - C	(\$64.00)	
				(\$64.00)
11860 . 1	CURRENT YEAR	L - C	\$3,466.09	
11860 . 2	BEGINNING BALANCE	L - C	(\$57,853.64)	
				(\$54,387.55)
				(\$72,811.55)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
INCOME STATEMENT FOR COST CENTER 12
FROM 1/1/2023 TO 12/31/2023

Tuesday, July 16, 2024

23000 .0	METERED SALES	R - C	(\$35,766.15)	
23090 .0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 .0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 .0	CUSTOMER PENALTIES	R - C	(\$78.75)	
90010 .0	NON-OPER. INCOME & INTEREST	R - C	\$0.00	
				(\$35,844.90)
57000 .0	COLLECTION SYS OPERATION	E - D	\$699.75	
57040 .0	COLLECTION SYS MAINTENANCE	E - D	\$174.94	
57210 .0	PUMPING SYS OPERATION	E - D	\$2,186.72	
57250 .0	PUMPING SYS MAINTENANCE	E - D	\$557.63	
57290 .0	POWER PURCHASED	E - D	\$1,321.53	
57410 .0	PURIFICATION SYS OPERATION	E - D	\$12,780.43	
57440 .0	PURIFICATION SYS MAINTENANCE	E - D	\$349.88	
57510 .0	DISTRIBUTION SYS OPERATION	E - D	\$962.16	
57540 .0	OPERATION OF METERS	E - D	\$0.00	
57550 .0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00	
57560 .0	DISTRIBUTION SYS MAINTENANCE	E - D	\$2,584.96	
57810 .0	METER READING	E - D	\$1,650.00	
57820 .0	CUSTOMER BILLING & ACCOUNTING	E - D	\$5,637.43	
57840 .0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 .0	SALARIES	E - D	\$3,498.76	
57910 .0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 .0	OFFICE EXPENSES	E - D	\$287.14	
57940 .0	JOINT OFFICE EXPENSES	E - D	\$1,524.12	
57950 .0	GENERAL LEGAL & ACCOUNTING	E - D	\$875.00	
57970 .0	REGULATORY COMMISSION EXPENSES	E - D	\$615.00	
57980 .0	INSURANCE	E - D	\$392.63	
57990 .0	INJURIES & DAMAGES	E - D	\$0.00	
58010 .0	MISC GENERAL EXPENSE	E - D	\$0.00	
58030 .0	RENT	E - D	\$0.00	
65030 .0	DEPRECIATION	E - D	\$2,932.61	
65070 .0	TAXES	E - D	\$224.00	
90020 .0	NON-OPER. EXPENSE & INTEREST	E - D	\$56.30	
				\$39,310.99
			TOTAL LOSS	\$3,466.09

RHODES ENTERPRISE CONSOLIDATED
BALANCE SHEET FOR COST CENTER 12
FROM 1/1/2022 TO 12/31/2022

Tuesday, July 16, 2024

1010 . 1	FIXED CAPITAL - CURRENT YEAR	A - D	\$4,687.43	
1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$165,090.80	
				\$169,778.23
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$2,753.57)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$74,504.60)	
				(\$77,258.17)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$2,135.33	
				\$2,135.33
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$2,114.33)	
				(\$2,114.33)
1170 . 0	CASH IN BANK	A - D	(\$29,504.08)	
				(\$29,504.08)
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$2,857.66	
				\$2,857.66
1290 . 0	PREPAID TAXES	A - D	\$513.00	
				\$513.00
				\$66,407.64
11500 . 2	CAPITAL STOCK	L - C	(\$8,000.00)	
				(\$8,000.00)
11640 . 0	CUSTOMER DEPOSITS	L - C	(\$490.00)	
				(\$490.00)
11750 . 0	TAXES ACCRUED	L - C	(\$64.00)	
				(\$64.00)
11860 . 1	CURRENT YEAR	L - C	\$5,637.48	
11860 . 2	BEGINNING BALANCE	L - C	(\$63,491.12)	
				(\$57,853.64)
				(\$66,407.64)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
INCOME STATEMENT FOR COST CENTER 12
FROM 1/1/2022 TO 12/31/2022

Tuesday, July 16, 2024

23000 .0	METERED SALES	R - C	(\$34,946.08)	
23090 .0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 .0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 .0	CUSTOMER PENALTIES	R - C	(\$99.39)	
90010 .0	NON-OPER. INCOME & INTEREST	R - C	(\$30.00)	
				(\$35,075.47)
57000 .0	COLLECTION SYS OPERATION	E - D	\$675.38	
57040 .0	COLLECTION SYS MAINTENANCE	E - D	\$168.84	
57210 .0	PUMPING SYS OPERATION	E - D	\$2,142.31	
57250 .0	PUMPING SYS MAINTENANCE	E - D	\$422.11	
57290 .0	POWER PURCHASED	E - D	\$1,253.41	
57410 .0	PURIFICATION SYS OPERATION	E - D	\$12,927.84	
57440 .0	PURIFICATION SYS MAINTENANCE	E - D	\$337.69	
57510 .0	DISTRIBUTION SYS OPERATION	E - D	\$928.64	
57540 .0	OPERATION OF METERS	E - D	\$0.00	
57550 .0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00	
57560 .0	DISTRIBUTION SYS MAINTENANCE	E - D	\$4,121.84	
57810 .0	METER READING	E - D	\$1,650.00	
57820 .0	CUSTOMER BILLING & ACCOUNTING	E - D	\$5,380.13	
57840 .0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 .0	SALARIES	E - D	\$3,376.89	
57910 .0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 .0	OFFICE EXPENSES	E - D	\$286.98	
57940 .0	JOINT OFFICE EXPENSES	E - D	\$1,358.79	
57950 .0	GENERAL LEGAL & ACCOUNTING	E - D	\$1,594.65	
57970 .0	REGULATORY COMMISSION EXPENSES	E - D	\$565.00	
57980 .0	INSURANCE	E - D	\$353.81	
57990 .0	INJURIES & DAMAGES	E - D	\$0.00	
58010 .0	MISC GENERAL EXPENSE	E - D	\$92.57	
58030 .0	RENT	E - D	\$0.00	
65030 .0	DEPRECIATION	E - D	\$2,753.57	
65070 .0	TAXES	E - D	\$279.00	
90020 .0	NON-OPER. EXPENSE & INTEREST	E - D	\$43.50	
				\$40,712.95
			TOTAL LOSS	\$5,637.48

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 12
 FROM 1/1/2021 TO 12/31/2021

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$165,090.80	
				\$165,090.80
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$2,745.72)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$71,758.88)	
				(\$74,504.60)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$2,135.33	
				\$2,135.33
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$2,114.33)	
				(\$2,114.33)
1170 . 0	CASH IN BANK	A - D	(\$22,517.12)	
				(\$22,517.12)
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$3,157.04	
				\$3,157.04
1290 . 0	PREPAID TAXES	A - D	\$953.00	
				\$953.00
				\$72,200.12
11500 . 2	CAPITAL STOCK	L - C	(\$8,000.00)	
				(\$8,000.00)
11640 . 0	CUSTOMER DEPOSITS	L - C	(\$645.00)	
				(\$645.00)
11750 . 0	TAXES ACCRUED	L - C	(\$64.00)	
				(\$64.00)
11860 . 1	CURRENT YEAR	L - C	\$119.04	
11860 . 2	BEGINNING BALANCE	L - C	(\$63,610.16)	
				(\$63,491.12)
				(\$72,200.12)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
 INCOME STATEMENT FOR COST CENTER 12
 FROM 1/1/2021 TO 12/31/2021

Tuesday, July 16, 2024

23000 .0	METERED SALES	R - C	(\$36,363.76)	
23090 .0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 .0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 .0	CUSTOMER PENALTIES	R - C	(\$157.54)	
90010 .0	NON-OPER. INCOME & INTEREST	R - C	\$0.00	
				(\$36,521.30)
57000 .0	COLLECTION SYS OPERATION	E - D	\$672.72	
57040 .0	COLLECTION SYS MAINTENANCE	E - D	\$168.18	
57210 .0	PUMPING SYS OPERATION	E - D	\$2,102.26	
57250 .0	PUMPING SYS MAINTENANCE	E - D	\$420.46	
57290 .0	POWER PURCHASED	E - D	\$976.56	
57410 .0	PURIFICATION SYS OPERATION	E - D	\$12,816.86	
57440 .0	PURIFICATION SYS MAINTENANCE	E - D	\$336.37	
57510 .0	DISTRIBUTION SYS OPERATION	E - D	\$924.99	
57540 .0	OPERATION OF METERS	E - D	\$0.00	
57550 .0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00	
57560 .0	DISTRIBUTION SYS MAINTENANCE	E - D	\$1,521.81	
57810 .0	METER READING	E - D	\$1,650.00	
57820 .0	CUSTOMER BILLING & ACCOUNTING	E - D	\$5,411.75	
57840 .0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 .0	SALARIES	E - D	\$3,282.45	
57910 .0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 .0	OFFICE EXPENSES	E - D	\$286.92	
57940 .0	JOINT OFFICE EXPENSES	E - D	\$2,044.64	
57950 .0	GENERAL LEGAL & ACCOUNTING	E - D	\$0.00	
57970 .0	REGULATORY COMMISSION EXPENSES	E - D	\$565.00	
57980 .0	INSURANCE	E - D	\$361.19	
57990 .0	INJURIES & DAMAGES	E - D	\$0.00	
58010 .0	MISC GENERAL EXPENSE	E - D	\$22.16	
58030 .0	RENT	E - D	\$0.00	
65030 .0	DEPRECIATION	E - D	\$2,745.72	
65070 .0	TAXES	E - D	\$277.00	
90020 .0	NON-OPER. EXPENSE & INTEREST	E - D	\$53.30	
				\$36,640.34
			TOTAL LOSS	\$119.04

West Hickory Water Company

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 18
 FROM 1/1/2023 TO 12/31/2023

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$352,389.55	
				\$352,389.55
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$2,278.92)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$269,482.11)	
				(\$271,761.03)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$4,008.68	
				\$4,008.68
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$4,008.68)	
				(\$4,008.68)
1170 . 0	CASH IN BANK	A - D	\$895.84	
				\$895.84
1180 . 0	ADVANCES TO AFFILIATED CO	A - D	\$30,000.00	
				\$30,000.00
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$4,891.20	
				\$4,891.20
				\$116,415.56
11860 . 1	CURRENT YEAR	L - C	(\$9,539.92)	
11860 . 2	BEGINNING BALANCE	L - C	(\$106,875.64)	
				(\$116,415.56)
				(\$116,415.56)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
INCOME STATEMENT FOR COST CENTER 18
FROM 1/1/2023 TO 12/31/2023

Tuesday, July 16, 2024

23000 .0	METERED SALES	R - C	(\$74,150.80)	
23090 .0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 .0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 .0	CUSTOMER PENALTIES	R - C	(\$323.53)	
90010 .0	NON-OPER. INCOME & INTEREST	R - C	(\$8.00)	
				(\$74,482.33)
57000 .0	COLLECTION SYS OPERATION	E - D	\$1,045.44	
57040 .0	COLLECTION SYS MAINTENANCE	E - D	\$261.36	
57210 .0	PUMPING SYS OPERATION	E - D	\$3,290.85	
57250 .0	PUMPING SYS MAINTENANCE	E - D	\$653.40	
57290 .0	POWER PURCHASED	E - D	\$3,744.83	
57410 .0	PURIFICATION SYS OPERATION	E - D	\$19,632.83	
57440 .0	PURIFICATION SYS MAINTENANCE	E - D	\$522.72	
57510 .0	DISTRIBUTION SYS OPERATION	E - D	\$1,437.48	
57540 .0	OPERATION OF METERS	E - D	\$0.00	
57550 .0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00	
57560 .0	DISTRIBUTION SYS MAINTENANCE	E - D	\$5,756.13	
57810 .0	METER READING	E - D	\$4,400.00	
57820 .0	CUSTOMER BILLING & ACCOUNTING	E - D	\$8,728.82	
57840 .0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 .0	SALARIES	E - D	\$5,227.22	
57910 .0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 .0	OFFICE EXPENSES	E - D	\$708.87	
57940 .0	JOINT OFFICE EXPENSES	E - D	\$3,792.82	
57950 .0	GENERAL LEGAL & ACCOUNTING	E - D	\$0.00	
57970 .0	REGULATORY COMMISSION EXPENSES	E - D	\$615.00	
57980 .0	INSURANCE	E - D	\$977.06	
57990 .0	INJURIES & DAMAGES	E - D	\$0.00	
58010 .0	MISC GENERAL EXPENSE	E - D	\$0.00	
58030 .0	RENT	E - D	\$0.00	
65030 .0	DEPRECIATION	E - D	\$2,278.92	
65070 .0	TAXES	E - D	\$1,781.90	
90020 .0	NON-OPER. EXPENSE & INTEREST	E - D	\$86.76	
				\$64,942.41
			TOTAL PROFIT	(\$9,539.92)

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 18
 FROM 1/1/2022 TO 12/31/2022

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$352,389.55	
				\$352,389.55
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$2,278.92)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$267,203.19)	
				(\$269,482.11)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$4,008.68	
				\$4,008.68
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$4,008.68)	
				(\$4,008.68)
1170 . 0	CASH IN BANK	A - D	\$18,184.25	
				\$18,184.25
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$6,538.95	
				\$6,538.95
				\$107,630.64
11640 . 0	CUSTOMER DEPOSITS	L - C	(\$755.00)	
				(\$755.00)
11860 . 1	CURRENT YEAR	L - C	(\$5,193.62)	
11860 . 2	BEGINNING BALANCE	L - C	(\$101,682.02)	
				(\$106,875.64)
				(\$107,630.64)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
 INCOME STATEMENT FOR COST CENTER 18
 FROM 1/1/2022 TO 12/31/2022

Tuesday, July 16, 2024

23000 . 0	METERED SALES	R - C	(\$71,522.72)	
23090 . 0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 . 0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 . 0	CUSTOMER PENALTIES	R - C	(\$309.80)	
90010 . 0	NON-OPER. INCOME & INTEREST	R - C	(\$60.00)	
				(\$71,892.52)
57000 . 0	COLLECTION SYS OPERATION	E - D	\$1,018.08	
57040 . 0	COLLECTION SYS MAINTENANCE	E - D	\$254.52	
57210 . 0	PUMPING SYS OPERATION	E - D	\$3,619.87	
57250 . 0	PUMPING SYS MAINTENANCE	E - D	\$3,386.06	
57290 . 0	POWER PURCHASED	E - D	\$3,169.40	
57410 . 0	PURIFICATION SYS OPERATION	E - D	\$17,695.16	
57440 . 0	PURIFICATION SYS MAINTENANCE	E - D	\$509.04	
57510 . 0	DISTRIBUTION SYS OPERATION	E - D	\$1,399.86	
57540 . 0	OPERATION OF METERS	E - D	\$481.58	
57550 . 0	MISC. SERVICE FOR CUSTOMERS	E - D	\$0.00	
57560 . 0	DISTRIBUTION SYS MAINTENANCE	E - D	\$7,202.14	
57810 . 0	METER READING	E - D	\$4,435.00	
57820 . 0	CUSTOMER BILLING & ACCOUNTING	E - D	\$8,322.57	
57840 . 0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 . 0	SALARIES	E - D	\$5,090.38	
57910 . 0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 . 0	OFFICE EXPENSES	E - D	\$783.48	
57940 . 0	JOINT OFFICE EXPENSES	E - D	\$3,413.19	
57950 . 0	GENERAL LEGAL & ACCOUNTING	E - D	\$580.00	
57970 . 0	REGULATORY COMMISSION EXPENSES	E - D	\$565.00	
57980 . 0	INSURANCE	E - D	\$888.75	
57990 . 0	INJURIES & DAMAGES	E - D	\$0.00	
58010 . 0	MISC GENERAL EXPENSE	E - D	\$72.35	
58030 . 0	RENT	E - D	\$0.00	
65030 . 0	DEPRECIATION	E - D	\$2,278.92	
65070 . 0	TAXES	E - D	\$1,482.04	
90020 . 0	NON-OPER. EXPENSE & INTEREST	E - D	\$51.51	
				\$66,698.90
			TOTAL PROFIT	(\$5,193.62)

RHODES ENTERPRISE CONSOLIDATED
 BALANCE SHEET FOR COST CENTER 18
 FROM 1/1/2021 TO 12/31/2021

Tuesday, July 16, 2024

1010 . 2	FIXED CAPITAL - PREVIOUS YEAR	A - D	\$352,389.55	
				\$352,389.55
1020 . 1	DEPRECIATION - CURRENT YEAR	A - C	(\$2,278.92)	
1020 . 2	DEPRECIATION - PREVIOUS YEAR	A - C	(\$264,924.27)	
				(\$267,203.19)
1040 . 2	RETIRED ASSETS-PREVIOUS YEAR	A - D	\$4,008.68	
				\$4,008.68
1050 . 2	ACCUM DEPR P-YR-RETIRED ASSETS	A - C	(\$4,008.68)	
				(\$4,008.68)
1170 . 0	CASH IN BANK	A - D	\$11,491.03	
				\$11,491.03
1190 . 0	ACCOUNTS RECEIVABLE-WATER CUST	A - D	\$5,824.63	
				\$5,824.63
				\$102,502.02
11640 . 0	CUSTOMER DEPOSITS	L - C	(\$820.00)	
				(\$820.00)
11650 . 0	A/P TO AFFILIATED COMPANIES	L - C	\$0.00	
				\$0.00
11860 . 1	CURRENT YEAR	L - C	\$2,297.42	
11860 . 2	BEGINNING BALANCE	L - C	(\$103,979.44)	
				(\$101,682.02)
				(\$102,502.02)
				\$0.00

RHODES ENTERPRISE CONSOLIDATED
INCOME STATEMENT FOR COST CENTER 18
FROM 1/1/2021 TO 12/31/2021

Tuesday, July 16, 2024

23000 .0	METERED SALES	R - C	(\$72,290.37)	
23090 .0	PRIVATE FIRE PROTECTION SALES	R - C	\$0.00	
23140 .0	OTHER OPERATING REVENUE	R - C	\$0.00	
23150 .0	CUSTOMER PENALTIES	R - C	(\$296.25)	
90010 .0	NON-OPER. INCOME & INTEREST	R - C	(\$60.00)	
				(\$72,646.62)
57000 .0	COLLECTION SYS OPERATION	E - D	\$969.10	
57040 .0	COLLECTION SYS MAINTENANCE	E - D	\$242.28	
57210 .0	PUMPING SYS OPERATION	E - D	\$5,041.88	
57250 .0	PUMPING SYS MAINTENANCE	E - D	\$3,080.51	
57290 .0	POWER PURCHASED	E - D	\$2,999.32	
57410 .0	PURIFICATION SYS OPERATION	E - D	\$18,541.02	
57440 .0	PURIFICATION SYS MAINTENANCE	E - D	\$484.55	
57510 .0	DISTRIBUTION SYS OPERATION	E - D	\$1,332.52	
57540 .0	OPERATION OF METERS	E - D	\$0.00	
57550 .0	MISC. SERVICE FOR CUSTOMERS	E - D	\$1,682.50	
57560 .0	DISTRIBUTION SYS MAINTENANCE	E - D	\$12,850.51	
57810 .0	METER READING	E - D	\$3,750.00	
57820 .0	CUSTOMER BILLING & ACCOUNTING	E - D	\$7,894.60	
57840 .0	UNCOLLECTABLE CUSTOMER ACCTS.	E - D	\$0.00	
57900 .0	SALARIES	E - D	\$4,845.53	
57910 .0	OTHER GENERAL OFFICE SALARIES	E - D	\$0.00	
57930 .0	OFFICE EXPENSES	E - D	\$839.22	
57940 .0	JOINT OFFICE EXPENSES	E - D	\$5,031.98	
57950 .0	GENERAL LEGAL & ACCOUNTING	E - D	\$0.00	
57970 .0	REGULATORY COMMISSION EXPENSES	E - D	\$565.00	
57980 .0	INSURANCE	E - D	\$888.91	
57990 .0	INJURIES & DAMAGES	E - D	\$0.00	
58010 .0	MISC GENERAL EXPENSE	E - D	\$69.31	
58030 .0	RENT	E - D	\$0.00	
65030 .0	DEPRECIATION	E - D	\$2,278.92	
65070 .0	TAXES	E - D	\$1,495.22	
90020 .0	NON-OPER. EXPENSE & INTEREST	E - D	\$61.16	
				\$74,944.04
			TOTAL LOSS	\$2,297.42

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NOS. M-2023-3042180, I-2023-3042312, P-2024-3045205

AQUA STATEMENT NO. 2

**DIRECT TESTIMONY OF
STEPHEN CLARK**

**With Regard To
Description of the System
Operational Changes Needed
Section 529 Factors**

August 30, 2024

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AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF STEPHEN CLARK

1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Stephen Clark. My business address is 1775 North Main Street Honesdale,
4 PA 18431.

5

6 **Q. By whom are you employed and in what capacity?**

7 A. I am Director of Operations for Aqua Pennsylvania, Inc.'s ("AP") Greater Pennsylvania
8 Service Area.

9

10 **Q. Please provide a brief description of your education and work experience.**

11 A. I graduated from the Pennsylvania State University with a Bachelor of Science degree in
12 Mechanical Engineering Technology. I have worked in the water and wastewater industry
13 for the past 21 years. I began my career in the utility industry with American Water
14 Company ("AWC") as a plant engineer at the Scranton Sewer Authority. With AWC, I
15 was responsible for managing the implementation of its significant capital improvement
16 program and I managed the Plant Maintenance staff. Since then, I have worked with Aqua
17 for 19 years. At AP, I am responsible for leading a team of 116 employees delivering
18 potable drinking water to its customers and returning treated wastewater back to the
19 environment. I am involved in all aspects of operations including budgeting, planning,
20 employee relations, business development, and process control. I am also a Class-B
21 certified water operator in Pennsylvania.

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF STEPHEN CLARK

1 **Q. Have you previously testified before the Pennsylvania Public Utility Commission**
2 **(“PUC” or the “Commission”)?**

3 A. Yes. I have testified on behalf of AP in the Twin Lakes Utilities, Inc. Section 529
4 Proceeding at Docket No. P-2020-3020914 and in various cases involving customer
5 complaints and disputes before the Commission.

6
7 **Q. What is the purpose of your Direct Testimony?**

8 A. The purpose of my Direct Testimony is as follows: (1) to provide a general description of
9 the condition of the Venango Water Company (“VWC”); (2) to discuss the operational
10 changes AP and Aqua Pennsylvania Wastewater, Inc. (“APW”) (collectively AP and APW
11 shall be referred to as “Aqua” or the “Company”) that will be needed if the Company is
12 required to acquire the VWC and the utility systems owned by the Blaine E. Rhodes Estate
13 (“Rhodes Estate”)¹; and (3) to discuss the factors of Section 529(c) as set forth in the
14 Commission’s August 11, 2023 Ex Parte Emergency Order² for VWC and also to discuss
15 these factors regarding the public utility systems owned by the Rhodes Estate.

16
17 **Q. Are you sponsoring any Exhibits with the Company’s filing?**

18 A. Yes. Attached to my Direct Testimony as SC-2 Exhibit 1 are the Rhodes Utilities’
19 responses to Aqua Set 1 Discovery. SC-2 Exhibit 2 is Aqua’s Initial Status Report to the
20 Commission. SC-2 Exhibit 3 is the Company’s 10-year capital plan for the VWC System.

¹ These utilities include: VWC, Sugarcreek Water Company (“SWC”), West Hickory Water Company (“WHWC”), Plumer Water Company (“PWC”), Fryburg Water Company (“FWC”), Cooperstown Water Company (“CWC”), and Blaine E. Rhodes Sewer Company (“BERSC”) (referred to collectively the “Rhodes Utilities”).

² *In re: Venango Water Company*, Docket No. M-2023-3042180, Ex Parte Emergency Order, Ordering Paragraph 4, Appendix A Section 1.q. (Aug. 11, 2023).

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF STEPHEN CLARK

1

2 **II. DESCRIPTION OF THE RHODES UTILITIES**

3 **Q. Please provide a general overview of the Rhodes Utilities.**

4 A. VWC is a small Class C public utility that provides service to approximately 246 customer
5 accounts, according to VWC’s 2022 PUC Annual Report it serves only 214 customers.
6 Service to the VWC customers was provided via two sources, the Bellows Spring and the
7 Shaffer Spring. The Bellows Spring is permitted to produce up to 80 gallons per minute
8 (“gpm”) and the Shaffer Spring #1 is permitted to produce up to 60 gpm.³ A third entry
9 point called “Alternate Source (Upper and Lower wells and Lower Spring)” is inactive.
10 The system consists of approximately 7.3 miles of water main ranging in sizes of 2-inches
11 to 10-inches. The VWC system has one 400,000 gallon (“gal”) storage tank.

12 Based upon the responses to AQUA-I-26, included in my Direct Testimony as SC-
13 2 Exhibit 1, for each of the other Rhodes Utilities, and as supplemented by the response to
14 OCA-I-16, Table 1 below provides a breakdown of each system:

15 **Table 1**

	Mains (Mi.)	Services	Hydrants	Valves ⁴	Tanks
CWC	3.75	129	0	15	2 Polyethylene 1,200 gal each
FWC	6.5	190	0	20	1 Concrete Lower Reservoir 6,000 gal 1 Concrete Upper Reservoir 8,000 gal
PWC	3	60	0	9	None ⁵
SWC	2	75	0	15	1 Polyethylene 10,000 gal
WHWC	4.5	185	0	10	1 Steel 7,000 gal
	Mains (Mi.)	Manholes	Pump Stations		
BERSC	6 Gravity 0.5 Force	85	2		

³ Venango Water Company DEP 4-Log Permit No. 6170502-MA1 dated March 22, 2011.

⁴ Does not include curb stop valves.

⁵ The PWC system is interconnected with the Borough of Rouseville water system.

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III. OPERATIONAL CHANGES TO AQUA

Q. If the Commission were to require that Aqua acquire the Rhodes Utilities, would the Company require operational changes to run these utilities?

A. Yes. Aqua would need to hire three additional employees to operate all six of the Rhodes Utilities systems. Aqua’s current operations are near in proximity, but would require additional staff as BERSC, CWC, FWC, PWC, SWC, VWC, WHWC are 13, 22, 16, 20, 18, 14, and 15 miles away from the Company’s nearest systems, respectively. Each of the Rhodes Utilities systems would require 7-day per week visits by a Pennsylvania Department of Environmental Protection DEP certified Operator for chlorine residual grab sampling and wastewater compliance testing. Aqua staff would also be responsible for completing reoccurring routine tasks such as Pennsylvania One Call markouts, response to customer service work orders, meter reading, valve exercising, fire hydrant inspections and flushing, and source water production and treatment operations.

IV. SECTION 529(C) FACTORS

A. Overview

Q. What factors of Section 529 are you addressing in your Direct Testimony?

A. I am addressing (i) the managerial and technical ability of the Rhodes Utilities under Section 529(c)(1); (ii) the managerial and technical ability of proximate providers under Section 529(c)(2); (iii) the expenditures to make improvements to the VWC system under Section 529(c)(3); (iv) the expansion of the Company’s franchise area under Section

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF STEPHEN CLARK

1 529(c)(4); and (v) the opinion and advice of the Pennsylvania Department of
2 Environmental Protection (“DEP”) under Section 529(c)(5).

3

4 **B. Technical and Managerial Ability of the Rhodes Utilities**

5 **Q. Please describe your view of the technical and managerial ability of the Rhodes**
6 **Utilities.**

7 A. Starting with my view of VWC, AP having operated the system for a little over one year,
8 I believe there are deficiencies within the operation of the VWC system. When AP arrived
9 on site in assuming its role as Receiver, the system was in danger of depressurizing due to
10 the fact that there was only two feet of water in the storage tank. The storage tank overall
11 was in poor condition with extensive coating deterioration and multiple spot repairs evident
12 on the tank sidewall. AP’s Initial Status Report details the poor condition of the tank, as
13 shown in Attachments B and D of SC-2 Exhibit 2. Attachment B of SC- Exhibit 2 also
14 shows the electrical safety hazards of the well house that are not up to existing electrical
15 codes.

16

17 **Q. Are there other operational issues with the VWC system that you noted as AP began**
18 **its Receivership duties?**

19 A. Yes. Lack of easements to access assets such as the water storage tank, and spring sources.
20 Limited distribution system mapping was made available to Aqua. No emergency backup
21 power (generators). Billing was based on ongoing estimated reads in many cases. Many
22 customers were billed based on reads they took and then provided to the VWC with no

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF STEPHEN CLARK

1 verification. There was no prior evidence of routine maintenance or documented planning
2 such as main replacement plans or hydrant inspections.

3

4 **Q. Has the Company visited the other systems outside of VWC owned by the Rhodes**
5 **Estate?**

6 A. No. The Company requested a tour of the other Rhodes Estate-owned systems on August
7 21, 2024, but to date has not been granted access.

8

9 **Q. Have the Rhodes Utilities experienced main breaks in their systems?**

10 A. Yes. Based upon the responses to AQUA-I-26, the Rhodes Utilities have indicated the
11 following in Table 2 regarding main breaks in the water systems from 2021-2024:

12 **Table 2**

	2024	2023	2022	2021
CWC	2	4	2	7
FWC	1	2	2	1
PWC	1	3	3	0
SWC	3	1	3	0
WHWC	4	2	5	8

13

14 **Q. Do any of the Rhodes Utilities have a Lead Service Line Replacement (“LSLR”)**
15 **Program?**

16 A. With the exception of VWC, wherein AP filed a Petition for a LSLR Program on VWC’s
17 behalf on July 22, 2024, none of the other Rhodes Utilities have a LSLR Program of which
18 the Company is aware. In response to AQUA-I-18, the Rhodes Utilities claim that there
19 are no lead service lines in the systems. However, the Rhodes Utilities have not developed
20 a service line inventory of all utility and customer service lines in compliance with 52 Pa.

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF STEPHEN CLARK

1 Code § 65.55, thus at this point AP must presume the service lines materials are unknown
2 until such time as an inventory can be prepared (*see* SC-2 Exhibit 1, AQUA-I-19).

3

4 **Q. Have the Rhodes Utilities completed any pressure surveys in the past three years?**

5 A. No. The Rhodes Utilities have indicated in response to AQUA-I-28 that no pressure
6 surveys have been completed in the last three years (*see* SC-2 Exhibit 1).

7

8 **Q. Are you aware of any formal capital planning for the Rhodes Utilities?**

9 A. No. In each response of the Rhodes Utilities to OCA-I-45 the Rhodes Utilities indicated
10 that “[n]o list exists” when asked for a prioritized list of system improvements needed.

11

12 **Q. Have the Rhodes Utilities issued boil water advisories since 2022?**

13 A. Yes. In response to OCA-I-3, the Rhodes Utilities indicated that boil water advisories were
14 issued, as recently as March of this year, as shown in Table 3 below.

15 **Table 3**

	2024	2023	2022
CWC	3/8/2024	-	-
FWC	-	-	6/26/2022
PWC	-	7/28/2023	5/19/2022 6/5/2022
SWC	-	-	5/4/2022
WHWC	-	-	-

16

17

18

19

20

1 **C. Managerial and Technical Ability of Proximate Public Utilities**

2 **Q. Please discuss the managerial and technical fitness of other proximate public**
3 **utilities.**

4 A. The Company is a public utility operating under certificates of public convenience issued
5 by the Commission, and as such the Company's fitness is presumed. I believe the
6 Company is the closest certificated public utility to most of the Rhodes Utilities systems,
7 with the possible exception of FWC and PWC, which are closer to Pennsylvania American
8 Water Company ("PAWC"). Similar to the Company, PAWC is a certificated public utility
9 whose fitness is presumed. Veolia Water Pennsylvania, Inc. ("Veolia") was also provided
10 notice of these proceedings and is a certificated public utility whose fitness is presumed.
11 However, Veolia is not as close in proximity to the Rhodes Utilities as Aqua and PAWC.

12

13 **Q. Are you recommending that if the Commission determines that a capable public**
14 **utility should acquire the Rhodes Utilities, that PAWC should acquire the systems**
15 **closest to its operations?**

16 A. No. As I will discuss below, if the Commission determines that a capable public utility
17 should acquire the Rhodes Utilities, all of the Rhodes Utilities should be transferred to one
18 capable public utility.

19

20 **D. Capital Expenditures to the Rhodes Utilities**

21 **Q. Is the VWC system currently in violation of any DEP regulations?**

22 A. No. VWC under Aqua's Receivership has been compliant with all DEP regulations.

23

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF STEPHEN CLARK

1 **Q. Has the Company identified improvements needed to the VWC system to ensure**
2 **system reliability, adequacy, efficiency, safety, and reasonable service to the VWC**
3 **customers?**

4 A. Yes. Included with my Direct Testimony as SC-2 Exhibit 3 is the Company's capital plan
5 for the VWC system over the next 10 years. This plan is subject to change and further
6 refinement as the Company continues to operate the VWC system and short and long-term
7 solutions are developed for VWC.

8
9 **Q. Please describe the types of capital improvements the Company has identified for**
10 **the VWC system.**

11 A. The Company's initial investment in the system would be to ensure there is adequate and
12 redundant supply to the VWC system. The Company's capital plan includes the
13 construction of a new well or the rehabilitation of the existing well site of the Bellows
14 Spring. Developing this well will allow the Company to cease hauling water into the
15 system seasonally from its Emlenton water treatment plant where supply from the Shaffer
16 Spring cannot keep up with demand in the system.

17 The Company would also replace the aged and deteriorated water storage tank
18 which is at risk of failing and cannot be fully filled due to leaks near the top of the tank.
19 Because the water storage tank cannot be filled, the prior operators had notified VWC
20 customers that fire protection was no longer available. AP bagged all fire hydrants in the
21 system as "out of service" and notified first responders of the same. The water storage
22 tank has no freeze protection to guard against future damage from ice buildup within the
23 tank. AP commissioned an emergency visual inspection of the tank by a certified water

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF STEPHEN CLARK

1 storage tank expert in September 2023. The inspection report details several significant
2 deficiencies and concludes with an estimated \$677,500 cost to repair. The Company also
3 has plans to replace meters and install radio frequency reading devices so meters can be
4 read remotely instead of manual readings. The Company has experienced issues with
5 access to meters to get manual reads in the VWC system. Finally, the Company would
6 review the age and material of the mains in the system and bring the VWC into its main
7 replacement program based on age and risk associated with the current mains.

8
9 **Q. Has the Company developed a capital plan for the other Rhodes Utilities?**

10 A. Not at this time. As noted above, the Company requested a tour of the other systems on
11 August 21, 2024, but has not yet been granted access to review the systems. However, the
12 Company believes that investment would be needed to ensure system reliability, adequacy,
13 efficiency, safety, and reasonableness of service to the customers based upon a review of
14 the interrogatory responses.

15
16 **E. Expansion of the Franchise Area of the Acquiring Capable Public Utility**

17 **Q. If required by the Commission, would Aqua be able to expand its franchise area to**
18 **incorporate the Rhodes Utilities into its operations?**

19 A. Yes. As noted in the Direct Testimony of William C. Packer, Aqua Statement No. 1, the
20 Company has acquired several small troubled systems under Section 529 of the Public
21 Utility Code. However, I would again note the operational changes I discussed earlier in
22 my Direct Testimony that would need to occur if Aqua were required to acquire all of the
23 Rhodes Utilities.

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF STEPHEN CLARK

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Q. You previously discussed that if the Commission requires a capable public utility to acquire the Rhodes Utilities, the capable public utility should acquire all the Rhodes Utilities. Please explain.

A. Based upon my understanding, while the Rhodes Utilities are all separate companies, they were essentially operated by VWC through an affiliated interest agreement on file with the Commission, whereby VWC provides the administrative, engineering, customer and public relations, employee relations, accounting, corporate secretarial, treasury, purchasing, insurance, data processing, rates, and general regulatory services. All of the records related to the Rhodes Utilities' systems are in the possession of the same group of people.

In my opinion it would be administratively inefficiency to have two capable public utilities seeking information and potentially negotiating the acquisition of certain companies of the Rhodes Utilities from the same parties. Therefore, if the Commission does require the acquisition of the Rhodes Utilities by a capable public utility, I believe the one capable public utility chosen by the Commission should acquire all the Rhodes Utilities.

F. Opinion and Advice of DEP

Q. Has the Company received any opinions or advice of the DEP as to steps that may be necessary to assure compliance with statutory or regulatory standards to ensure adequate, efficient, safe, or reasonable service to the Rhodes Utilities' customers?

A. Aqua worked closely with the DEP to lift the do not consume order shortly after taking over as Receiver of the VWC system. The Company continues to work with DEP on short

AQUA PENNSYLVANIA, INC. AND AQUA PENNSYLVANIA WASTEWATER, INC.
DIRECT TESTIMONY OF STEPHEN CLARK

1 and long-term solutions to continue service to the VWC customers. The Company has not
2 received advice or opinions from DEP on the other Rhodes Utilities systems.

3

4 **V. CONCLUSION**

5 **Q. Does this conclude your Direct Testimony?**

6 **A. Yes, it does. However, I reserve the right to supplement my Direct Testimony as additional**
7 issues and facts arise during the course of this proceeding.

SC-2 Exhibit 1

**VENANGO WATER COMPANY – EX PARTE EMERGENCY ORDER NAMING
AQUA PENNSYLVANIA, INC. AS RECEIVER**

SECTION 529 INVESTIGATION OF VENANGO WATER COMPANY

**SECTION 529 INVESTIGATION OF SUGARCREEK WATER COMPANY, WEST
HICKORY WATER COMPANY, PLUMER WATER COMPANY, FRYBURG WATER
COMPANY, COOPERSTOWN WATER COMPANY AND BLAINE E. RHODES
SEWER COMPANY**

DOCKET NOS. M-2023-3042180, I-2023-3042312, and P-2024-3045205

**INTERROGATORIES AND REQUESTS FOR PRODUCTION OF
DOCUMENTS ON BERSC – SET I**

FINANCIAL

AQUA-I-1. Please provide an organizational chart or description that fully explains the ownership structure of BERSC.

Answer: BERSC is a sole proprietorship owned by the Estate of Blaine E. Rhodes.

AQUA-I-2. Please provide all federal income tax returns for BERSC for the past three years.

Answer: BERSC is a sole proprietorship and tax returns would be associated with the Estate of Blaine E. Rhodes and are not available to the operators of the utility.

AQUA-I-3. Please provide all state income tax returns for BERSC for the past three years.

Answer: See response to AQUA-I-2.

AQUA-I-4. Please provide all audited financial statements of BERSC for the past three years. If audited financial statements are not available, please provide all financial information related to BERSC's books (including but not limited to income statement, balance sheet and cash flow statement) as of 12/31/2023, 12/31/2022, and 12/31/2021.

Answer: See Attached file Rhodes Sewer B&I for un-adjusted financial statements. Also see response to AQUA-I-1.

AQUA-I-5. Please provide a trial balance for BERSC for the calendar year ended 12/31/2023, balance sheet and income statement.

Answer: See response to AQUA-I-4.

AQUA-I-6. Please provide a fixed assets / continuing property records subledger showing original cost and vintage year by National Association of Utility Regulatory Commissioners (“NARUC”) account of assets in service and associated accumulated depreciation as of 12/31/2023.

Answer: See Attached file 2020 Rhodes Sewer Depreciation for the latest depreciation schedule available to the operators of the utility.

AQUA-I-7. Please describe any liens, loans, or indentures utilizing the utility assets as collateral.

Answer: Although assets are not named as collateral, according to the affiliated interest agreement signed previously by Blaine E. Rhodes, there are substantial amounts owed to affiliated companies. These amounts are reflected on the Balance Sheets as either a negative amount in Cash In Bank and/or an A/P To Affiliated Companies.

OPERATIONS / ENVIRONMENTAL

AQUA-I-8. Please provide the Chapter 94 Reports filed by BERSC to the Pennsylvania Department of Environmental Protection (“PaDEP”) for the past three years.

Answer: Not Applicable.

AQUA-I-9. Please provide all Discharge Monitoring Reports (“DMR”) submitted to PaDEP for 2019 through the most recent report filed in 2024.

Answer: Those interested in reviewing DMR data for specific facilities may arrange a file review at DEP's regional offices or check DEP's eDMR Data Report. See Attached file Rhodes Sewer DMR for DMR's for current year 2024.

AQUA-I-10. Please provide all current PaDEP National Pollution Discharge Elimination System (“NPDES”) permits for BERSC, as well as any documents related to pending applications for same.

Answer: See Attached file NPDES F2 - Reno Village STP - PA0039225 - FINAL NPDES Permit.

AQUA-I-11. Please provide all Water Quality Management (“WQM”) Permits for BERSC, as well as any documents related to pending applications for same.

Answer: Not Applicable.

AQUA-I-12. Please provide all current PaDEP operator's license(s) for BERSC.

Answer: Current operators are Class C,E Sub Class 1,2,3,4

AQUA-I-13. Please provide all Notices of Violation, Site Inspection Reports, violation notices, Administrative Consent Orders, Corrective Action Plans, Connection Management Plans, Consent Assessments of Civil Penalty, or other compliance actions issued by PaDEP to BERSC within the last five years, and any related response from BERSC to PaDEP.

Answer: The most recent Inspection Reports and any Notices of Violation for the Rhodes Utilities are contained in PUC's 'M-2023-3042180 et al (Venango) I&E Petition for Consolidation FINAL'.

From DEP's website: The extensive range of records DEP routinely provides access to for public inspection include: notifications, inspection reports, notices of violation, enforcement orders, applications, permit review letters, sample results, remediation plans, progress reports, monitoring reports, permits, approvals, denials, public comments, civil penalty assessments, consent orders, closure reports, pollution prevention plans, monitoring well records, and external correspondence.

AQUA-I-14. Please provide the Act 537 Plans applicable to the BERSC system.

Answer: Not Applicable.

AQUA-I-15. Please describe the breakdown in ownership of the sewer laterals in BERSC's system that provide service to customers from the sewer main in the street to the structure being served.

- a. What portion is owned by BERSC?
- b. What portion is owned by the customer?

Answer: All sewer laterals are owned by the customer being served. All mains are owned by BERSC.

AQUA-I-16. Does the BERSC system have backup generators?

Answer: Portable generators are available.

AQUA-I-17. Is the BERSC system a combined sewer system?

Answer: BERSC is not a combined sewer system.

AQUA-I-18. Regarding the BERSC Wastewater Treatment Plant, please provide:

- a. Please provide a narrative explanation of the treatment process.
- b. Please provide the annual average flow.
- c. Please provide the maximum monthly average flow.
- d. Please provide the maximum month organic loading.

Answer: See Attached files BES Schematic 07152024 & BES permit application.

AQUA-I-19. Regarding the BERSC Collection System, please provide:

- a. The total lineal footage of sewer mains, broken down by gravity and force mains.

Answer: Gravity – Approx. 6 miles Force – Approx. 0.5 miles

- b. The total number of manholes

Answer: Approx. 85

- c. The number of valves.

Answer: 6 in lift stations

- d. The number of pump stations.

Answer: 2 lift stations

- e. The number, size and type of all flow meters.

Answer: One in sewage treatment plant

- f. Please provide all maps, plates, engineering drawings, as-built drawings, of the BERSC system identifying BERSC infrastructure.

Answer: Not Available.

- g. Please provide the total main breaks by year for the past three years.

Answer: None.

AQUA-I-20. Does BERSC have any significant industrial users that discharge into the system?

Answer: Yes.

AQUA-I-21. Does BERSC require any customers to have pretreatment measures in place?

Answer: Unknown.

AQUA-I-22. If BERSC does have significant industrial users or customers that require pretreatment, please provide the permit or contract under which BERSC allows discharge into the system from the customer(s).

Answer: There are no contracts.

- AQUA-I-23. Is the BERSC system interconnected with any other sewer utility system?
- a. If there is an interconnection, please provide the contract or agreement for the wastewater conveyance and/or treatment services. If no written contract exists please explain the terms upon which BERSC receives wastewater conveyance and/or treatment services and provide whatever documentation exists concerning those terms.

Answer: There are no interconnections with any other systems.

CUSTOMER SERVICE / BILLING

- AQUA-I-24. Billing information:
- a. Please provide a complete set of billing data by billing period for BERSC customers for the calendar years ended 12/31/2023, 12/31/2022, and 12/31/2021.

Answer: See attached BERSC Billing Data. Annual reports are also available on the PUC's website.

- b. Does BERSC provide free service to any customer premise?

Answer: No.

- AQUA-I-25. Please provide the number of wastewater service complaints received by BERSC from its customers in the last three years. If BERSC keeps a log of these service complaints please provide a copy.

Answer: None.

- AQUA-I-26. Please provide the current Pennsylvania Public Utility Commission approved tariff, including all rates, rules and regulations of BERSC, in Portable Document Format ("PDF") **and** in Microsoft Word or other word processing document format.

Answer: See Attached files named as bes tariff ... etc.

CYBERSECURITY

AQUA-I-27. Does BERSC have Supervisory Control and Data Acquisition (“SCADA”) system at its facilities?

Answer: No SCADA System but limited PLC access.

AQUA-I-28. If BERSC has SCADA systems at its facilities, how does the SCADA system communicate with remote sites (e.g., radio, cellular, telephone, internet, satellite)?

Answer: Internet.

AQUA-I-29. Does BERSC have remote access functionality for its information technology (“IT”) and/or operations technology (“OT”)?

Answer: Yes.

AQUA-I-30. Has a cyber risk assessment been conducted on BERSC’s IT and OT?

Answer: No.

**VENANGO WATER COMPANY – EX PARTE EMERGENCY ORDER NAMING
AQUA PENNSYLVANIA, INC. AS RECEIVER**

SECTION 529 INVESTIGATION OF VENANGO WATER COMPANY

**SECTION 529 INVESTIGATION OF SUGARCREEK WATER COMPANY, WEST
HICKORY WATER COMPANY, PLUMER WATER COMPANY, FRYBURG WATER
COMPANY, COOPERSTOWN WATER COMPANY AND BLAINE E. RHODES
SEWER COMPANY**

DOCKET NOS. M-2023-3042180, I-2023-3042312, and P-2024-3045205

**INTERROGATORIES AND REQUESTS FOR PRODUCTION OF
DOCUMENTS ON CWC – SET I**

FINANCIAL

AQUA-I-1. Please provide an organizational chart or description that fully explains the ownership structure of CWC.

Answer: CWC is a C Corporation owned by the Estate of Blaine E. Rhodes.

AQUA-I-2. Please provide all federal income tax returns for CWC for the past three years.

Answer: See Attached files 2023 Cooperstown Water, 2022 Cooperstown Water & 2021 Cooperstown Water.

AQUA-I-3. Please provide all state income tax returns for CWC for the past three years.

Answer: See response to AQUA-I-2.

AQUA-I-4. Please provide all audited financial statements of CWC for the past three years. If audited financial statements are not available, please provide all financial information related to CWC's books (including but not limited to income statement, balance sheet and cash flow statement) as of 12/31/2023, 12/31/2022, and 12/31/2021.

Answer: See Attached file Cooperstown B&I.

AQUA-I-5. Please provide a trial balance for CWC for the calendar year ended 12/31/2023, balance sheet, and income statement.

Answer: See response to AQUA-I-4

AQUA-I-6. Please provide a fixed assets / continuing property records subledger showing original cost and vintage year by National Association of Utility Regulatory Commissioners (“NARUC”) account of assets in service and associated accumulated depreciation as of 12/31/2023.

Answer: CWC does not utilize NARUC. See Attached file 2023 Cooperstown Depreciation.

AQUA-I-7. Please describe any liens, loans, or indentures utilizing the utility assets as collateral.

Answer: Although assets are not named as collateral, according to the affiliated interest agreement signed previously by Blaine E. Rhodes, there are substantial amounts owed to affiliated companies. These amounts are reflected on the Balance Sheets as either a negative amount in Cash In Bank and/or an A/P To Affiliated Companies.

OPERATIONS / ENVIRONMENTAL

AQUA-I-8. Please provide all water supply permits issued by the Pennsylvania Department of Environmental Protection (“PaDEP”) to CWC.

Answer: See Attached files Cooperstown Water Company Permits & cwc 4-Log Permit.

AQUA-I-9. Please provide the current water allocation/withdrawal permit(s) issued by PaDEP to CWC.

Answer: See response to AQUA-I-8.

AQUA-I-10. Please provide all PaDEP Chapter 110 reports for CWC for the past three years.

Answer: See contents of Attached files 2023 chapter 110 reports, 2022 chapter 110 reports & 2021 chapter 110 reports. These files contain reports for all utilities.

AQUA-I-11. Please provide all current PaDEP National Pollution Discharge Elimination System (“NPDES”) permits for CWC, as well as any documents related to pending applications for same.

Answer: Not Applicable.

AQUA-I-12. Please provide all Water Quality Management (“WQM”) Permits for CWC, as well as any documents related to pending applications for same.

Answer: Not Applicable.

AQUA-I-13. Please provide all current PaDEP operator's license(s) for CWC.

Answer: Two operators have Class A,E Sub-Class 7,8,9,10,11,12,13,14 licenses. One operator has Class C,E Sub-Class 7,8,9,11,12 license.

AQUA-I-14. Please provide all Notices of Violation, Site Inspection Reports, violation notices, Administrative Consent Orders, Corrective Action Plans, Consent Assessments of Civil Penalty, or other compliance actions issued by PaDEP to CWC within the last five years, along with any related response from CWC to PaDEP.

Answer: The most recent Inspection Reports and Notices of Violation for the Rhodes Utilities are contained in PUC's 'M-2023-3042180 et al (Venango) I&E Petition for Consolidation FINAL'.

From DEP's website: The extensive range of records DEP routinely provides access to for public inspection include: notifications, inspection reports, notices of violation, enforcement orders, applications, permit review letters, sample results, remediation plans, progress reports, monitoring reports, permits, approvals, denials, public comments, civil penalty assessments, consent orders, closure reports, pollution prevention plans, monitoring well records, and external correspondence.

AQUA-I-15. Please provide the Consumer Confidence Reports for the CWC system for the last five years.

Answer: See Attached files cwc 2023 ccr, cwc 2022 ccr, cwc 2021 ccr, cwc 2020 ccr & cwc 2019 ccr.

AQUA-I-16. Please provide all American Water Works Association ("AWWA") Water Audit Tool reports for the past three years.

Answer: CWC does not utilize AWWA Water Audit Reports.

AQUA-I-17. Please describe the breakdown in ownership of the water service lines in CWC's system that provide service to customers from the water main in the street to the structure being served.

- a. What portion is owned by CWC?
- b. What portion is owned by the customer?

Answer: All mains and main-to-curbs are owned by CWC. All service lines beyond the curb stop are owned by the customer being served.

AQUA-I-18. Does CWC have a customer lead service line replacement program?

Answer: CWC does not have a lead service line replacement program. There are no lead services within CWC's system.

AQUA-I-19. Please provide the current status of CWC's efforts to comply with 52 Pa. Code § 65.55, including whether it has begun compiling a service line inventory of all CWC and customer owned lead service lines in CWC's system.

Answer: CWC has not addressed this at this time. See response to AQUA-I-18.

AQUA-I-20. Please provide the current version of CWC's service line inventory in Microsoft Excel format.

Answer: Not Available.

AQUA-I-21. Please provide CWC's lead and copper sampling plan.

Answer: CWC does not have a Lead and Copper Rule Sample Siting Plan that contains all required elements. CWC only has sample sites for Lead and Copper Rule Sample Siting Plan.

AQUA-I-22. Do all customers of CWC have water meters?

Answer: All customers have meters.

AQUA-I-23. Does the CWC system have backup generators?

Answer: CWC has a manually switched over permanent backup generator.

AQUA-I-24. Are the customer water meters in the CWC system capable of radio frequency reading? If not, please describe how CWC reads customer meters.

Answer: Customer meters are manually read meters and are not capable of radio read.

AQUA-I-25. Source of Supply:

- a. Please provide the average day demand of each source of supply.
- b. Please provide the maximum day demand of each source of supply.

Answer: Can be determined from information contained in response to AQUA-I-10.

AQUA-I-26. Regarding the CWC Distribution System, please provide:
a. The total lineal footage of water mains.

Answer: Approx. 3.75 miles.

b. The total number of fire hydrants, broken down by public and private hydrants.

Answer: None.

c. The total number of customer water meters broken down by premise or account number, service address, and meter size.

Answer: Residential – 129 @ 5/8 X 3/4 meters.

d. The number of service lines.

Answer: Approx. 129.

e. The number of valves.

Answer: Approx. 15 main line valves. Approx. 95% of services have curb stops.

f. The type, capacity, and condition of all storage tanks.

Answer: 2 Polyethylene storage tanks at upper reservoir.

g. Please provide all maps, plates, engineering drawings, as-built drawings, of the CWC system identifying CWC infrastructure.

Answer: Not Available at this time.

h. Please provide all tap cards.

Answer: None Available.

i. Please provide the total main breaks by year for the past three years.

Answer: 2024 – 2, 2023 – 4, 2022 – 2, 2021 – 7.

j. Please provide the high and low pressures of the CWC system and the geographic location of both.

Answer: Low Pressure service - Approx. 80 psi @ low elevation and approx. 40 psi @ high elevation. High Pressure service - Approx. 120 psi @ low elevation and approx. 60 psi @ high elevation.

- AQUA-I-27. Is the CWC system interconnected with any other water utility system?
- a. Is the interconnection for emergency purposes or for purchased water supply for the regular supply for CWC customers.
 - b. If there is an interconnection, please provide the contract or agreement for the purchase of water on a regular or emergency basis. If no contract exists please explain the terms upon which CWC receives water from the water supplying entity and provide whatever documentation exists concerning those terms.

Answer: CWC has no interconnection with any other water utility system.

- AQUA-I-28. Please provide all pressure surveys performed in compliance with 52 Pa. Code § 65.6(d) for the past three years.

Answer: None completed.

CUSTOMER SERVICE / BILLING

- AQUA-I-29. Billing information:
- a. Please provide a complete set of billing data by billing period for CWC customers for the calendar years ended 12/31/2023, 12/31/2022, and 12/31/2021.

Answer: See attached CWC Billing Data. Annual reports are also available on the PUC's website.

- b. Does CWC provide free service to any customer premise?

Answer: No.

- AQUA-I-30. Please provide the number of water quality complaints received by CWC from its customers in the last three years. If CWC keeps a log of these water quality complaints please provide a copy.

Answer: None reported.

- AQUA-I-31. Please provide the current Pennsylvania Public Utility Commission approved tariff, including all rates, rules and regulations of CWC, in Portable Document Format ("PDF") **and** in Microsoft Word or other word processing document format.

Answer: See Attached files named as cwc tariff ... etc.

CYBERSECURITY

AQUA-I-32. Does CWC have Supervisory Control and Data Acquisition (“SCADA”) system at its facilities?

Answer: No SCADA System but limited PLC access with alarms.

AQUA-I-33. If CWC has SCADA systems at its facilities, how does the SCADA system communicate with remote sites (e.g., radio, cellular, telephone, internet, satellite)?

Answer: Internet.

AQUA-I-34. Does CWC have remote access functionality for its information technology (“IT”) and/or operations technology (“OT”)?

Answer: Yes.

AQUA-I-35. Has a cyber risk assessment been conducted on CWC’s IT and OT?

Answer: No.

**VENANGO WATER COMPANY – EX PARTE EMERGENCY ORDER NAMING
AQUA PENNSYLVANIA, INC. AS RECEIVER**

SECTION 529 INVESTIGATION OF VENANGO WATER COMPANY

**SECTION 529 INVESTIGATION OF SUGARCREEK WATER COMPANY, WEST
HICKORY WATER COMPANY, PLUMER WATER COMPANY, FRYBURG WATER
COMPANY, COOPERSTOWN WATER COMPANY AND BLAINE E. RHODES
SEWER COMPANY**

DOCKET NOS. M-2023-3042180, I-2023-3042312, and P-2024-3045205

**INTERROGATORIES AND REQUESTS FOR PRODUCTION OF
DOCUMENTS ON FWC – SET I**

FINANCIAL

AQUA-I-1. Please provide an organizational chart or description that fully explains the ownership structure of FWC.

Answer: FWC is a C Corporation owned by the Estate of Blaine E. Rhodes.

AQUA-I-2. Please provide all federal income tax returns for FWC for the past three years.

Answer: See Attached files 2023 Fryburg Water, 2022 Fryburg Water & 2021 Fryburg Water.

AQUA-I-3. Please provide all state income tax returns for FWC for the past three years.

Answer: See response to AQUA-I-2.

AQUA-I-4. Please provide all audited financial statements of FWC for the past three years. If audited financial statements are not available, please provide all financial information related to FWC's books (including but not limited to income statement, balance sheet and cash flow statement) as of 12/31/2023, 12/31/2022, and 12/31/2021.

Answer: See Attached file Sugarcreek B&I.

AQUA-I-5. Please provide a trial balance for FWC for the calendar year ended 12/31/2023, balance sheet, and income statement.

Answer: See response to AQUA-I-4.

AQUA-I-6. Please provide a fixed assets / continuing property records subledger showing original cost and vintage year by National Association of Utility Regulatory Commissioners (“NARUC”) account of assets in service and associated accumulated depreciation as of 12/31/2023.

Answer: FWC does not utilize NARUC. See Attached file 2023 Fryburg Depreciation.

AQUA-I-7. Please describe any liens, loans, or indentures utilizing the utility assets as collateral.

Answer: Although assets are not named as collateral, according to the affiliated interest agreement signed previously by Blaine E. Rhodes, there are substantial amounts owed to affiliated companies. These amounts are reflected on the Balance Sheets as either a negative amount in Cash In Bank and/or an A/P To Affiliated Companies.

OPERATIONS / ENVIRONMENTAL

AQUA-I-8. Please provide all water supply permits issued by the Pennsylvania Department of Environmental Protection (“PaDEP”) to FWC.

Answer: See Attached files Fryburg Water Company Permits, FWC 4-log permit, fwc well cleaning permit & fwc well 1 operation permit.

AQUA-I-9. Please provide the current water allocation/withdrawal permit(s) issued by PaDEP to FWC.

Answer: See response to AQUA-I-8.

AQUA-I-10. Please provide all PaDEP Chapter 110 reports for FWC for the past three years.

Answer: See contents of Attached files 2023 chapter 110 reports, 2022 chapter 110 reports & 2021 chapter 110 reports. These files contain reports for all utilities.

AQUA-I-11. Please provide all current PaDEP National Pollution Discharge Elimination System (“NPDES”) permits for FWC, as well as any documents related to pending applications for same.

Answer: Not Applicable.

AQUA-I-12. Please provide all Water Quality Management (“WQM”) Permits for FWC, as well as any documents related to pending applications for same.

Answer: Not Applicable.

AQUA-I-13. Please provide all current PaDEP operator's license(s) for FWC.

Answer: Two operators have Class A,E Sub-Class 7,8,9,10,11,12,13,14 licenses. One operator has Class C,E Sub-Class 7,8,9,11,12 license.

AQUA-I-14. Please provide all Notices of Violation, Site Inspection Reports, violation notices, Administrative Consent Orders, Corrective Action Plans, Consent Assessments of Civil Penalty, or other compliance actions issued by PaDEP to FWC within the last five years, along with any related response from FWC to PaDEP.

Answer: The most recent Inspection Reports and any Notices of Violation for the Rhodes Utilities are contained in PUC's 'M-2023-3042180 et al (Venango) I&E Petition for Consolidation FINAL'.

From DEP's website: The extensive range of records DEP routinely provides access to for public inspection include: notifications, inspection reports, notices of violation, enforcement orders, applications, permit review letters, sample results, remediation plans, progress reports, monitoring reports, permits, approvals, denials, public comments, civil penalty assessments, consent orders, closure reports, pollution prevention plans, monitoring well records, and external correspondence.

AQUA-I-15. Please provide the Consumer Confidence Reports for the FWC system for the last five years.

Answer: See Attached files fwc 2023 ccr, fwc 2022 ccr, fwc 2021 ccr, fwc 2020 ccr & fwc 2019 ccr.

AQUA-I-16. Please provide all American Water Works Association ("AWWA") Water Audit Tool reports for the past three years.

Answer: FWC does not utilize AWWA Water Audit Reports.

AQUA-I-17. Please describe the breakdown in ownership of the water service lines in FWC's system that provide service to customers from the water main in the street to the structure being served.

- a. What portion is owned by FWC?
- b. What portion is owned by the customer?

Answer: All mains and main-to-curbs are owned by FWC. All service lines beyond the curb stop are owned by the customer being served.

AQUA-I-18. Does FWC have a customer lead service line replacement program?

Answer: FWC does not have a lead service line replacement program. There are no lead services within FWC's system.

AQUA-I-19. Please provide the current status of FWC's efforts to comply with 52 Pa. Code § 65.55, including whether it has begun compiling a service line inventory of all FWC and customer owned lead service lines in FWC's system.

Answer: FWC has not addressed this at this time. See response to AQUA-I-18.

AQUA-I-20. Please provide the current version of FWC's service line inventory in Microsoft Excel format.

Answer: Not Available.

AQUA-I-21. Please provide FWC's lead and copper sampling plan.

Answer: FWC does not have a Lead and Copper Rule Sample Siting Plan that contains all required elements. FWC only has sample sites for Lead and Copper Rule Sample Siting Plan.

AQUA-I-22. Do all customers of FWC have water meters?

Answer: All customers have meters.

AQUA-I-23. Does the FWC system have backup generators?

Answer: Portable generators are available.

AQUA-I-24. Are the customer water meters in the FWC system capable of radio frequency reading? If not, please describe how FWC reads customer meters.

Answer: Customer meters are manually read meters and are not capable of radio read.

AQUA-I-25. Source of Supply:

- a. Please provide the average day demand of each source of supply.
- b. Please provide the maximum day demand of each source of supply.

Answer: Can be determined from information contained in response to AQUA-I-10.

AQUA-I-26. Regarding the FWC Distribution System, please provide:

a. The total lineal footage of water mains.

Answer: Approx. 6.5 miles.

b. The total number of fire hydrants, broken down by public and private hydrants.

Answer: None.

c. The total number of customer water meters broken down by premise or account number, service address, and meter size.

Answer: Residential – 78 @ 5/8 X 1/2 meters & 86 @ 5/8 X 3/4 meters, Commercial – 2 @ 1” meter, 1 @ 3/4 X 3/4 meter, 8 @ 5/8 X 1/2 meters & 5 @ 5/8 X 3/4 meters, Public – 3 @ 5/8 X 1/2 meters & 3 @ 5/8 X 3/4 meters.

d. The number of service lines.

Answer: Approx. 190.

e. The number of valves.

Answer: Approx. 20 main line valves. Approx. 95% of services have curb stops.

f. The type, capacity, and condition of all storage tanks.

Answer: 1 Concrete Clearwell & 1 Concrete Upper Reservoir.

g. Please provide all maps, plates, engineering drawings, as-built drawings, of the FWC system identifying FWC infrastructure.

Answer: Not Available at this time.

h. Please provide all tap cards.

Answer: None Available.

i. Please provide the total main breaks by year for the past three years.

Answer: 2024 – 1, 2023 – 2, 2022 – 2, 2021 – 1.

j. Please provide the high and low pressures of the FWC system and the geographic location of both.

Answer: Approx. 120 psi @ low elevation and approx. 30 psi @ high elevation

- AQUA-I-27. Is the FWC system interconnected with any other water utility system?
- a. Is the interconnection for emergency purposes or for purchased water supply for the regular supply for FWC customers.
 - b. If there is an interconnection, please provide the contract or agreement for the purchase of water on a regular or emergency basis. If no contract exists please explain the terms upon which FWC receives water from the water supplying entity and provide whatever documentation exists concerning those terms.

Answer: FWC has no interconnection with any other water utility system.

- AQUA-I-28. Please provide all pressure surveys performed in compliance with 52 Pa. Code § 65.6(d) for the past three years.

Answer: None completed.

CUSTOMER SERVICE / BILLING

- AQUA-I-29. Billing information:
- a. Please provide a complete set of billing data by billing period for FWC customers for the calendar years ended 12/31/2023, 12/31/2022, and 12/31/2021.

Answer: See attached FWC Billing Data. Annual reports are also available on the PUC's website.

- b. Does FWC provide free service to any customer premise?

Answer: No.

- AQUA-I-30. Please provide the number of water quality complaints received by FWC from its customers in the last three years. If FWC keeps a log of these water quality complaints please provide a copy.

Answer: None reported.

- AQUA-I-31. Please provide the current Pennsylvania Public Utility Commission approved tariff, including all rates, rules and regulations of FWC, in Portable Document Format ("PDF") **and** in Microsoft Word or other word processing document format.

Answer: See Attached files named as fwc tariff ... etc.

CYBERSECURITY

AQUA-I-32. Does FWC have Supervisory Control and Data Acquisition (“SCADA”) system at its facilities?

Answer: No SCADA System but limited PLC access with alarms.

AQUA-I-33. If FWC has SCADA systems at its facilities, how does the SCADA system communicate with remote sites (e.g., radio, cellular, telephone, internet, satellite)?

Answer: Internet.

AQUA-I-34. Does FWC have remote access functionality for its information technology (“IT”) and/or operations technology (“OT”)?

Answer: Yes.

AQUA-I-35. Has a cyber risk assessment been conducted on FWC’s IT and OT?

Answer: No.

**VENANGO WATER COMPANY – EX PARTE EMERGENCY ORDER NAMING
AQUA PENNSYLVANIA, INC. AS RECEIVER**

SECTION 529 INVESTIGATION OF VENANGO WATER COMPANY

**SECTION 529 INVESTIGATION OF SUGARCREEK WATER COMPANY, WEST
HICKORY WATER COMPANY, PLUMER WATER COMPANY, FRYBURG WATER
COMPANY, COOPERSTOWN WATER COMPANY AND BLAINE E. RHODES
SEWER COMPANY**

DOCKET NOS. M-2023-3042180, I-2023-3042312, and P-2024-3045205

**INTERROGATORIES AND REQUESTS FOR PRODUCTION OF
DOCUMENTS ON PWC – SET I**

FINANCIAL

AQUA-I-1. Please provide an organizational chart or description that fully explains the ownership structure of PWC.

Answer: PWC is a C Corporation owned by the Estate of Blaine E. Rhodes.

AQUA-I-2. Please provide all federal income tax returns for PWC for the past three years.

Answer: See Attached files 2023 Plumer Water, 2022 Plumer Water & 2021 Plumer Water.

AQUA-I-3. Please provide all state income tax returns for PWC for the past three years.

Answer: See response to AQUA-I-2.

AQUA-I-4. Please provide all audited financial statements of PWC for the past three years. If audited financial statements are not available, please provide all financial information related to PWC's books (including but not limited to income statement, balance sheet and cash flow statement) as of 12/31/2023, 12/31/2022, and 12/31/2021.

Answer: See Attached file Plumer B&I.

AQUA-I-5. Please provide a trial balance for PWC for the calendar year ended 12/31/2023, balance sheet, and income statement.

Answer: See response to AQUA-I-4.

AQUA-I-6. Please provide a fixed assets / continuing property records subledger showing original cost and vintage year by National Association of Utility Regulatory Commissioners (“NARUC”) account of assets in service and associated accumulated depreciation as of 12/31/2023.

Answer: PWC does not utilize NARUC. See Attached file 2023 Plumer Depreciation.

AQUA-I-7. Please describe any liens, loans, or indentures utilizing the utility assets as collateral.

Answer: Although assets are not named as collateral, according to the affiliated interest agreement signed previously by Blaine E. Rhodes, there are substantial amounts owed to affiliated companies. These amounts are reflected on the Balance Sheets as either a negative amount in Cash In Bank and/or an A/P To Affiliated Companies.

OPERATIONS / ENVIRONMENTAL

AQUA-I-8. Please provide all water supply permits issued by the Pennsylvania Department of Environmental Protection (“PaDEP”) to PWC.

Answer: See Attached files Plumer Water Company Permits.

AQUA-I-9. Please provide the current water allocation/withdrawal permit(s) issued by PaDEP to PWC.

Answer: See response to AQUA-I-8.

AQUA-I-10. Please provide all PaDEP Chapter 110 reports for PWC for the past three years.

Answer: See contents of Attached files 2023 chapter 110 reports, 2022 chapter 110 reports & 2021 chapter 110 reports. These files contain reports for all utilities.

AQUA-I-11. Please provide all current PaDEP National Pollution Discharge Elimination System (“NPDES”) permits for PWC, as well as any documents related to pending applications for same.

Answer: Not Applicable.

AQUA-I-12. Please provide all Water Quality Management (“WQM”) Permits for PWC, as well as any documents related to pending applications for same.

Answer: Not Applicable.

AQUA-I-13. Please provide all current PaDEP operator's license(s) for PWC.

Answer: Two operators have Class A,E Sub-Class 7,8,9,10,11,12,13,14 licenses. One operator has Class C,E Sub-Class 7,8,9,11,12 license.

AQUA-I-14. Please provide all Notices of Violation, Site Inspection Reports, violation notices, Administrative Consent Orders, Corrective Action Plans, Consent Assessments of Civil Penalty, or other compliance actions issued by PaDEP to PWC within the last five years, along with any related response from PWC to PaDEP.

Answer: See Attached file '6610011_Inspection_Report_3222405' for most recent inspection report.

From DEP's website: The extensive range of records DEP routinely provides access to for public inspection include: notifications, inspection reports, notices of violation, enforcement orders, applications, permit review letters, sample results, remediation plans, progress reports, monitoring reports, permits, approvals, denials, public comments, civil penalty assessments, consent orders, closure reports, pollution prevention plans, monitoring well records, and external correspondence.

AQUA-I-15. Please provide the Consumer Confidence Reports for the PWC system for the last five years.

Answer: See Attached files pwc 2023 ccr, pwc 2022 ccr, pwc 2021 ccr, pwc 2020 ccr & pwc 2019 ccr.

AQUA-I-16. Please provide all American Water Works Association ("AWWA") Water Audit Tool reports for the past three years.

Answer: PWC does not utilize AWWA Water Audit Reports.

AQUA-I-17. Please describe the breakdown in ownership of the water service lines in PWC's system that provide service to customers from the water main in the street to the structure being served.

- a. What portion is owned by PWC?
- b. What portion is owned by the customer?

Answer: All mains and main-to-curbs are owned by PWC. All service lines beyond the curb stop are owned by the customer being served.

AQUA-I-18. Does PWC have a customer lead service line replacement program?

Answer: PWC does not have a lead service line replacement program. There are no lead services within PWC's system.

AQUA-I-19. Please provide the current status of PWC's efforts to comply with 52 Pa. Code § 65.55, including whether it has begun compiling a service line inventory of all PWC and customer owned lead service lines in PWC's system.

Answer: PWC has not addressed this at this time. See response to AQUA-I-18.

AQUA-I-20. Please provide the current version of PWC's service line inventory in Microsoft Excel format.

Answer: Not Available.

AQUA-I-21. Please provide PWC's lead and copper sampling plan.

Answer: PWC does not have a Lead and Copper Rule Sample Siting Plan that contains all required elements. PWC only has sample sites for Lead and Copper Rule Sample Siting Plan.

AQUA-I-22. Do all customers of PWC have water meters?

Answer: All customers have meters.

AQUA-I-23. Does the PWC system have backup generators?

Answer: PWC owns and maintains a permanent backup generator located at the Borough of Rouseville's water plant.

AQUA-I-24. Are the customer water meters in the PWC system capable of radio frequency reading? If not, please describe how PWC reads customer meters.

Answer: Customer meters are manually read meters and are not capable of radio read.

AQUA-I-25. Source of Supply:

- a. Please provide the average day demand of each source of supply.
- b. Please provide the maximum day demand of each source of supply.

Answer: Can be determined from information contained in response to AQUA-I-10.

AQUA-I-26. Regarding the PWC Distribution System, please provide:

a. The total lineal footage of water mains.

Answer: Approx. 3 miles.

b. The total number of fire hydrants, broken down by public and private hydrants.

Answer: None.

c. The total number of customer water meters broken down by premise or account number, service address, and meter size.

Answer: Residential – 55 @ 5/8 X 1/2 meters, Commercial – 1 @ 5/8 X 1/2 meter, Public – 4 @ 5/8 X 1/2 meter.

d. The number of service lines.

Answer: Approx. 60.

e. The number of valves.

Answer: Approx. 9 main line valves. Approx. 95% of services have curb stops.

f. The type, capacity, and condition of all storage tanks.

Answer: PWC does not own any type of storage tank.

g. Please provide all maps, plates, engineering drawings, as-built drawings, of the PWC system identifying PWC infrastructure.

Answer: Not Available at this time.

h. Please provide all tap cards.

Answer: None Available.

i. Please provide the total main breaks by year for the past three years.

Answer: 2024 – 1, 2023 – 3, 2022 – 3, 2021 – 0.

j. Please provide the high and low pressures of the PWC system and the geographic location of both.

Answer: Approx. 80 psi @ low elevation and approx. 40 psi @ high elevation

- AQUA-I-27. Is the PWC system interconnected with any other water utility system?
- a. Is the interconnection for emergency purposes or for purchased water supply for the regular supply for PWC customers.
 - b. If there is an interconnection, please provide the contract or agreement for the purchase of water on a regular or emergency basis. If no contract exists please explain the terms upon which PWC receives water from the water supplying entity and provide whatever documentation exists concerning those terms.

Answer: PWC is a consecutive system interconnected with the Borough of Rouseville. All water is purchased from the Borough of Rouseville. See Attached file Rouseville Water Agreement.

- AQUA-I-28. Please provide all pressure surveys performed in compliance with 52 Pa. Code § 65.6(d) for the past three years.

Answer: None completed.

CUSTOMER SERVICE / BILLING

- AQUA-I-29. Billing information:
- a. Please provide a complete set of billing data by billing period for PWC customers for the calendar years ended 12/31/2023, 12/31/2022, and 12/31/2021.

Answer: See attached PWC Billing Data. Annual reports are also available on the PUC's website.

- b. Does PWC provide free service to any customer premise?

Answer: No.

- AQUA-I-30. Please provide the number of water quality complaints received by PWC from its customers in the last three years. If PWC keeps a log of these water quality complaints please provide a copy.

Answer: None reported.

- AQUA-I-31. Please provide the current Pennsylvania Public Utility Commission approved tariff, including all rates, rules and regulations of PWC, in Portable Document Format ("PDF") **and** in Microsoft Word or other word processing document format.

Answer: See Attached files named as pwc tariff ... etc.

CYBERSECURITY

AQUA-I-32. Does PWC have Supervisory Control and Data Acquisition (“SCADA”) system at its facilities?

Answer: No SCADA System..

AQUA-I-33. If PWC has SCADA systems at its facilities, how does the SCADA system communicate with remote sites (e.g., radio, cellular, telephone, internet, satellite)?

Answer: None.

AQUA-I-34. Does PWC have remote access functionality for its information technology (“IT”) and/or operations technology (“OT”)?

Answer: No.

AQUA-I-35. Has a cyber risk assessment been conducted on PWC’s IT and OT?

Answer: No.

**VENANGO WATER COMPANY – EX PARTE EMERGENCY ORDER NAMING
AQUA PENNSYLVANIA, INC. AS RECEIVER**

SECTION 529 INVESTIGATION OF VENANGO WATER COMPANY

**SECTION 529 INVESTIGATION OF SUGARCREEK WATER COMPANY, WEST
HICKORY WATER COMPANY, PLUMER WATER COMPANY, FRYBURG WATER
COMPANY, COOPERSTOWN WATER COMPANY AND BLAINE E. RHODES
SEWER COMPANY**

DOCKET NOS. M-2023-3042180, I-2023-3042312, and P-2024-3045205

**INTERROGATORIES AND REQUESTS FOR PRODUCTION OF
DOCUMENTS ON SWC – SET I**

FINANCIAL

AQUA-I-1. Please provide an organizational chart or description that fully explains the ownership structure of SWC.

Answer: SWC is a C Corporation owned by the Estate of Blaine E. Rhodes.

AQUA-I-2. Please provide all federal income tax returns for SWC for the past three years.

Answer: See Attached files 2023 Sugarcreek Water, 2022 Sugarcreek Water & 2021 Sugarcreek Water.

AQUA-I-3. Please provide all state income tax returns for SWC for the past three years.

Answer: See response to AQUA-I-2.

AQUA-I-4. Please provide all audited financial statements of SWC for the past three years. If audited financial statements are not available, please provide all financial information related to SWC's books (including but not limited to income statement, balance sheet and cash flow statement) as of 12/31/2023, 12/31/2022, and 12/31/2021.

Answer: See Attached file Sugarcreek B&I.

AQUA-I-5. Please provide a trial balance for SWC for the calendar year ended 12/31/2023, balance sheet, and income statement.

Answer: See response to AQUA-I-4.

AQUA-I-6. Please provide a fixed assets / continuing property records subledger showing original cost and vintage year by National Association of Utility Regulatory Commissioners (“NARUC”) account of assets in service and associated accumulated depreciation as of 12/31/2023.

Answer: SWC does not utilize NARUC. See Attached file 2023 Sugarcreek Depreciation.

AQUA-I-7. Please describe any liens, loans, or indentures utilizing the utility assets as collateral.

Answer: Although assets are not named as collateral, according to the affiliated interest agreement signed previously by Blaine E. Rhodes, there are substantial amounts owed to affiliated companies. These amounts are reflected on the Balance Sheets as either a negative amount in Cash In Bank and/or an A/P To Affiliated Companies.

OPERATIONS / ENVIRONMENTAL

AQUA-I-8. Please provide all water supply permits issued by the Pennsylvania Department of Environmental Protection (“PaDEP”) to SWC.

Answer: See Attached files Sugarcreek Water Company Permits, SWC 4-Log Permit & swc new tank permit.

AQUA-I-9. Please provide the current water allocation/withdrawal permit(s) issued by PaDEP to SWC.

Answer: See response to AQUA-I-8.

AQUA-I-10. Please provide all PaDEP Chapter 110 reports for SWC for the past three years.

Answer: See contents of Attached files 2023 chapter 110 reports, 2022 chapter 110 reports & 2021 chapter 110 reports. These files contain reports for all utilities.

AQUA-I-11. Please provide all current PaDEP National Pollution Discharge Elimination System (“NPDES”) permits for SWC, as well as any documents related to pending applications for same.

Answer: Not Applicable.

AQUA-I-12. Please provide all Water Quality Management (“WQM”) Permits for SWC, as well as any documents related to pending applications for same.

Answer: Not Applicable.

AQUA-I-13. Please provide all current PaDEP operator's license(s) for SWC.

Answer: Two operators have Class A,E Sub-Class 7,8,9,10,11,12,13,14 licenses. One operator has Class C,E Sub-Class 7,8,9,11,12 license.

AQUA-I-14. Please provide all Notices of Violation, Site Inspection Reports, violation notices, Administrative Consent Orders, Corrective Action Plans, Consent Assessments of Civil Penalty, or other compliance actions issued by PaDEP to SWC within the last five years, along with any related response from SWC to PaDEP.

Answer: The most recent Inspection Reports and any Notices of Violation for the Rhodes Utilities are contained in PUC's 'M-2023-3042180 et al (Venango) I&E Petition for Consolidation FINAL'.

From DEP's website: The extensive range of records DEP routinely provides access to for public inspection include: notifications, inspection reports, notices of violation, enforcement orders, applications, permit review letters, sample results, remediation plans, progress reports, monitoring reports, permits, approvals, denials, public comments, civil penalty assessments, consent orders, closure reports, pollution prevention plans, monitoring well records, and external correspondence.

AQUA-I-15. Please provide the Consumer Confidence Reports for the SWC system for the last five years.

Answer: See Attached files swc 2023 ccr, swc 2022 ccr, swc 2021 ccr, swc 2020 ccr & swc 2019 ccr.

AQUA-I-16. Please provide all American Water Works Association ("AWWA") Water Audit Tool reports for the past three years.

Answer: SWC does not utilize AWWA Water Audit Reports.

AQUA-I-17. Please describe the breakdown in ownership of the water service lines in SWC's system that provide service to customers from the water main in the street to the structure being served.

- a. What portion is owned by SWC?
- b. What portion is owned by the customer?

Answer: All mains and main-to-curbs are owned by SWC. All service lines beyond the curb stop are owned by the customer being served.

AQUA-I-18. Does SWC have a customer lead service line replacement program?

Answer: SWC does not have a lead service line replacement program. There are no lead services within SWC's system.

AQUA-I-19. Please provide the current status of SWC's efforts to comply with 52 Pa. Code § 65.55, including whether it has begun compiling a service line inventory of all SWC and customer owned lead service lines in SWC's system.

Answer: SWC has not addressed this at this time. See response to AQUA-I-18.

AQUA-I-20. Please provide the current version of SWC's service line inventory in Microsoft Excel format.

Answer: Not Available.

AQUA-I-21. Please provide SWC's lead and copper sampling plan.

Answer: SWC does not have a Lead and Copper Rule Sample Siting Plan that contains all required elements. SWC only has sample sites for Lead and Copper Rule Sample Siting Plan.

AQUA-I-22. Do all customers of SWC have water meters?

Answer: All customers have meters.

AQUA-I-23. Does the SWC system have backup generators?

Answer: Portable generators are available.

AQUA-I-24. Are the customer water meters in the SWC system capable of radio frequency reading? If not, please describe how SWC reads customer meters.

Answer: Customer meters are manually read meters and are not capable of radio read.

AQUA-I-25. Source of Supply:

- a. Please provide the average day demand of each source of supply.
- b. Please provide the maximum day demand of each source of supply.

Answer: Can be determined from information contained in response to AQUA-I-10.

AQUA-I-26. Regarding the SWC Distribution System, please provide:

a. The total lineal footage of water mains.

Answer: Approx. 2 miles.

b. The total number of fire hydrants, broken down by public and private hydrants.

Answer: None.

c. The total number of customer water meters broken down by premise or account number, service address, and meter size.

Answer: Residential – 70 @ 5/8 X 3/4 meters, Commercial – 1 @ 1” meter, Public – 1 @ 2” meter.

d. The number of service lines.

Answer: Approx. 75.

e. The number of valves.

Answer: Approx. 15 main line valves. Approx. 95% of services have curb stops.

f. The type, capacity, and condition of all storage tanks.

Answer: 1 Polyethylene 10,000 gallon storage tank.

g. Please provide all maps, plates, engineering drawings, as-built drawings, of the SWC system identifying SWC infrastructure.

Answer: Not Available at this time.

h. Please provide all tap cards.

Answer: None Available.

i. Please provide the total main breaks by year for the past three years.

Answer: 2024 – 3, 2023 – 1, 2022 – 3, 2021 – 0.

j. Please provide the high and low pressures of the SWC system and the geographic location of both.

Answer: Approx. 60 psi @ low elevation and approx. 40 psi @ high elevation

- AQUA-I-27. Is the SWC system interconnected with any other water utility system?
- a. Is the interconnection for emergency purposes or for purchased water supply for the regular supply for SWC customers.
 - b. If there is an interconnection, please provide the contract or agreement for the purchase of water on a regular or emergency basis. If no contract exists please explain the terms upon which SWC receives water from the water supplying entity and provide whatever documentation exists concerning those terms.

Answer: SWC has no interconnection with any other water utility system.

- AQUA-I-28. Please provide all pressure surveys performed in compliance with 52 Pa. Code § 65.6(d) for the past three years.

Answer: None completed.

CUSTOMER SERVICE / BILLING

- AQUA-I-29. Billing information:
- a. Please provide a complete set of billing data by billing period for SWC customers for the calendar years ended 12/31/2023, 12/31/2022, and 12/31/2021.

Answer: See attached SWC Billing Data. Annual reports are also available on the PUC's website.

- b. Does SWC provide free service to any customer premise?

Answer: No.

- AQUA-I-30. Please provide the number of water quality complaints received by SWC from its customers in the last three years. If SWC keeps a log of these water quality complaints please provide a copy.

Answer: None reported.

- AQUA-I-31. Please provide the current Pennsylvania Public Utility Commission approved tariff, including all rates, rules and regulations of SWC, in Portable Document Format ("PDF") **and** in Microsoft Word or other word processing document format.

Answer: See Attached files named as swc tariff ... etc.

CYBERSECURITY

AQUA-I-32. Does SWC have Supervisory Control and Data Acquisition (“SCADA”) system at its facilities?

Answer: No SCADA System but limited PLC access with alarms.

AQUA-I-33. If SWC has SCADA systems at its facilities, how does the SCADA system communicate with remote sites (e.g., radio, cellular, telephone, internet, satellite)?

Answer: Internet.

AQUA-I-34. Does SWC have remote access functionality for its information technology (“IT”) and/or operations technology (“OT”)?

Answer: Yes.

AQUA-I-35. Has a cyber risk assessment been conducted on SWC’s IT and OT?

Answer: No.

**VENANGO WATER COMPANY – EX PARTE EMERGENCY ORDER NAMING
AQUA PENNSYLVANIA, INC. AS RECEIVER**

SECTION 529 INVESTIGATION OF VENANGO WATER COMPANY

**SECTION 529 INVESTIGATION OF SUGARCREEK WATER COMPANY, WEST
HICKORY WATER COMPANY, PLUMER WATER COMPANY, FRYBURG WATER
COMPANY, COOPERSTOWN WATER COMPANY AND BLAINE E. RHODES
SEWER COMPANY**

DOCKET NOS. M-2023-3042180, I-2023-3042312, and P-2024-3045205

**INTERROGATORIES AND REQUESTS FOR PRODUCTION OF
DOCUMENTS ON WHWC – SET I**

FINANCIAL

AQUA-I-1. Please provide an organizational chart or description that fully explains the ownership structure of WHWC.

Answer: WHWC is a sole proprietorship owned by the Estate of Blaine E. Rhodes.

AQUA-I-2. Please provide all federal income tax returns for WHWC for the past three years.

Answer: BERSC is a sole proprietorship and tax returns would be associated with the Estate of Blaine E. Rhodes and are not available to the operators of the utility.

AQUA-I-3. Please provide all state income tax returns for WHWC for the past three years.

Answer: See response to AQUA-I-2.

AQUA-I-4. Please provide all audited financial statements of WHWC for the past three years. If audited financial statements are not available, please provide all financial information related to WHWC's books (including but not limited to income statement, balance sheet and cash flow statement) as of 12/31/2023, 12/31/2022, and 12/31/2021.

Answer: See Attached file West Hickory B&I for un-adjusted financial statements. Also see response to AQUA-I-1.

AQUA-I-5. Please provide a trial balance for WHWC for the calendar year ended 12/31/2023, balance sheet, and income statement.

Answer: See response to AQUA-I-4.

AQUA-I-6. Please provide a fixed assets / continuing property records subledger showing original cost and vintage year by National Association of Utility Regulatory Commissioners (“NARUC”) account of assets in service and associated accumulated depreciation as of 12/31/2023.

Answer: WHWC does not utilize NARUC. See Attached file 2023 Sugarcreek Depreciation.

AQUA-I-7. Please describe any liens, loans, or indentures utilizing the utility assets as collateral.

Answer: None.

OPERATIONS / ENVIRONMENTAL

AQUA-I-8. Please provide all water supply permits issued by the Pennsylvania Department of Environmental Protection (“PaDEP”) to WHWC.

Answer: See Attached files West Hickory Water Company Permits, WHWC 4-Log Permit & West Hickory 363W8-T2-MA1 01.04.05 (op) (1).

AQUA-I-9. Please provide the current water allocation/withdrawal permit(s) issued by PaDEP to WHWC.

Answer: See response to AQUA-I-8.

AQUA-I-10. Please provide all PaDEP Chapter 110 reports for WHWC for the past three years.

Answer: See contents of Attached files 2023 chapter 110 reports, 2022 chapter 110 reports & 2021 chapter 110 reports. These files contain reports for all utilities.

AQUA-I-11. Please provide all current PaDEP National Pollution Discharge Elimination System (“NPDES”) permits for WHWC, as well as any documents related to pending applications for same.

Answer: Not Applicable.

AQUA-I-12. Please provide all Water Quality Management (“WQM”) Permits for WHWC, as well as any documents related to pending applications for same.

Answer: Not Applicable.

AQUA-I-13. Please provide all current PaDEP operator's license(s) for WHWC.

Answer: Two operators have Class A,E Sub-Class 7,8,9,10,11,12,13,14 licenses. One operator has Class C,E Sub-Class 7,8,9,11,12 license.

AQUA-I-14. Please provide all Notices of Violation, Site Inspection Reports, violation notices, Administrative Consent Orders, Corrective Action Plans, Consent Assessments of Civil Penalty, or other compliance actions issued by PaDEP to WHWC within the last five years, along with any related response from WHWC to PaDEP.

Answer: The most recent Inspection Reports and Notices of Violation for all the Rhodes Utilities are contained in PUC's 'M-2023-3042180 et al (Venango) I&E Petition for Consolidation FINAL'.

From DEP's website: The extensive range of records DEP routinely provides access to for public inspection include: notifications, inspection reports, notices of violation, enforcement orders, applications, permit review letters, sample results, remediation plans, progress reports, monitoring reports, permits, approvals, denials, public comments, civil penalty assessments, consent orders, closure reports, pollution prevention plans, monitoring well records, and external correspondence.

AQUA-I-15. Please provide the Consumer Confidence Reports for the WHWC system for the last five years.

Answer: See Attached files whwc 2023 ccr, whwc 2022 ccr, whwc 2021 ccr, whwc 2020 ccr & whwc 2019 ccr.

AQUA-I-16. Please provide all American Water Works Association ("AWWA") Water Audit Tool reports for the past three years.

Answer: WHWC does not utilize AWWA Water Audit Reports.

AQUA-I-17. Please describe the breakdown in ownership of the water service lines in WHWC's system that provide service to customers from the water main in the street to the structure being served.

- a. What portion is owned by WHWC?
- b. What portion is owned by the customer?

Answer: All mains and main-to-curbs are owned by WHWC. All service lines beyond the curb stop are owned by the customer being served.

AQUA-I-18. Does WHWC have a customer lead service line replacement program?

Answer: WHWC does not have a lead service line replacement program. There are no lead services within WHWC's system.

AQUA-I-19. Please provide the current status of WHWC's efforts to comply with 52 Pa. Code § 65.55, including whether it has begun compiling a service line inventory of all WHWC and customer owned lead service lines in WHWC's system.

Answer: WHWC has not addressed this at this time. See response to AQUA-I-18.

AQUA-I-20. Please provide the current version of WHWC's service line inventory in Microsoft Excel format.

Answer: Not Available.

AQUA-I-21. Please provide WHWC's lead and copper sampling plan.

Answer: WHWC does not have a Lead and Copper Rule Sample Siting Plan that contains all required elements. WHWC only has sample sites for Lead and Copper Rule Sample Siting Plan.

AQUA-I-22. Do all customers of WHWC have water meters?

Answer: All customers have meters.

AQUA-I-23. Does the WHWC system have backup generators?

Answer: Portable generators are available.

AQUA-I-24. Are the customer water meters in the WHWC system capable of radio frequency reading? If not, please describe how WHWC reads customer meters.

Answer: Customer meters are manually read meters and are not capable of radio read.

AQUA-I-25. Source of Supply:

- a. Please provide the average day demand of each source of supply.
- b. Please provide the maximum day demand of each source of supply.

Answer: Can be determined from information contained in response to AQUA-I-10.

AQUA-I-26. Regarding the WHWC Distribution System, please provide:

a. The total lineal footage of water mains.

Answer: Approx. 4.5 miles.

b. The total number of fire hydrants, broken down by public and private hydrants.

Answer: None.

c. The total number of customer water meters broken down by premise or account number, service address, and meter size.

Answer: Residential – 180 @ 5/8 X 3/4 meters, Commercial – 3 @ 5/8 X 3/4 meters, Public – 2 @ 5/8 X 3/4 meters.

d. The number of service lines.

Answer: Approx. 185.

e. The number of valves.

Answer: Approx. 10 main line valves. Approx. 95% of services have curb stops.

f. The type, capacity, and condition of all storage tanks.

Answer: 1 Steel 7,000 gallon storage tank.

g. Please provide all maps, plates, engineering drawings, as-built drawings, of the WHWC system identifying WHWC infrastructure.

Answer: Not Available at this time.

h. Please provide all tap cards.

Answer: None Available.

i. Please provide the total main breaks by year for the past three years.

Answer: 2024 – 4, 2023 – 2, 2022 – 5, 2021 – 8.

j. Please provide the high and low pressures of the WHWC system and the geographic location of both.

Answer: Approx. 118 psi @ low elevation and approx. 40 psi @ high elevation

- AQUA-I-27. Is the WHWC system interconnected with any other water utility system?
- a. Is the interconnection for emergency purposes or for purchased water supply for the regular supply for WHWC customers.
 - b. If there is an interconnection, please provide the contract or agreement for the purchase of water on a regular or emergency basis. If no contract exists please explain the terms upon which WHWC receives water from the water supplying entity and provide whatever documentation exists concerning those terms.

Answer: WHWC has no interconnection with any other water utility system.

- AQUA-I-28. Please provide all pressure surveys performed in compliance with 52 Pa. Code § 65.6(d) for the past three years.

Answer: None completed.

CUSTOMER SERVICE / BILLING

- AQUA-I-29. Billing information:
- a. Please provide a complete set of billing data by billing period for WHWC customers for the calendar years ended 12/31/2023, 12/31/2022, and 12/31/2021.

Answer: See attached WHWC Billing Data. Annual reports are also available on the PUC's website.

- b. Does WHWC provide free service to any customer premise?

Answer: No.

- AQUA-I-30. Please provide the number of water quality complaints received by WHWC from its customers in the last three years. If WHWC keeps a log of these water quality complaints please provide a copy.

Answer: None reported.

- AQUA-I-31. Please provide the current Pennsylvania Public Utility Commission approved tariff, including all rates, rules and regulations of WHWC, in Portable Document Format ("PDF") **and** in Microsoft Word or other word processing document format.

Answer: See Attached files named as whwc tariff ... etc.

CYBERSECURITY

AQUA-I-32. Does WHWC have Supervisory Control and Data Acquisition (“SCADA”) system at its facilities?

Answer: No SCADA System but limited PLC access with alarms.

AQUA-I-33. If WHWC has SCADA systems at its facilities, how does the SCADA system communicate with remote sites (e.g., radio, cellular, telephone, internet, satellite)?

Answer: Internet.

AQUA-I-34. Does WHWC have remote access functionality for its information technology (“IT”) and/or operations technology (“OT”)?

Answer: Yes.

AQUA-I-35. Has a cyber risk assessment been conducted on WHWC’s IT and OT?

Answer: No.

SC-2 Exhibit 2



VIA E-FILING

October 11, 2023

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

**Re: Venango Water Company – Ex Parte Emergency Order Naming Aqua
Pennsylvania, Inc. as Receiver
Docket No. M-2023-3042180**

**Section 529 Investigation of Venango Water Company
Docket No. I-2023-3042312**

Dear Secretary Chiavetta:

Enclosed please find Aqua Pennsylvania, Inc.'s ("Aqua") Initial Status Report to the Pennsylvania Public Utility Commission ("PUC" or the "Commission") in accordance with Aqua's Receivership duties for the Venango Water Company established via the Commission's Ex Parte Emergency Order Entered August 11, 2023, Ordering Paragraph 4, Appendix A Paragraph 1.o., in Docket No. M-2023-3042180, and ratified by the Commission's Ratification Order Entered August 24, 2023. This status report is being filed in both the M-Docket and I-Docket referenced above.

If you have any questions regarding this filing, please contact me at 610-645-1130.

Sincerely,


Alexander R. Stahl
Regulatory Counsel

cc: Certificate of Service
Daniel Searfoorce, Bureau of Technical Utility Services (via email)
John Van Zant, Bureau of Technical Utility Services (via email)
Sean Donnelly, Bureau of Technical Utility Services (via email)



**INITIAL STATUS REPORT TO THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

VENANGO WATER COMPANY
AQUA PENNSYLVANIA, INC., AS RECEIVER

DOCKET NO. M-2023-3042180

DOCKET NO. I-2023-3042312

Dated: October 11, 2023

A. BACKGROUND

On August 11, 2023, the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) issued an Ex Parte Emergency Order at Docket No. M-2023-3042180 (“Receivership Order”) naming Aqua Pennsylvania, Inc. (“Aqua” or the “Company”) as Receiver for the Venango Water Company (“VWC”).¹ The VWC system serves approximately 215 customers and is comprised of two spring sources (Bellows and Shaffer Springs), one storage tank, and approximately 7 miles of mains. The Receivership Order was ratified by the Commission through its Ratification Order entered on August 24, 2023. Aqua was directed to assume its Receivership role on August 12, 2023. Included within the Commission’s Receivership Order, the Company was directed to “[s]ubmit an initial status report to the Commission within 60 days of assuming operations and then quarterly thereafter to detail any relevant updates pursuant to duties and responsibilities assigned through receivership.”²

Aqua now submits its Initial Status Report (“Status Report”) on the operations of VWC as directed by the Commission.

B. INITIAL STATUS REPORT

1. **Pre-Receivership**

On or about July 21, 2023, the Pennsylvania Department of Environmental Protection (“DEP”) issued a Do Not Consume (“DNC”) notice to the customers of VWC related to a brine spill and potential contamination of one of VWC’s sources of supply – the Bellows Spring. On August 4, 2023, the DEP issued a Notice of Violation to VWC, included with this Status Report as **Attachment A**.

Aqua received the Commission’s Receivership Order on that Friday evening and quickly convened an operations meeting the night of August 11, 2023 to stand-up its emergency response team to be onsite on August 12, 2023.

The Commission directed that Aqua provide bottled water to the VWC customers.³ Aqua arranged for a tractor trailer to deliver bottled water to the VWC customers and distributed it at the Reno Volunteer Fire Company. Aqua also arranged for a tanker of potable water to be on-site where VWC customers could fill bottles for consumption.

The Commission directed that utility service serving the VWC facilities be transferred to the Receiver.⁴ Electric service was transferred and established in Aqua’s name as Receiver in accordance with the Commission’s Receivership Order.

¹ In re: Venango Water Company, Docket No. M-2023-3042180, Ex Parte Emergency Order, Ordering Paragraph No. 4 (August 11, 2023) (hereinafter “Receivership Order”).

² Id. Ordering Paragraph No. 4, Appendix A Paragraph 1.o.

³ Id. Ordering Paragraph No. 5.

⁴ Id. Ordering Paragraph No. 8.

The Commission directed that VWC preserve all hard copy or electronic records, files, bank statements, documents, papers, or any other materials related to the offering of utility water service, including records of all contracts, agreements loans, payments, and other arrangements with affiliated companies.⁵

The Commission directed that by August 12, 2023, VWC turn over copies or originals of all books, records, accounts, and any other information, and all operations assets, including keys to locks securing facilities, buildings, and any other property, whether personal or real property, used and useful in the provision of utility water service to customers served by VWC to the Receiver.⁶ The Commission also directed that VWC, including its owners and employees, provide full and unconditional cooperation with the orderly transition of operations, management, and oversight to the Receiver.⁷

2. Financial

The Receivership Order directed Aqua to establish the financial position of VWC at the time Aqua assumed its Receivership role.⁸ Aqua is working to establish the financial position of VWC as of the start of Aqua's Receivership. VWC has previously submitted Class C Annual Reports to the Commission which includes financial and operational data, the most recent of which was submitted on June 30, 2023 and available on the Commission's website.⁹ Aqua will continue to track expenses and capital improvements related to the VWC system through deferred accounting treatment via establishment of a regulatory asset in accordance with Aqua's Receivership duties.¹⁰

3. Operations and Capital Expenditures

On August 12, 2023, Aqua began its Receivership duties for the VWC system, and Aqua arrived onsite on August 12, 2023 to assess the state of operations of the VWC system. Aqua changed the existing locks and posted its signage at the system. Included with this Status Report as **Attachment B** are pictures of the initial walkthrough of the VWC system when Aqua arrived on site. Aqua's initial concern upon assuming operations of the VWC system was the level of water in the only storage tank for the system. When Aqua arrived on site, there was approximately two feet of water in the storage tank, which if not corrected could have depressurized the system. To address this issue Aqua consulted with DEP and, after approval from DEP, turned the Bellows Spring back on and initiated another DNC notice to customers, a copy of which is included with this Status Report as **Attachment C**. The Bellows Spring was turned back on to ensure customers would have water for sanitary purposes, but not for consumption. Additionally, within the first two days of being on-site, Aqua had a tank inspection performed due to the apparent poor condition of the storage tank. That report is included in this Status Report as **Attachment D**.

⁵ Id. Ordering Paragraph No. 9.

⁶ Id. Ordering Paragraph No. 10 and 11.

⁷ Id. Ordering Paragraph No. 12.

⁸ Id. Ordering Paragraph 4, Appendix A Paragraph 1.r.

⁹ See <https://www.puc.pa.gov/pdocs/1791853.pdf>.

¹⁰ Receivership Order, Ordering Paragraph 4, Appendix A Paragraphs 1.s and 2.b.

Aqua began trucking in water from its Emlenton water treatment plant on August 14, 2023 to fill the storage tank to ensure there was enough storage for sanitary use throughout the system. As trucking continued, enough water was brought in to allow Aqua to turn off the Bellows Spring on August 15, 2023. The Bellows Spring has remained off since that date. In the first month of operation Aqua has trucked in over 1,200,000 gallons of water from Emlenton to VWC system. Inclusive of trucking costs, and if the water had been sold at Aqua's Sales to Other Utilities rate, the cost to get this water to VWC would have equated to approximately \$50,000. Aqua has not charged VWC customers for the trucked water from Emlenton.

As Aqua was stabilizing the VWC system, Aqua began testing the source and points throughout the distribution system, per DEP parameters and additional parameters Aqua believed necessary. The test results were shared with DEP and a plan for lifting the DNC was developed. After the full battery of multiple days of testing at several locations in the system showed that the water met drinking water standards, Aqua, in coordination with DEP, lifted the DNC on September 1, 2023, a copy of which is included in this Status Report as **Attachment E**. From the start of Aqua's Receivership through September 1, 2023 when the DNC was lifted Aqua collected and analyzed over 40 gallons of water, and performed more than 1,600 lab analyses for 45 lab analytes.

Aqua attended two public meetings on August 14 and September 13, 2023 to provide information to customers, and developed a website that customers can visit for information about Aqua's efforts to lift the DNC. Aqua's test results were also posted this same website: <https://www.aquawater.com/venango.php>. Aqua also met with local officials and DEP multiple times a week leading up to the DNC lift to ensure they were informed of the most recent information. Aqua directly reached out to customers that had concerns that were discussed during the public meetings or had reached out separately to Aqua, including sampling at customer homes where water quality concerns were raised.

Aqua has completed the following improvements to the VWC system since beginning its Receivership duties:

- i. Installed SCADA controls at Shaffer Spring.
- ii. Replaced the existing SCADA system to meet Aqua's operational and security requirements, and installed outdoor antenna and cabling.
- iii. Installed chemical feed pumps.
- iv. Installed a new chlorine analyzer and Aqua is working to permit it for continuous monitoring.
- v. Installed a new heating system.
- vi. Installed a pressure transducer at the water storage tank.
- vii. Installed a new service line to connect a new customer.

- viii. Conducted leak detection and Aqua is currently reviewing the results to address leaks within the system.
- ix. Conducted flushing of the system.
- x. Performed a storage tank inspection.
- xi. Updated sampling plans and emergency response plans.

The above improvements were necessary to restore and continue quality and reliable service to the customers of VWC. Aqua is developing a recommended capital plan for the VWC system and will provide recommendations on capital improvements in a subsequent status report.¹¹ Along with the capital plan Aqua will be providing a breakdown of costs incurred during the Receivership in a future status report. Aqua is pursuing low cost/no cost financing for capital improvements for the system through the Pennsylvania Infrastructure Investment Authority (“PENNVEST”). However, PENNVEST informed the Company that Aqua must be the owner of VWC to receive a grant award. The Company does not agree with this and plans to submit an application to PENNVEST for a grant for the work deemed necessary.

Since the initial event causing the issuance of the DNC, the DEP has filed an Order on against Petro Erie, Inc. on August 16, 2023 (“Petro Erie Order”), citing violations of various statutes and DEP regulations. A copy of the Petro Erie Order is included in this Status Report as **Attachment F**.

While Aqua will continue to operate the system during its Receivership, the Company does want to note that this system is in close proximity to two municipal systems, which could more easily serve the VWC customers. Aqua’s closest system is approximately 27 miles (40 minutes) away, while Sugarcreek Borough’s and the City of Franklin’s water systems are approximately 1.2 miles and 1.8 miles away from the VWC system, respectively.

As Aqua continues to operate the system to ensure compliance with the Receivership Order, Aqua will make improvements necessary to provide quality and reliable service. Aqua will have further information on operational issues in later reports.

4. Initial Customer Billing

Aqua has implemented the existing rates of VWC as set forth in VWC’s Supplement No. 24 to Water – Pa. P.U.C. No. 3, effective November 15, 2018. Aqua’s initial billing of the VWC customers occurred on September 15, 2023, and was based on mainly estimated meter readings (with some actual reads) using historical consumption. A copy of the notice accompanying the first bill from Aqua is included as **Attachment G**. Aqua is facing issues getting access to customer properties to manually read the meters. Aqua is reviewing alternative means to get actual meter reads for customers in the future. Aqua has posted the VWC tariff on Aqua’s website and will continue billing customers the rates under the VWC tariff during the pendency of the Receivership.

¹¹ Id. Ordering Paragraph 4, Appendix A Paragraph 1.c.

C. CONCLUSION

Aqua will continue to investigate the system's operations and financial status and will make necessary improvements to operate the VWC system to ensure quality service to the VWC customers for the period of its Receivership duties during the 529 proceeding. Aqua will provide an update to this Initial Status Report on or before January 9, 2024.

ATTACHMENT A



August 4, 2023

NOTICE OF VIOLATION

CERTIFIED MAIL NO. 9489 0090 0027 6506 3081 34

Venango Water Company
c/o Mr. Randall L. Rhodes, Secretary &
Mr. Kevin Rhodes, Treasurer
P.O. Box 397
Reno, PA 16343

Re: Safe Drinking Water Violations
Venango Water WTP
PWSID No. 6610014
Sugar creek Borough, Venango County

Dear Mssr. Rhodes:

As you are aware, around July 14, 2023 the Venango Water Company's ("Venango Water") public water system began to experience water quality issues and customers began to contact the water company regarding water quality issues. On July 20, 2023, the Department of Environmental Protection ("Department") was officially notified by Venango Water of a suspected discharge from a tank battery located upgradient of the Bellow Spring source. The Department confirmed this contamination and requested Venango Water to: 1) no longer utilize the Bellows Spring as a source of supply until further notice from the Department; 2) issue a Tier 1 public notice in the form of a "Do Not Consume Advisory" to all customers of the water system ("Tier 1 PN"); 3) simultaneously issue a water conservation notice to all customers of the water system; and 4) provide bottled water to all customers of the Venango Water system.

On July 21, 2023, Department staff conveyed to Venango Water that a complete version of the Tier 1 PN needed to be made available to all customers (as opposed to an abbreviated message). Department staff also began discussions of possible short-term and long-term options for Venango Water to utilize to ensure safe and potable water is continuously provided to the Venango Water customers. Additionally, the Department has conducted several inspections of the public water system and has determined that Venango Water is in violation of the Safe Drinking Water Act and its Regulations. Specifically, the Department has determined Venango Water's:

- Failure to review and update its Emergency Response Plan at least annually and as necessary to reflect changes to communication procedures and contact information pursuant to 25 Pa. Code § 109.707(c);
- Failure to develop a plan for the provision of safe and adequate drinking water under emergency circumstances pursuant to 25 Pa. Code § 109.707(a);

- Failure to develop an Emergency Response Plan that provides for corrective actions for probable emergency situations pursuant to 25 Pa. Code § 109.707(a)(6);
- Failure to implement Emergency Response Plan when necessary pursuant to 25 Pa. Code § 109.707(b);
- Failure to present the Emergency Response Plan to the Department upon request pursuant to 25 Pa. Code § 109.707(c)(2); and
- Failure to take whatever investigate or corrective action is necessary to assure that safe and potable water is continuously supplied to the users in accordance with 25 Pa. Code § 109.4(4).

Further, on July 9, 2021, the Department received a Request for Reserve Designation application for the following sources: Upper Well (Source 012); Lower Well (Source 013), and Lower Spring (014). On January 10, 2022, the Department returned the July 2021 Request for Reserve Designation application and identified six (6) deficiencies associated with the application. To date, the Department has not received an updated application, including \$50 application fee, for the reserve designation of these three (3) sources. Because the three (3) sources are not approved Reserve Sources, Venango Water's failure to conduct periodic monitoring of the water system which includes the raw water of these permitted sources violates 25 Pa. Code § 109.718.

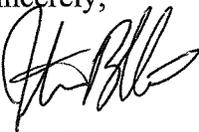
In order to return the public water system to compliance, the Department requests that Venango Water:

1. Within thirty (30) days, update the existing Emergency Response Plan to reflect changes to communication procedures and contact information. Additionally, one of the specific scenarios outlined in the Emergency Response Plan shall include the contamination of one or more sources, then both short-term and long-term measures that are anticipated to be implemented to ensure safe and potable water is continuously supplied to users of the Venango Water public water system;
2. On or before August 20, 2023, and continuing monthly thereafter until notified by the Department in writing, repeat the Tier 1 PN to all customers, including a water conservation notice;
3. Submit a certification that the Tier 1 PN requirements have been fulfilled, along with a copy of each notice, to this office within 10 days of issuing the public notice in accordance with 25 Pa. Code § 109.701(a)(4); and
4. Within thirty (30) days, complete one of the following options: 1) submit an updated Request for Reserve Designation application, including \$50 application fee, which addresses the six (6) items outlined in the January 10, 2022 return letter; 2) submit an updated Comprehensive Monitoring Plan which reflects that all permitted sources are included in future monitoring requirements for the water system; or 3) submit a permit application, including \$50 application fee, which requests the proper abandonment of any or all of the sources known as Upper Well (Source 012), Lower Well (Source 013), and Lower Spring (Source 014).

This Notice of Violation is neither an order nor any other final action of the Department. It neither imposes nor waives any enforcement action available to the Department under any of its statutes. If the Department determines that an enforcement action is appropriate, you will be notified of the action.

If you have any questions concerning this matter, please contact me by electronic mail at jblashaw@pa.gov or by telephone at 814.332.6304.

Sincerely,



Justin T. Blashaw
Environmental Group Manager
Safe Drinking Water Program

Enclosures

- cc: Desiree Rhodes, Executrix of the Estate of Blaine E. Rhodes
D. Screven, PUC (pdf only)
J. Van Zant, PUC (pdf only)
P. Zander, PUC (pdf only)
P. Cicero, Office of Consumer Advocate (pdf only)
C. Hoover, Office of Consumer Advocate (pdf only)
C. Rupert thru R. Kirby (pdf only)
File

JTB:emr



pennsylvania
 DEPARTMENT OF ENVIRONMENTAL
 PROTECTION
 NORTHWEST REGIONAL OFFICE
 230 Chestnut Street
 Meadville, PA 16335-3481

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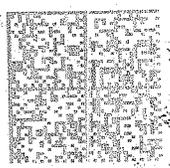
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Label 890-PB, Pitney Bowes

PITTSBURGH PA 150
 AUG 20 2003 PM 8 L

VENANGO WATER COMPANY
 C/O MR. RANDALL L. RHODES &
 MR. KEVIN RHODES,
 P.O. BOX 397
 RENO, PA 16343

16343-039797



US POSTAGE
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 0000363876 AUG 04 2023
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ATTACHMENT B

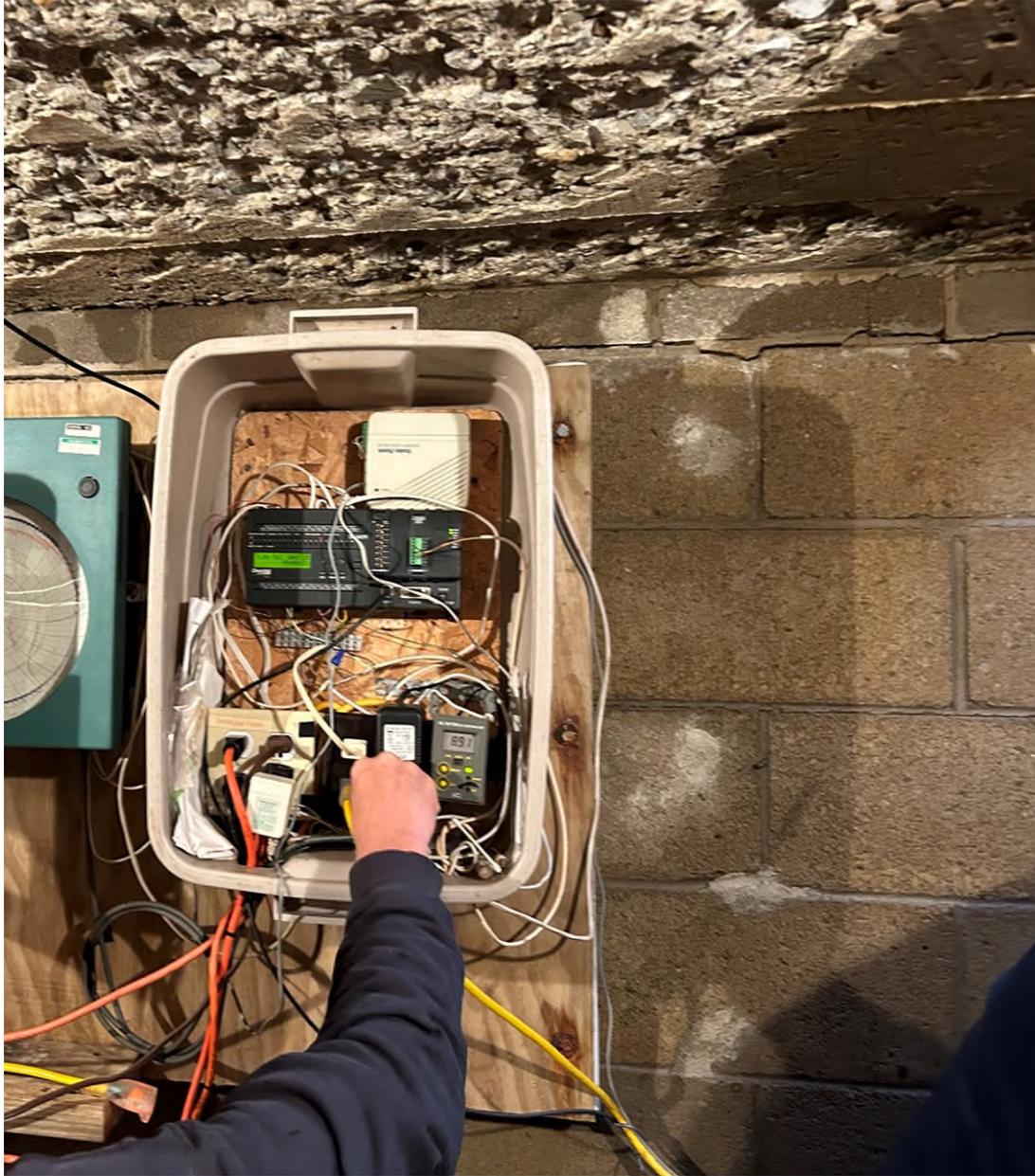




























ATTACHMENT C



PUBLIC NOTIFICATION (PN) CERTIFICATION FORM

Public Water System Name: Venango Water Company PWSID Number: 6610014

Date of Violation/Situation: August 12, 2023

Description of Violation/Situation: A contaminated source was put on-line to ensure adequate water supply for fire protection and non-potable customer use. The PN was a re-issue of PN already issued at the start of the emergency.

Notified DEP (or CHD) within 1 hour Date or NA: N/A

Consulted with DEP within 24 hours Date or NA: M/A

PN Level: Tier 1 Tier 2 Tier 3

Type of notice addressed by this certification: Initial Repeat

Methods and date of public notice deliveries to customers:

Method: WAVE (Reverse 911 System) Script attached Date: August 12, 2023

Method: Posted PN in Public Places (Fire and Social Hall) Date: August 14, 2023

Method: Distributed PN at Public Meeting Date: August 14, 2023

Method: _____ Date: _____

The public notice included the required elements: a description of the violation/situation; potential health effects; the population at risk; if alternate water supplies need to be used; when the violation/situation occurred; when the system will resolve the violation/situation; what is being done to correct the problem; actions consumers can take; water system contact information; and language encouraging broader distribution of the notice.

A copy of each type of notice that was distributed is attached to this certification form

Certified by:

As a representative of the Public Water System (PWS) indicated above, I certify that public notification addressing the above violation/situation was distributed to all customers in accordance with the prescribed content, format, deadlines and delivery requirements outlined in Chapter 25 Pa. Code Chapter 109 Subchapter D of the Department of Environmental Protection (DEP)'s regulations.

Signature:  Date: 8/23/2023

Print Name and Title: William D. Young

Phone Number: 724-347-7418 X30021

Complete and submit this form to your local DEP office **within 10 days** of issuing the public notification described above. DEP District Office and County Health Department contact information can be found within DEP document number 3930-FM-BSDW0560, which can be located by searching for document number 3930-FM-BSDW0560 in DEP's eLibrary at the following link: <http://www.depgreenport.state.pa.us/elibrary/Search>.

For DEP use only. Checked by: _____ Date: _____

Venango Wave Distribution

This is Aqua Pennsylvania - we are now operating the Venango Water Company in the Reno community.

Your system is experiencing potential contamination issues, and we're turning on impacted source water to stabilize water system pressure.

As a result you may experience discolored water, and your water system remains under a Do Not Consume order.

Visit <https://www.aquawater.com/venango.php> for more information. We'll continue to update you about your service on that webpage.

**DRINKING WATER WARNING
DO NOT CONSUME THE WATER**

NO BEBA EL AGUA

**ESTE INFORME CONTIENE INFORMACIÓN IMPORTANTE ACERCA DE SU AGUA POTABLE.
HAGA QUE ALGUIEN LO TRADUZCA PARA USTED, O HABLE CON ALGUIEN QUE LO
ENTIENDA.**

Aqua Pennsylvania is experiencing potential contamination issues with one of its sources serving the Venango Water System. **The impacted source water is being turned back on to stabilize water system pressure.** As a result, you may also experience discolored water.

On July 20, 2023, a discharge from a brine storage tank uphill of the source for Venango Water Company was identified. Due to the potential for contamination of the source, consumption of the water at Venango Water Company is not advised due to the risk to public health.

What should I do?

DO NOT DRINK THE WATER. Use bottled water or alternative sources for drinking, cooking, or food preparation **until further notice.** Throw away ice cubes if made with tap water.

DO NOT BOIL THE WATER. Boiling, freezing, filtering, or letting water stand does not reduce the potential contamination. Excessive boiling can make the potential contamination more concentrated.

What is being done?

Aqua Pennsylvania is working with the Department of Environmental Protection to investigate the discharge in the brine tank and determine the potential impact on the source for the public water system. You will be notified when the water is safe for human consumption.

Please share this information with other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.

This notice is being sent to you by Aqua Pennsylvania, Inc.

For more information, please contact:

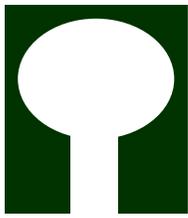
Responsible Person Steve Clark, Operations Director	System Name Venango Water Co.	Address (Street) 665 S. Dock Street
Phone Number 877.987.2782	System PWSID# PA6610014	Address (City, State, Zip) Sharon, PA 16146

PWSID#: PA6610014

Date distributed: August 12, 2023

* This notice contains regulatorily required or recommended language, and nothing herein is, is intended as, nor should be construed as, a promise of or contract for payment or reimbursement of expenses incurred for any action you take on account of this notice.

ATTACHMENT D



DIXON

**ENGINEERING & INSPECTION SERVICES
FOR THE COATING INDUSTRY**

789 Lafayette Rd.
Medina, OH 44256
Telephone: (330)983-0062
Fax: (330)725-0512

September 29, 2023

Aqua PA, Inc.
665 South Dock Street
Sharon, PA 16146

Attn: Zach Martin

Re: 400,000 Gallon Reservoir- Reno Tank (Sugarcreek, PA)
Emergency Inspection- Visual Only

Dear Mr. Martin:

On August 14, 2023, Dixon Engineering Inc. performed an emergency inspection on the 400,000-gallon water storage reservoir located in Sugarcreek, PA. The inspection was requested by Aqua PA, Inc. Purposes of the inspection were to evaluate the interior and exterior coating's performance and life expectancy, assess the condition of metal surfaces and appurtenances, review safety and health aspects, and make budgetary recommendations for continued maintenance of the tank. The tank had approximately 6' feet of water remaining in the tank so only a visual inspection of the wet interior was completed from the tank roof hatch.

The inspection was performed by Shannon Vidika, Regional Manager and AMPP/NACE Certified #10335.

CONCLUSIONS:

1. The exterior coating is in poor condition overall. The exterior coating system appears to be an aluminum system. Minimal coating remains. Coating deterioration includes spot failures to the substrate with rust undercutting, topcoat delamination, rust bleedthrough, and erosion. There are numerous coating failures throughout.
2. The wet interior coating is unknown. There appears no coating is remaining as the interior has excessive rust present. Due to the deteriorated ladder and water remaining in the tank, the interior was only inspected from the roof hatch.
3. The tank has approximately (100) repairs that were made on the tank sidewall. The repairs were mostly bolts with rubber to stop the active leaks.

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RECOMMENDATIONS:

1. Abrasive blast clean the exterior inside a dust tight containment system and repaint with a urethane system. The estimated cost is \$120,000 plus \$50,000 for containment.
2. Abrasive blast clean the entire wet interior and repaint with an 100% solids epoxy system. The estimated cost is \$190,000.
3. Install a suspended ring, impressed current cathodic protection system in the wet interior. The estimated cost is \$25,000.
4. Coat the foundation to help prevent deterioration. The cost would be incidental to exterior painting.
5. Repair areas of missing or damaged grout between the steel baseplate and the concrete foundation. The estimated cost is \$15,000.
6. Install an overflow splash pad, duckbill valve and modify overflow pipe. The estimated cost is \$12,000.
7. Install (2) 30" roof hatches. The estimated cost is \$11,000.
8. Remove the existing wet interior ladder. The estimated cost is \$2,000.
9. Repair the previous repairs on the tank sidewall with patch plates. The estimated cost is \$25,000.
10. Roof beam replacement may be necessary. Add a contingency of \$50,000.
11. Modification of the interior center column may be necessary. Add a contingency of \$30,000.
12. Install rigging couplings on the roof for temporary fall prevention of workers in the wet interior. The cost would be incidental to the next painting project.
13. Install a 30-inch diameter sidewall manway. The estimated cost is \$9,000.
14. Replace the roof vent with a pressure vacuum vent to meet current {PA DEP} requirements. The estimated cost is \$7,000.

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15. Install an exterior sidewall ladder w/fall prevention. The estimated cost is \$6,000.
16. Install a step-off platform at the top of the sidewall. The estimated cost is \$10,000.
17. Install deflector bars at the end of the fill/draw pipe in the wet interior to meet current {PA-DEP} requirements. The cost would be \$500.
18. Weld pits in the wet interior that are deeper than one half the original metal thickness. The estimated cost is \$15,000.

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COST SUMMARY:

Exterior repaint with containment	\$170,000
Wet interior repaint	190,000
Cathodic protection	25,000
Foundation repairs	15,000
Install duck bill valve and splash pad	12,000
Install a 30-inch sidewall manway	9,000
Install (2) 30" roof hatches	11,000
Remove wet interior ladder	2,000
Sidewall patch plates	25,000
Install a pressure vacuum vent	7,000
Install exterior ladder w/fall prevention device	6,000
Install a Step off platform	10,000
Fill pipe deflector bars	500
Contingency for interior steel repairs	<u>80,000</u>
Pit Welding	<u>15,000</u>
Sub Total	\$577,500
Engineering and Contingencies	<u>\$100,000</u>
Total	\$677,500

Notes: Due to the condition of the tank it may be more cost beneficial to build a new ground storage tank to take the place of this tank.

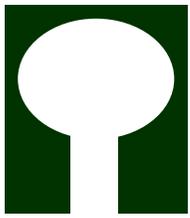
If you have any questions or concerns, please call me at (330) 983-0062 ext. 402.

Thank you for choosing DIXON for your inspection needs.

FOR DIXON ENGINEERING, INC.,

Shannon C. Vidika
Regional Manager
AMPP/NACE Certified #10335

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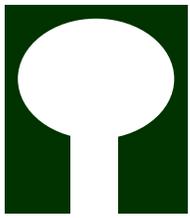
PHOTO #1: Exterior view of the tank.

PHOTO #2: Coating is in poor condition with rust and erosion.



PHOTO #3: Sidewall ladder with cage.

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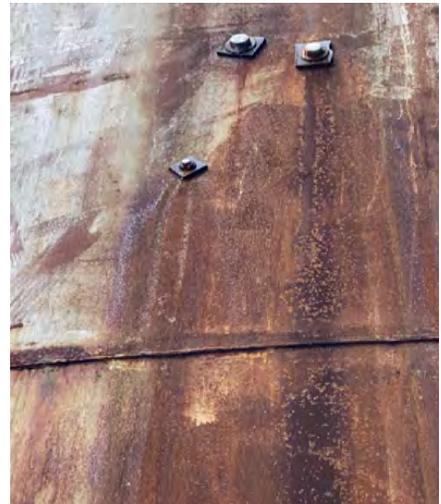
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PHOTO #4: Repairs that were previously made to stop the leaks in the tank sidewall.



PHOTO #5: Same

PHOTO #6: Same



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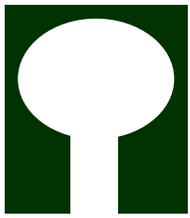
PHOTO #7: Same

PHOTO #8: Corrosion and steel loss along tank chime.



PHOTO #9: Same

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PHOTO #10: Same



PHOTO #11: Same

PHOTO #12: Missing areas of the tank concrete foundation ringwall.



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PHOTO #13: Corrosion along bottom of sidewall.

PHOTO #14: Tank foundation.



PHOTO #15: Corrosion along exterior of tank.

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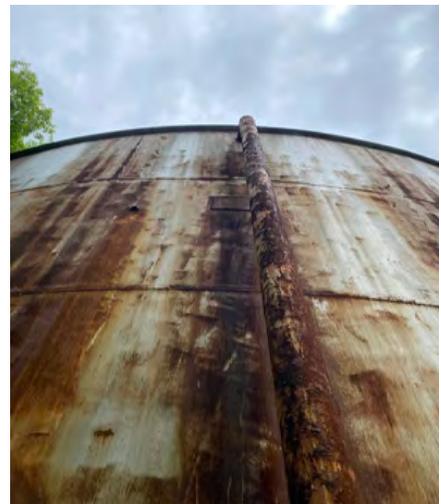
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PHOTO #16: Overflow pipe.



PHOTO #17: Discharge of overflow pipe is screened. No splash pad is present.

PHOTO #18: Overflow pipe.



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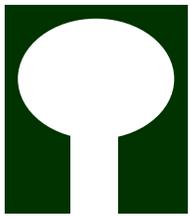
PHOTO #19: Areas of previous leak repairs.

PHOTO #20: Same



PHOTO #21: 6" tank drain valve.

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PHOTO #22: Tank foundation.

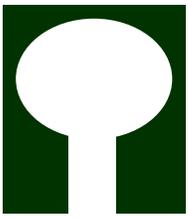


PHOTO #23: Previous leak repairs.

PHOTO #24: Overall view of tank.



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PHOTO #25: Corrosion and steel loss at the bottom of the sidewall.

PHOTO #26: Tank overflow pipe.

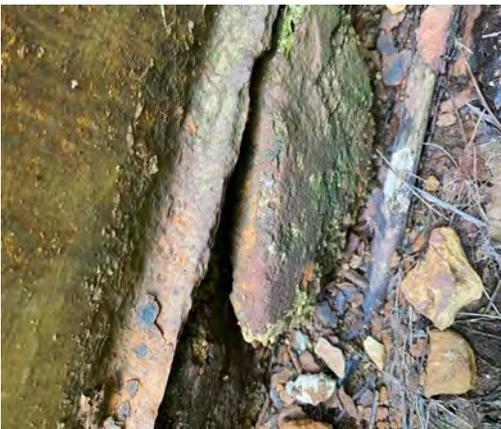
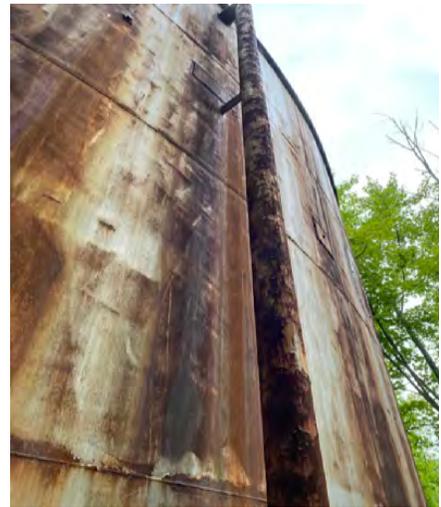


PHOTO #27: Spalling of the concrete ringwall.

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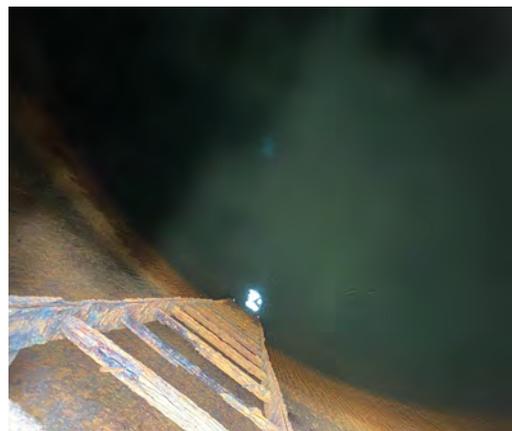
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PHOTO #28: Bolted roof hatch.



PHOTO #29: Interior sidewall ladder.

PHOTO #30: Water remaining in tank.



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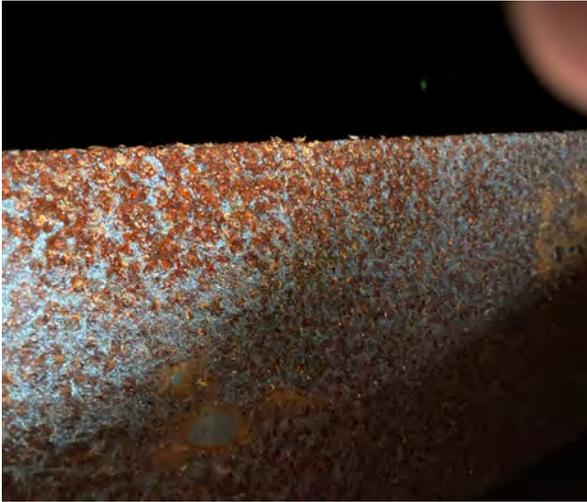


PHOTO #31: Roof beam.

PHOTO #32: Same



PHOTO #33: Top of ladder cage.

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PHOTO #34: Tank roof. No coating remaining.



PHOTO #35: Same

PHOTO #36: Flow through roof vent.



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PHOTO #37: Tank roof.

PHOTO #38: Same



PHOTO #39: Same

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PHOTO #40: Same



PHOTO #41: Roof vent screening.

PHOTO #42: Same



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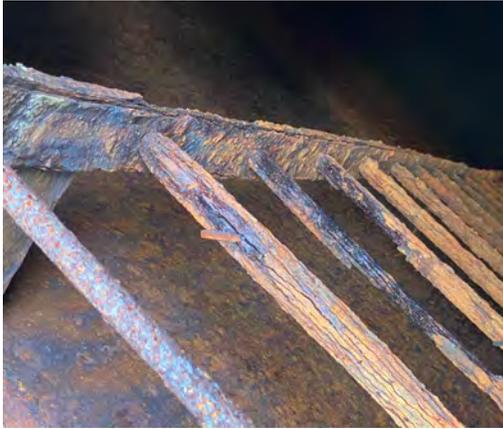


PHOTO #43: Steel loss along interior ladder.

PHOTO #44: Condition of interior sidewall.

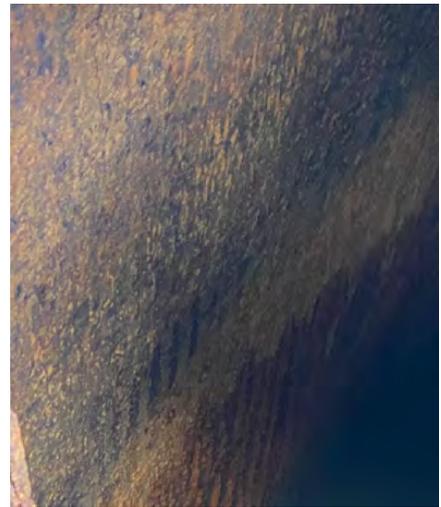
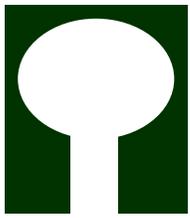


PHOTO #45: Previous leak repairs on tank sidewall.

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PHOTO #46: View of tank and sidewall manway.



PHOTO #47: View of site.

PHOTO #48: Same



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DIXON ENGINEERING, INC.
STEEL TANK FIELD INSPECTION REPORT
RESERVOIR

DATE: 8/14/2023

OWNER: Venango County- Reno Tank(Emergency Inspection for Aqua PA

TANK NAME: Reno Tank

LOCATION: Address/Cross Streets: 41-25'20.5"N, 79-45'52.2W

City: Sugarcreek

State: PA

TANK SIZE: Capacity: 400,000 gallons

Diameter: 54 feet 0 inches (measured)

Overflow (HWL): 22 feet 0 inches (measured)

Sidewall height: 24 feet 0 inches (measured)

CONSTRUCTION: Welded Riveted Bolted

Type: Reservoir Standpipe

Type of roof: Hemisphere Flat Aluminum geodesic dome

YEAR CONSTRUCTED: Unknown

USE: Fire protection only Potable water and fire protection

Exterior coating sample taken for type: Yes No

Coating information below is from: Owner personnel/specifications/email

Dixon specifications/project Exterior coating sample taken for type

COATING HISTORY	EXTERIOR	WET INTERIOR	DRY INTERIOR
YEAR COATED	<u>Unknown</u>	<u>Unknown</u>	<u>N/A</u>
CONTRACTOR	<u>Unknown</u>	<u>Unknown</u>	<u>N/A</u>
SYSTEM	<u>Unknown</u>	<u>Unknown</u>	<u>N/A</u>
MANUFACTURER	<u>Unknown</u>	<u>Unknown</u>	<u>N/A</u>
HEAVY METAL COATING SAMPLES	<input type="checkbox"/> <u>Yes</u> <input checked="" type="checkbox"/> <u>No</u>	<input type="checkbox"/> <u>Yes</u> <input checked="" type="checkbox"/> <u>No</u>	<input type="checkbox"/> <u>Yes</u> <input type="checkbox"/> <u>No</u>
HEAVY METAL BEARING	<input checked="" type="checkbox"/> <u>Unknown</u> <input type="checkbox"/> <u>No</u> <input type="checkbox"/> <u>Yes</u> _____ <u>% lead</u> _____ <u>% chromium</u>	<input checked="" type="checkbox"/> <u>Unknown</u> <input type="checkbox"/> <u>No</u> <input type="checkbox"/> <u>Yes</u> _____ <u>% lead</u> _____ <u>% chromium</u>	<input type="checkbox"/> <u>Unknown</u> <input type="checkbox"/> <u>No</u> <input type="checkbox"/> <u>Yes</u> _____ <u>% lead</u> _____ <u>% chromium</u>

PERSONNEL: Lead inspector Shannon C. Vidika

METHOD OF INSPECTION: Visual Dive ROV Float

SITE CONDITIONS

Fenced: Yes No

Site large enough for contractor's equipment: Yes No

Control building: Yes No

Antenna control site: Yes No

Number: 1 2

Type: Building Platform

Would antenna sites interfere with containment: Yes No

Power lines within 50 feet: Yes (estimated distance _____ feet) No

Are power lines attached to the structure: Yes No

Would power lines interfere with containment: Yes No

Site drainage: Toward tank Away from tank

Indications of underground leakage: Yes No

Vegetation, tree, etc. encroachment: Yes No

Rubbing on the tank: Yes No

Would there be interference with future containment: Yes No

Site comments: **Tank is located in the woods on a hill. Access may be difficult for contractors' equipment.**

EXPOSED PIPING:

N/A

FOUNDATION

Foundation exposed: Yes No

Exposed height: **0-6 inches**

Exposed foundation condition: Good Fair Poor

Damage or deterioration: Yes No

Type of damage: Cracks Spalls/chips Exposed aggregate

Severity: Minor Moderate Severe

Crack location: At the anchor bolts Random

Total spall area: **50 sq. feet (50 sq. feet need repair)**

Foundation coated: Yes No Top only

Type of baseplate gap filler: Grout Caulk Felt pad None

Undermining of foundation: Yes No

Foundation comments: **It appears the foundation may have shifted in areas. Large areas of spalling are present.**

EXTERIOR COATING

Sidewall:

Lettering: Yes No

Logo: Yes No

Topcoat condition: Good Fair Poor

Previous coat/system condition: Good Fair Poor

Describe coating: Fading Delaminating Spot coating failures
to substrate Rust undercutting Erosion Rust bleedthrough
 Micro-cracking Clear coat failures No significant coating
deterioration

Dry film thickness: 1-3 mils

Panel connections: Welded Riveted Bolted and

Metal condition: Good Fair Poor

Bottom shell steel thickness: 0.14-0.26 inches

Sidewall comments: Approximately 20% coating remains. The coating appears to be an aluminum topcoat. The sidewall has about (100) areas that have been plugged from previous leaks.

Roof:

Topcoat condition: Good Fair Poor

Previous coat/system condition: Good Fair Poor

Describe coating: Fading Delaminating Spot coating failures
to substrate Rust undercutting Erosion Rust bleedthrough
 Micro-cracking Clear coat failures No significant coating
deterioration

Dry film thickness: 1-2 mils

Metal condition: Good Fair Poor

Roof comments: 10% coating remains on the roof. Erosion is present.

EXTERIOR APPURTENANCES

Sidewall Manway:

Size: 24 inches

Cover attachment: Hinged Davit arm Bolts

Metal condition: Good Fair Poor

Anchor Bolts:

N/A

Overflow Pipe:

Diameter: 6 inches

EXTERIOR APPURTENANCES

Metal condition: **Good** **Fair** **Poor**

Discharge orientation: **Horizontal** **Vertical** **Angle**

Screen condition: **Good** **Fair** **Poor** **None present**

Percent of screen open: **100**

Flap gate/Duck bill check valve: **Yes** **No**

Air gap: **Yes** **No**

Lowest part of discharge to the ground distance: **12 inches**

Overflow discharges to: **Concrete splash pad** **Catch basin with drain**

Riprap **Funnel** **Ground** **Routes**

underground

Condition: **Good** **Fair** **Poor**

Drain Valve:

Number: **1** **2**

Type: **Babco** **Shand & Jurs** **Unknown**

Functioning properly: **Yes** **No** **Not used during inspection**

Metal condition: **Good** **Fair** **Poor**

Mud valve comments: **Located at the bottom of the tank sidewall. Valve is a 6" inch.**

Sidewall Ladder:

N/A

Height to start of ladder: **0 feet.**

Toe clearance: **Less than 7 inches** **7 inches or greater**

Width of rungs: **16+ inches** **Less than 16 inches**

Thickness of rungs: **1/2** **5/8** **3/4** **inch**

Shape of rungs: **Diamond** **Round** **Rebar**

Metal condition: **Good** **Fair** **Poor**

Fall prevention device: **Yes** **No**

Cage: **Yes** **No**

Vandal guard: **Yes** **No**

Step-off Platform:

N/A

Roof Ladder:

N/A

Roof Handrail:

N/A

EXTERIOR APPURTENANCES

Painter's Railing:

N/A

Roof Rigging Points:

N/A

Removable Cathodic Covers:

N/A

Wet Interior Roof Hatch:

Neck size: 24 30 inches

Distance from center of the tank (to outer edge): 26 feet

Shape: Round Square/Rectangle Tombstone

Handhold at opening: Yes No

Curb height: 11 inches

Cover overlap: 2 inches

Gasket on cover: No

Hatch security: Lock Rope/Wire/Bolt/Pin/Clip None

Metal condition: Good Fair Poor

Hatch comments: Hatch cover is a bolted lid

Bolted Ventilation Hatch:

N/A

Roof Vent:

Number: 1 2

Distance from center of the tank (to outer edge): 27 feet

Type: Flow-through Pressure vacuum

Neck diameter: 18 inches

Vertical screen/expanded metal condition: Good Fair Poor

None present Not accessible

Mesh size: 4 (# of wires per 1 inch)

Rain shield: Yes No

Metal condition: Good Fair Poor

Vent comments: No rain shield along sides of vent.

Aviation Lights:

N/A

EXTERIOR APPURTENANCES

Antennas:

N/A

Electric Conduit:

N/A

WET INTERIOR COATING

Roof:

Topcoat condition: Good Fair Poor

Primer coating condition: Good Fair Poor

Describe coating: Delaminating Spot coating failures to substrate Rust undercutting Rust bleedthrough Blisters

Weld burns No coating remaining

Metal condition: Good Fair Poor

Roof comments: Only visual as the tank still had around 6' feet of water.

Sidewall:

Topcoat condition: Good Fair Poor

Primer coating condition: Good Fair Poor

Describe coating: Delaminating Spot coating failures to substrate Rust undercutting Rust bleedthrough Blisters

Erosion/abrasion No coating remaining

Mineral deposits: Light Moderate Heavy

Metal condition: Good Fair Poor

Active pitting: Yes No

Panel connections: Welded Riveted Bolted

Sidewall comments: Sidewalls only visual inspected from roof hatch

Floor:

Not inspected

WET INTERIOR APPURTENANCES

Ladder:

Toe clearance: Less than 7 inches 7 inches or greater

WET INTERIOR APPURTENANCES

Width of rungs: **16+ inches** **Less than 16 inches**

Thickness of rungs: $\frac{1}{2}$ $\frac{5}{8}$ $\frac{3}{4}$ **inch**

Shape of rungs: **Diamond** **Round** **Rebar**

Shape of side rails: **Flat** **Angle** **Channel**

Metal condition: **Good** **Fair** **Poor - steel loss**

Fall prevention device: **Yes** **No**

Ladder comments: **Ladder unsafe due to severely corroded.**

Cathodic Protection:

N/A

Roof Stiffeners:

N/A

Orientation: **Radial** **Radial with support ring** **Transverse**

Metal condition: **Good** **Fair** **Poor**

Roof stiffener comments: **Unable to inspect all roof stiffeners.**

Sidewall Stiffener/Painter's Railing:

N/A

Column:

Center column shape: **Round** **Back-to-side channel** **Square**

Column comments: **Unable to determine condition.**

Overflow Pipe Inlet:

Overflow comments: **Unknown**

Fill Pipe:

Fill pipe comments: **Unknown**

Separate Draw Pipe:

Draw pipe comments: **Unknown**

Drain Pipe:

Drainpipe comments: **Valve located on exterior at bottom of sidewall.**

Mixer:

N/A

Field Inspection Report is prepared from the contractor's viewpoint. It contains information the contractor needs to prepare his bid for any repair or recoating. The engineer uses it to prepare the engineering report. Cost estimates are more accurate if the contractor's problems can be anticipated. While prepared from the contractor's viewpoint, the only intended beneficiary is the owner. These reports are completed with diligence, but the accuracy is not guaranteed. The contractor is still advised to visit the site.

RECOMMENDATIONS:

COATINGS:

Exterior: No work ABC & repaint HPWC & overcoat
 Recaulk Panels (glass lined) Recaulk Aluminum dome

Wet Interior: No work Full ABC & repaint Roof ABC and repaint
 Caulk lap seams Pit filling Recaulk Panels (glass lined)

REPAIRS:

Foundation:

Spall/Crack repair

Health:

No work
 Weld cathodic protection caps
 Modify overflow discharge
 Overflow duck bill valve
 Replace/install overflow screen
 Install overflow splash pad
 Pressure vacuum vent
 Wet interior roof hatch replacement
 Wet interior roof hatch gasket

Safety:

No work
 Roof handrail
 Painter's railing
 Painter's railing supports at butt welds
 Roof rigging couplings
 Replace sidewall ladder with fall prevention
 Vandal guard
 Wet interior ladder replacement
 Step-off platform
 Swing gate
 30 inch sidewall manway
 Fill/draw pipe deflector bars

Misc.:

No work
 Trim trees/shrubs
 Cathodic protection system
 Cathodic clips and pressure fitting
 Roof stiffener repair
 Center column top support replacement

- Mechanical mixer**
- Install/Replace sample tap**
- Chemical feed coupling**
- Remove level indicator**
- Weld patch plates on the roof/sidewall**
- Pit welding**
- Sump pump in the pit**
- Replace/verify operation of aviation lights**
- Light fixtures**
- Antenna relocation/modification**

ATTACHMENT E



**DRINKING WATER PROBLEM CORRECTED
IMPORTANT INFORMATION ABOUT YOUR DRINKING WATER**

**ESTE INFORME CONTIENE INFORMACIÓN IMPORTANTE ACERCA DE SU AGUA POTABLE. HAGA QUE
ALGUIEN LO TRADUZCA PARA USTED, O HABLE CON ALGUIEN QUE LO ENTIENDA.**

As a customer of Venango Water Company, you were notified on July 20th and August 12th, 2023, of a problem with the drinking water and were advised to discontinue drinking the water.

We are pleased to report that the problem has been corrected and that you can now resume drinking the water.

What should I do?

As a precaution, Aqua recommends customers flush any plumbing fixtures used for consumptive purposes that have not been regularly used by briefly running the water for 30 seconds prior to drinking the water. Please flush only one fixture at a time. Also, we recommend that the ice from automatic ice machines be discarded.

What Happened?

The potentially contaminated source of water supply was removed from service and will remain that way until it is determined safe to return to service. Aqua supplemented drinking water from its Aqua Pennsylvania Emlenton water system as permitted by PADEP and by supplying bottled water. Aqua coordinated with PA DEP and performed comprehensive water sampling and water main flushing across the system. The latest water sample results confirm compliance with drinking water regulatory standards.

If you have any questions, please visit: <https://www.aquawater.com/venango.php>

Customer Service: 877.987.2782

Please share this information with all the other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.

This notice is being sent to you by *Aqua Pennsylvania, Inc* on behalf of *Venango Water Company*.

ATTACHMENT F



August 16, 2023

Hand Delivered

Petro Erie, Inc.
7395 Market Road
Fairview, PA 16415-2826

RE: Order Dated August 16, 2023
Petro Erie, Inc Lower Reno Lease, Venango County, Sugarcreek Borough

Dear Mr. Rhoades:

Enclosed is an Order issued by the Pennsylvania Department of Environmental Protection.

If you have any questions, please contact Robert Bechtel at 814.573.3610 or robechtel@pa.gov.

Sincerely,

A handwritten signature in blue ink that reads "Scott M. Dudzic". The signature is fluid and cursive.

Scott M. Dudzic
Northwest District Oil and Gas Manager
District Oil and Gas Operations

Enclosure

Cc: S. Dudzic (via email with/enclosure)
R. Bechtel (via email with/enclosure)
J. Lichtinger (via email with/enclosure)
R. Willey (via email with/enclosure)
A. Wolf (via email with/enclosure)
K. Thomas (via email with/enclosure)
K. Despenes, Esq. (via email with/enclosure)
M. Braymer, Esq. (via email with/enclosure)

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

IN THE MATTER OF:

Petro Erie, Inc.	:	Clean Streams Law,
7395 Market Road	:	Land Recycling Act,
Fairview, PA 16415	:	Oil and Gas Act, and Solid
	:	Waste Management Act

ORDER

Now this 16th day of August 2023, the Commonwealth of Pennsylvania, Department of Environmental Protection (“Department”) has made and determined the following Findings and hereby issues this Order to Petro Erie, Inc.

FINDINGS

A. The Department is the agency with the duty to administer and implement the Land Recycling and Environmental Remediation Standards Act, Act of May 19, 1995, *as amended*, 35 P.S. §§ 6026.101-6026.908 (“Land Recycling Act”); and to administer and enforce The Clean Streams Law, Act of June 22, 1937, P.L. 1987, *as amended*, 35 P.S. §§ 691.1-691.1001 (“Clean Streams Law”); the Oil and Gas Act, Act of February 14, 2012, P.L. 87, No. 13, 58 Pa. C.S. §§ 3201-3274 (“Oil and Gas Act”); the Pennsylvania Safe Drinking Water Act, Act of May 1, 1984, P.L. 206, *as amended*, 35 P.S. §§ 721.1-721.17 (“Safe Drinking Water Act”); the Solid Waste Management Act, Act of July 7, 1980, P.L. 380, *as amended*, 35 P.S. §§ 6018.101-6018.1003 (“Solid Waste Management Act”); Section 1917-A of the Administrative Code of 1929, Act of April 9, 1929, P.L. 177, *as amended*, 71 P.S. § 510-17 (“Administrative Code”); and the rules and regulations promulgated thereunder (“Regulations”).

B. Petro Erie, Inc. is a Pennsylvania domestic business corporation that engages in various oil and gas exploration and production activities in Pennsylvania and maintains a registered business address of 7395 Market Road, Fairview, PA 16415 (“Petro Erie”).

C. Petro Erie is the permitted operator of 14 oil and/or gas wells located in Sugarcreek Township, Venango County, which are the subject of this Order (collectively, the “Petro Erie Wells”). A list of the Petro Erie Wells by permit number, well name and number, and municipality and county where each well is located is attached and incorporated herein as Exhibit A.

D. Some of the Petro Erie Wells are served by a tank battery, which consists of two 210-barrel steel storage tanks and four 100-barrel polyethylene storage tanks that are situated within secondary containment (“Tank Battery”).

Unpermitted Discharge of Residual Waste to Ground

E. On July 20, 2023, the Department inspected the Tank Battery in response to a complaint of a suspected release of oil and gas production fluids. During this inspection, the Department observed that the Tank Battery’s secondary containment drain valve was open and brine and/or other production fluids were draining out of the secondary containment area and onto the ground.

F. On July 21, 2023, the Department inspected the Tank Battery and observed:

1. brine and/or other production fluids were dripping from a pipeline between two of the polyethylene storage tanks in the Tank Battery;

2. the Tank Battery’s secondary containment drain valve was open and brine and/or other production fluids were draining out of the secondary containment area and onto the ground;

3. the flow path of the discharged brine and/or other production fluids extended approximately 180 feet from the Tank Battery’s secondary containment drain valve and ranged from approximately 6 to 20 feet in width (“Impacted Area”); and

4. dead and discolored vegetation was located within the Impacted Area.

G. A map depicting the approximate surface boundaries of the Impacted Area is attached and incorporated herein as Exhibit B.

H. On July 21, 2023, following the Department's inspection, the Department issued an administrative order requiring cleanup and remediation of the spill and/or release to Petro Erie ("Field Order"). A true and correct copy of the Field Order is attached and incorporated herein as Exhibit C.

I. The Field Order required Petro Erie to, among other things:

1. immediately cease and desist the discharge of a regulated substance onto the ground and/or into the waters of the Commonwealth;
2. immediately contain the released regulated substance;
3. immediately prevent any further migration of the regulated substance from the site of the release;
4. immediately prevent the regulated substance from continuing to reach or further impacting surface water or groundwater; and
5. immediately notify downstream users that a release of the regulated substance occurred.

J. Neither Petro Erie, nor any other person or entity, had or has a permit or authorization from the Department to dispose of residual waste onto the ground or into the waters of the Commonwealth.

Water Resources

K. Venango Water Company is a registered Pennsylvania corporation that maintains a mailing address of 91 Brook Street, P.O. Box 397, Reno, PA 16343.

L. Venango Water Company owns and operated a public water supply (PWSID No. 6610014) located in Sugarcreek Borough, Venango County ("Water Supply").

M. The Water Supply has multiple raw water sources, including a collection of springs that flow into two separate cisterns. The Bellows Spring consists of four springs that are piped from the springs' sources to one of those cisterns ("Bellows Spring"). The Shaffer Spring consists of four springs that are piped from the springs' sources to the other cistern ("Shaffer Spring").

N. After receiving treatment at their respective treatment plants, the treated water from the Shaffer Spring and Bellows Spring flows to a common distribution system that consists of a 400,000-gallon storage tank and serves approximately 214 residential and commercial service connections, and a population of approximately 550 customers located within the Village of Reno and the municipality of Sugarcreek Borough.

O. On October 8, 2014, water samples were collected from the Bellows Spring and the Shaffer Spring ("2014 Water Samples").

P. The Tank Battery is located approximately 0.5 miles upgradient of the Bellows Spring cistern.

Q. On or about July 20, 2023, Venango Water Company turned off the Bellows Spring source in response to dirty water complaints from its customers.

R. On July 20, 2023, Venango Water Company notified the Department of the suspected contamination of the Bellows Spring, and the Department requested that Venango Water Company issue a Tier 1 public notice in the form of a "Do Not Consume Advisory" to its customers and request that its customers voluntarily conserve water.

S. On July 21, 2023, the Department collected samples from the Tank Battery and the Bellows Spring cistern.

T. On July 24, 2023, the Department collected samples from the Tank Battery, the Bellows Spring cistern, and the Shaffer Spring cistern.

U. On July 31, 2023, the Department collected samples from the Bellows Spring cistern and the Shaffer Spring cistern.

V. On August 3 and 7, 2023, the Department collected samples from the Tank Battery, and from each of the individual four springs that flow into the Bellows Spring cistern. In addition, on August 7, 2023, the Department collected samples from entry point number 132 of the Water Supply.

W. On August 14, 2023, the Department collected samples from each of the individual four springs that flow into the Bellows Spring cistern and from the Bellows Spring cistern.

X. The samples collected by the Department from the Bellows Spring cistern on the dates identified in Paragraphs S through U, above, are hereinafter collectively referred to as the “Department’s Bellows Spring Samples.”

Y. The Department’s Bellows Spring Samples were analyzed by a laboratory, and those analytical results detected the following parameters at concentrations above their respective Maximum Contaminant Levels (“MCLs”): total dissolved solids (“TDS”), chloride, manganese, and aluminum.

Z. Aluminum, barium, magnesium, manganese, chloride, TDS, sodium, and zinc were also detected in the Department’s Bellows Spring Samples at concentrations higher than they were detected in the 2014 Water Samples.

AA. The brine and/or other production fluids discharged from the Tank Battery, as described in Paragraphs E and F, above, impacted the Bellows Spring and affected the quality of the water supplying the Water Supply.

BB. Aqua Pennsylvania, Inc. (“Aqua PA”) is a Pennsylvania registered corporation with a mailing address of 762 Lancaster Avenue, Bryn Mawr, PA 19010.

CC. On August 11, 2023, the Pennsylvania Public Utility Commission (“PUC”) issued an Ex Parte Emergency Order directing Aqua PA to act as a receiver for Venango Water Company beginning August 12, 2023 to operate the Water Supply, and continuing during the pendency of the PUC’s proceedings initiated pursuant to Section 529 of the Public Utility Code, 66 Pa. C.S. § 529.

DD. As of the date of this Order, Petro Erie has not submitted to the Department a plan to permanently restore or replace the Water Supply.

July 24, 2023 Inspection of Petro Erie Wells

EE. On July 24, 2023, the Department inspected the Petro Erie Wells and observed:

1. crude oil, brine, and/or production fluids discharged directly to the ground at the Lower Reno 19 well (Permit No. 121-45441) (“Lower Reno 19 Impacted Area”);
2. the Lower Reno 6 well (Permit No. 121-45433) (“Lower Reno 6 Well”) was spud on or about August 12, 2014, but no well record has been filed with the Department;
3. there was no production tubing head or surface casing head installed on the Lower Reno 6 Well; there was no observable cement to surface associated with any surface casing string; and the conductor pipe was neither installed by driving the conductor pipe nor was the conductor pipe cemented to surface thereby creating the potential for groundwater impacts from the infiltration of groundwater and/or production fluids to the uncemented casing strings and well bore;
4. annual production reports had not been submitted to the Department for any of the Petro Erie Wells for the 2022 reporting year;
5. mechanical integrity assessment reports had not been submitted to the Department for any of the Petro Erie Wells for the 2022 reporting year;
6. the permit number and operator’s name, address, and telephone number were not posted at any of the Petro Erie Wells; and

7. at eight of the Petro Erie Wells, there was equipment onsite that is no longer necessary for the operation of the wells. A list of these eight wells, by permit number, and well name and number, is attached and incorporated herein as Exhibit D (collectively, the “Wells with Unnecessary Equipment”).

Applicable Law

FF. Petro Erie is the “owner” and “operator,” as those terms are defined in Section 3203 of the Oil and Gas Act, 58 Pa. C.S. § 3203, of the Petro Erie Wells.

GG. Petro Erie is a “person,” as that term is defined in Section 3203 of the Oil and Gas Act, 58 Pa. C.S. § 3203; Section 103 of the Solid Waste Management Act, 35 P.S. § 6018.103; and Section 1 of the Clean Streams Law, 35 P.S. § 691.1.

HH. The crude oil, brine, and/or other production fluids described in Paragraphs E, F, and EE.1., above, are “residual wastes” and “solid wastes,” as those terms are defined in Section 103 of the Solid Waste Management Act, 35 P.S. § 6018.103.

II. The depositing of a solid waste on the ground as identified in Paragraphs E, F, and EE.1, above, constitutes “disposal” as that term is defined in Section 103 of the Solid Waste Management Act, 35 P.S. § 6018.103, and 25 Pa. Code § 287.1

JJ. Pursuant to Section 301 of the Solid Waste Management Act, 35 P.S. § 6018.301, no person shall dispose of residual waste within this Commonwealth unless such disposal is authorized by the rules and regulations of the Department.

KK. Pursuant to Section 302 of the Solid Waste Management Act, 35 P.S. § 6018.302, it is unlawful for any person to dispose or permit the disposal of any residual waste in a manner which is contrary to the rules and regulations of the Department.

LL. Pursuant to Section 610 of the Solid Waste Management Act, 35 P.S. § 6018.610, it is unlawful for any person to dump or deposit, or permit the dumping or depositing, of any solid waste

on the surface of the ground by any means, unless a permit for the dumping of such solid waste has been obtained from the Department.

MM. Pursuant to Section 3217(a) of the Oil and Gas Act, to aid in the protection of fresh groundwater, well operators shall control and dispose of brines produced from the drilling, alteration, or operation of an oil or gas well in a manner consistent with the Clean Streams Law, 35 P.S. §§ 691.1-691.1001, or any regulation promulgated under the Clean Streams Law.

NN. Pursuant to 25 Pa. Code § 78.54, a well operator shall control and dispose of fluids, residual waste, and drill cuttings, including top-hole water, brines, drilling fluids, drilling muds, stimulation fluids, well servicing fluids, oil, production fluids, and drill cuttings in a manner that prevents pollution of the waters of this Commonwealth and in accordance with 25 Pa. Code §§ 78.55-78.58 and 78.60-78.63 and with the statutes under which the Regulations are promulgated.

OO. Pursuant to 25 Pa. Code § 78.57(a), unless a permit has been obtained under 25 Pa. Code § 78.60(a) (relating to discharge requirements), the operator shall collect the brine and other fluids produced during operation, service, and plugging of the well in a tank, pit, or a series of pits or tanks, or other device approved by the Department for subsequent disposal or reuse.

PP. Pursuant to 25 Pa. Code § 78.64(d), drainage of containment facilities around oil tanks is acceptable only if: (1) the accumulation in the containment facility consists of only precipitation directly to the containment facility and drainage will not cause a harmful discharge or result in a sheen; and (2) the containment drain valve is opened and resealed, or other drainage procedure, as applicable, is conducted under responsible supervision.

QQ. Pursuant to 25 Pa. Code § 78.66(a), a release of a substance causing or threatening pollution of the waters of this Commonwealth shall comply with the reporting and corrective action requirements of 25 Pa. Code § 91.33 (relating to incidents causing or threatening pollution).

RR. Pursuant to 25 Pa. Code § 91.33(a), if, because of an accident or other activity or incident, a toxic substance or another substance which would result in pollution or create a danger of pollution of the waters is placed so that it might discharge, flow, be washed, or fall into these waters, it is the responsibility of the person at the time in charge of the substance or owning or in possession of the premises, facility, vehicle, or vessel from or on which the substance is discharged or placed to immediately notify the Department by telephone of the location and nature of the danger.

SS. Pursuant to 25 Pa. Code § 91.33(b), a person shall immediately take steps necessary to prevent injury to property and downstream users of the waters of the Commonwealth from pollution or a danger of pollution and, in addition thereto, within 15 days from the incident, shall remove from the ground and from the affected waters of this Commonwealth to the extent required by this title the residual substances contained thereon or therein.

TT. Pursuant to 25 Pa. Code §§ 78.66(b) and (c), if a reportable release of brine on or into the ground occurs at the well site, the owner or operator shall notify the Department as soon as practicable by telephone, but no later than two hours after detecting or discovering the release.

UU. Pursuant to 25 Pa. Code § 78.66(e), upon the occurrence of any release, the owner or operator shall take necessary corrective actions to prevent the substance from reaching the waters of this Commonwealth, recover or remove the substance which was released, and dispose of the substance in accordance with this subchapter or as approved by the Department.

VV. The Bellows Spring is “waters of the Commonwealth,” as defined by Section 1 of the Clean Streams Law, 35 P.S. § 691.1.

WW. The brine and/or production fluids described in Paragraphs E and F, above, are “industrial wastes” and “pollution,” as those terms are defined in Section 1 of the Clean Streams Law, 35 P.S. § 691.1

XX. Pursuant to Section 307 of the Clean Streams Law, 35 P.S. § 691.307(a), no person shall discharge or permit the discharge of industrial wastes in any manner, directly or indirectly, into any of the waters of the Commonwealth unless such discharge is authorized by the rules and regulations of the Department or such person has first obtained a permit from the Department.

YY. Pursuant to Section 402 of the Clean Streams Law, 35 P.S. § 691.402, it is unlawful for any person or municipality to put or place into any of the waters of the Commonwealth, or allow or permit to be discharged from property owned or occupied by such person or municipality into any of the waters of the Commonwealth, any substance of any kind or character that could potentially result in pollution of the waters of the Commonwealth.

ZZ. Pursuant to 25 Pa. Code § 78.73(b), an operator shall prevent brine and any other fluids or materials from below the casing seat from entering fresh groundwater and shall otherwise prevent pollution or diminution of fresh groundwater.

AAA. The Water Supply is a “system,” as defined by 25 Pa. Code § 109.1, and a “public water system” and a “community water system,” as those terms are defined in Section 3 of the Safe Drinking Water Act, 35 P.S. § 721.3, and 25 Pa. Code § 109.1.

BBB. Pursuant to Section 3218(a) of the Oil and Gas Act, 58 Pa. C.S. § 3218(a), and 25 Pa. Code § 78.51(a), a well operator who affects a public water supply by pollution shall restore or replace the affected supply with an alternate source of water adequate in quantity and quality for the purpose served by the water supply.

CCC. Pursuant to 25 Pa. Code § 78.82(2), if the operator installs conductor pipe in the well, the conductor pipe shall be installed in a manner that prevents subsurface infiltration of surface water or fluids by either driving the pipe into place or cementing the pipe from the seat to the surface.

DDD. Pursuant to 25 Pa. Code § 78.83b(a), if cement used to permanently cement the surface casing is not circulated to the surface despite pumping a volume of cement equal to or greater than 120% of the calculated annular space, the operator shall determine the top of the cement, notify the Department, and meet at least one of the additional requirements set forth in 25 Pa Code 78.83b(a)(1)-(5).

EEE. Pursuant to Section 3211(g) of the Oil and Gas Act, 58 Pa. C.S. § 3211(g), the well permit number and operator's name, address, and telephone number shall be conspicuously posted at the well site during site preparation, construction of the well site, and during drilling, operating or alteration of the well.

FFF. Pursuant to 25 Pa. Code § 78.88(e), a well operator shall submit an annual report to the Department identifying the compliance status of each well with the mechanical integrity requirements of the Regulations.

GGG. Pursuant to Section 3222(a) of the Oil and Gas Act, 58 Pa. C.S. § 3222(a), and 25 Pa. Code § 78.121(a), a well operator shall file with the Department an annual report on or before February 15th of each year specifying the amount of production on the most well-specific basis available, along with the status of each well.

HHH. Pursuant to Section 3222(b)(1) of the Oil and Gas Act, 58 Pa. C.S. § 3222(b)(1), and 25 Pa. Code § 78.122(a), a well operator shall maintain a record of each well drilled or altered and shall submit that report to the Department within 30 after the drilling of the well.

III. Pursuant to Section 3216(c) of the Oil and Gas Act, 58 Pa. C.S. § 3216(c), a well operator shall fill all pits used to contain produced fluids or industrial wastes and remove unnecessary drilling supplies/equipment not needed for production within nine months from completion of drilling of the well.

Violations

JJJ. Petro Erie's unpermitted and unauthorized disposal of brine and/or production fluids to the ground at the Impacted Area, as described in Paragraphs E, F.1., and F.2., above, violates Sections 301, 302(a), and 610 of the Solid Waste Management Act, 35 P.S. §§ 6018.301, 6018.302(a), and 6018.610(4), and 25 Pa. Code §§ 78.54 and 78.57(a).

KKK. Petro Erie's unpermitted and unauthorized disposal of crude oil, brine, and/or production fluids to the ground at the Lower Reno 19 Impacted Area, as described in Paragraph EE.1, above, violates Sections 301, 302(a), and 610 of the Solid Waste Management Act, 35 P.S. §§ 6018.301, 6018.302(a), and 6018.610(4), and 25 Pa. Code § 78.57(a).

LLL. Petro Erie's drainage of accumulation in the Tank Battery's secondary containment that did not consist of only precipitation, which caused a harmful discharge or resulted in a sheen and was not done under proper supervision, as described in Paragraphs E and F.2., above, violates 25 Pa. Code § 78.64(d).

MMM. Petro Erie's failure to notify the Department of the release of brine and/or other production fluids to the ground at the Impacted Area and the release of crude oil, brine, and/or production fluids to the ground at the Lower Reno 19 Impacted Area, as described in Paragraphs E, F, and EE.1., above, violates 25 Pa. Code §§ 78.66(a), (b), and (c).

NNN. Petro Erie's failure to notify the Department of the release of brine and/or other production fluids to the ground at the Impacted Area and the Lower Reno 19 Impacted Area, as described in Paragraphs E, F, and EE.1., above, and its failure to remove the solid waste from the ground and affected waters of the Commonwealth within 15 days from the incident violates 25 Pa. Code §§ 91.33(a) and (b).

OOO. Petro Erie's failure to take necessary corrective actions to prevent the brine and/or other production fluids that were released to the ground at the Impacted Area from reaching the

waters of this Commonwealth and its failure to recover or remove and dispose of those substances in accordance with the Regulations, as described in Paragraphs E and F, above, and its failure to recover or remove and dispose of the crude oil, brine, and/or production fluids at the Lower Reno 19 Impacted Area in accordance with the Regulations, as described in Paragraph EE.1, above, violates 25 Pa. Code § 78.66(e).

PPP. Petro Erie's failure to control and dispose of brine from an oil and gas well, as described in Paragraphs E, F, and EE.1, above, violates Section 3217(a) of the Oil and Gas Act, 58 Pa. C.S. § 3217(a).

QQQ. Petro Erie's unauthorized and unpermitted discharge of industrial wastes into the waters of the Commonwealth, as described in Paragraphs E and F, above, violates Sections 307 and 402 of the Clean Streams Law, 35 P.S. §§ 691.307(a) and 691.402, and 25 Pa. Code § 78.73(b).

RRR. Petro Erie's failure to install conductor pipe in the Lower Reno 6 Well in a manner that prevents subsurface infiltration of surface water or fluids, as described in Paragraph EE.3., above, violates 25 Pa. Code § 78.82(c).

SSS. Petro Erie's failure to meet one of the additional requirements set forth in 25 Pa Code §§ 78.83b(a)(1)-(5) after failing to circulate cement to the surface on the surface casing for the Lower Reno 6 Well, as described in Paragraph EE.3., above, violates 25 Pa. Code § 78.83b(a).

TTT. Petro Erie's failure to submit Annual Production Reports for the Petro Erie Wells, specifying the amount of production during the 2022 reporting year, as identified in Paragraph EE.4., above, violates 25 Pa. Code § 78.121(a).

UUU. Petro Erie's failure to submit Mechanical Integrity Assessment Reports for the Petro Erie Wells during the 2022 reporting year, as identified in Paragraph EE.5., above, violates 25 Pa. Code § 78.88(e).

VVV. Petro Erie's failure to submit a well record within 30 days after the drilling of the Lower Reno 6 Well, as identified in Paragraph EE.2., above, violates Section 3222(b) of the Oil and Gas Act, 58 Pa. C.S. § 3222(b), and 25 Pa. Code § 78.122(a).

WWW. Petro Erie's failure to post the well permit number and the operator's name, address, and telephone number at each of the Petro Erie Wells, as identified in Paragraph EE.6., above, violates Section 3211(g) of the Oil and Gas Act, 58 Pa. C.S. § 3211(g).

XXX. Petro Erie's failure to remove unnecessary drilling supplies/equipment not needed for production within nine months from completion of drilling of the Wells with Unnecessary Equipment, as identified in Paragraph EE.7., above, violates Section 3216(c) of the Oil and Gas Act, 58 Pa. C.S. § 3216(c).

YYY. The violations described in Paragraphs JJJ through MMM and OOO through XXX, above, constitute unlawful conduct pursuant to Section 3259 of the Oil and Gas Act, 58 Pa. C.S. § 3259; a public nuisance pursuant to Section 3252 of the Oil and Gas Act, 58 Pa. C.S. § 3252; and subject Petro Erie to civil penalty liability pursuant to Section 3256 of the Oil and Gas Act, 58 Pa. C.S. § 3256.

ZZZ. The violations described in Paragraphs NNN and QQQ, above, constitute unlawful conduct pursuant to Section 611 of the Clean Streams Law, 35 P.S. § 691.611; a statutory nuisance under Section 307(c) of the Clean Streams Law, 35 P.S. § 691.307(c); and subject Petro Erie to civil penalty liability pursuant to Section 605 of the Clean Streams Law, 35 P.S. § 691.605.

AAAA. The violations described in Paragraphs JJJ and KKK, above, constitute unlawful conduct under Sections 302 and 610 of the Solid Waste Management Act, 35 P.S. §§ 6018.302 and 6018.610; a statutory nuisance under Section 601 of the Solid Waste Management Act, 35 P.S. § 6018.601; and subject Petro Erie to civil liability under Section 605 of the Solid Waste Management Act, 35 P.S. § 6018.605.

BBBB. On July 21 and July 24, 2023, the Department sent Notices of Violation to Petro Erie for some of the violations described in Paragraphs JJJ through XXX, above.

CCCC. As of the date of this Order, Petro Erie has not corrected the violations identified in Paragraphs JJJ through XXX, above, nor has it demonstrated remediation of the release of brine and/or other production fluids at the Impacted Area or the release of crude oil, brine, and/or other production fluids at the Lower Reno 19 Impacted Area.

ORDER

NOW, THEREFORE, pursuant to Sections 3218 and 3253 of the Oil and Gas Act, 58 Pa. C.S. §§ 3218 and 3253; Section 5 of the Clean Streams Law, 35 P.S. § 691.5; Section 602 of the Solid Waste Management Act 35 P.S. § 6018.602; and Section 1917-A of the Administrative Code, 71 P.S. § 510-17, the Department hereby ORDERS Petro Erie to do the following:

1. ***Temporary Water Supply.*** Within **24 hours** after the receipt of this Order, Petro Erie shall: (1) provide a temporary supply of potable water (*e.g.*, bottled water) to the users of the Water Supply (“Temporary Water”); and (2) confirm in writing to the Department that it has provided Temporary Water to the users of the Water Supply. Petro Erie shall continue to provide Temporary Water to the users of the Water Supply as long as the “Do Not Consume Advisory,” referenced in Paragraph R, above, remains in effect. After the “Do Not Consume Advisory” is lifted, Petro Erie shall continue to provide Temporary Water to any user(s) of the Water Supply who continues to request it until Petro Erie has restored or replaced the Bellows Spring, in accordance with the requirements of Paragraph 2, below. Notwithstanding the above, if the “Do Not Consume Advisory” is reinstated prior to the Bellows Spring being restored or replaced in accordance with the requirements of Paragraph 2, below, then Petro Erie shall resume providing Temporary Water to the users of the Water Supply as long as the “Do Not Consume Advisory” remains in effect.

2. ***Permanent Water Supply.*** Within 45 days, after the date of this Order, Petro Erie shall provide a plan to restore or replace the quantity and quality of water provided by the Bellows Spring (“Restoration or Replacement Plan”). The Restoration or Replacement Plan shall include the following:

a. proposed corrective actions to permanently restore or replace the Bellows Spring, in accordance with Section 3218(a) of the Oil and Gas Act, 58 Pa. C.S. § 3218(a), and 25 Pa. Code § 78.51(d);

b. a proposed schedule to implement the corrective actions;

c. the independent laboratory, certified by the Department, that Petro Erie will use to analyze samples from the restored or replaced water supply;

d. a schedule for confirmatory sampling of the restored or replaced water supply after Petro Erie asserts that it has permanently restored or replaced the Bellows Spring. Such samples will be used to determine whether the restored and/or replaced water supply meets the standards set forth in Section 3218(a) of the Oil and Gas Act, 58 Pa. C.S. § 3218(a), and 25 Pa. Code § 78.51. The confirmatory sampling schedule should allow: for split samples with the Department; and that sampling would only take place Monday through Thursday during Department working hours and with prior advance notice to the Department before any scheduled sampling of the restored and/or replaced water supply.

e. proposed arrangements between Petro Erie and Venango Water Company and/or Aqua PA to provide for all plumbing, conveyance, pumping, or auxiliary facilities necessary for the use of the permanently restored or replaced water supply.

f. proposed arrangements between Petro Erie and Venango Water Company and/or Aqua PA documenting how Petro Erie will: (1) reimburse Venango Water Company and/or Aqua PA for any increased operating and maintenance costs incurred by Venango Water Company

and/or Aqua PA resulting from the implementation of all temporary and/or interim measures needed to provide adequate quantity and quality water for the purposes served by the Water Supply; and (2) compensate Venango Water Company and/or Aqua PA on a permanent basis for any increased operating and maintenance costs for the replaced or restored water supply.

g. if any of the actions required by Paragraphs 2.a. through 2.f., above, have been completed, the Restoration or Replacement Plan shall include a description of how and when those items were completed.

3. ***Remediation of Impacted Area and Lower Reno 19 Impacted Area.*** Petro Erie shall address the discharges and disposal of brine and/or other production fluids at the Impacted Area and the discharges and disposal of crude oil, brine, and/or other production fluids at the Lower Reno 19 Impacted Area by demonstrating attainment of one or a combination of remediation standards under the Land Recycling Act in accordance with the following:

a. within **30 days** after the date of this Order, Petro Erie shall submit to the Department, at the address identified in Paragraph 12 (Correspondence with the Department), below, for review and approval, a written plan for addressing the release of brine and/or other production fluids at the Impacted Area and the release of crude oil, brine, and/or other production fluids at the Lower Reno 19 Impacted Area, as well as a schedule for implementing the remediation at the Impacted Area and the Lower Reno 19 Impacted Area and submitting a final report demonstrating attainment of one or a combination of remediation standards under Sections 302, 303, and/or 304 of the Land Recycling Act, 35 P.S. §§ 6026.302, 6026.303, and/or 6026.304 by **July 31, 2024** (“Remediation Schedule”).

b. upon receipt of the Department’s written approval of the Remediation Schedule, Petro Erie shall address the release of brine and/or other production fluids at the Impacted Area and the release of crude oil, brine, and/or other production fluids at the Lower Reno 19 Impacted Area in accordance with the Department-approved Remediation Schedule, the Land

Recycling Act, and this Order.

4. ***Lower Reno 6 Well Integrity.***

a. Within **30 days** after the date of this Order, Petro Erie shall submit to the Department, at the address identified in Paragraph 12 (Correspondence with the Department), below, for review and approval, a written plan that identifies corrective actions addressing how Petro Erie will: (1) permanently restrict surface water from the well bore of the Lower Reno 6 Well; and (2) satisfy the requirements of 25 Pa. Code §§ 78.83b(a)(1)-(5) (“Well Bore Plan”). The Well Bore Plan shall also include an implementation schedule for implementing the corrective actions identified in the Well Bore Plan.

b. Upon receipt of the Department’s written approval of the Well Bore Plan, Petro Erie shall implement the corrective actions contained in the Department-approved Well Bore Plan in accordance with the Department-approved implementation schedule.

5. ***Well Record for Lower Reno 6 Well.*** Within **30 days** after the date of this Order, Petro Erie shall complete and submit to the Department, at the address identified in Paragraph 12 (Correspondence with the Department), below, Department Form 8000-FM-OOGM0004a, “Well Record,” in accordance with Section 3222(b) of the Oil and Gas Act, 58 Pa. C.S. § 3222(b), and 25 Pa. Code § 78.122(a).

6. ***Annual Production Reports.***

a. On or before **October 31, 2023**, Petro Erie shall submit annual production and status reports for the Petro Erie Wells for the time period from January 1 through December 31, 2022.

b. On or before **February 15, 2024**, and on or before February 15th of every year thereafter, Petro Erie shall submit production and status reports for the Petro Erie Wells for the previous reporting year.

c. The annual production and status reports shall be submitted electronically through the Department's web site and shall include, at a minimum, the amount of production for the Petro Erie Wells and all other information require under 25 Pa. Code § 78.121 on the most well-specific basis available.

7. ***Mechanical Integrity Assessment.***

a. On or before **October 31, 2023**, Petro Erie shall inspect and test the integrity of the Petro Erie Wells, in accordance with 25 Pa. Code § 78.88.

b. On or before **February 15, 2024**, Petro Erie shall complete and submit the Department Form 8000-FM-OOGM0126, "Quarterly Mechanical Integrity Assessment of Operating Oil and Gas Wells," for the Petro Erie Wells, in accordance with 25 Pa. Code § 78.88.

8. ***Posting of Operator Information.*** Within **30 days** after the date of this Order, Petro Erie shall post the well permit number and the operator's name, address, and telephone number in a conspicuous manner at the Petro Erie Wells in accordance with Section 3211(g) of the Oil and Gas Act, 58 Pa. C.S. § 3211(g).

9. ***Removal of Unnecessary Equipment.*** On or before **October 31, 2023**, Petro Erie shall remove drilling supplies/equipment not needed for production from the Wells with Unnecessary Equipment identified in Exhibit D.

10. ***Document Review and Approval by the Department.*** With regard to any document that Petro Erie is required to submit pursuant to this Order, the Department will review such document and will approve or disapprove the document or portion thereof, in writing. If the document, or any portion thereof, is disapproved by the Department, Petro Erie shall submit to the Department a revised document that addresses the Department's identified concerns within a reasonable time, as specified by the Department. The Department will approve, or modify and approve, the revised document in writing. Upon the Department's approval of a document, or any

portion thereof, such approved document, including any identified corrective action and schedule contained therein, shall become an obligation of this Order and shall be enforceable as such.

11. ***Replacement of Field Order.*** This Order replaces Petro Erie's obligations under the Field Order but does not replace the Findings of the Field Order.

12. ***Correspondence with the Department.*** All correspondence with the Department regarding this Order shall be addressed to:

Robert Bechtel
Environmental Group Manager
Northwest District Oil and Gas Operations Department of Environmental
Protection 230 Chestnut Street
Meadville, PA 16335
Telephone: (814) 573-3610
E-Mail: robechtel@pa.gov

Any person aggrieved by this action may appeal the action to the Environmental Hearing Board ("Board") pursuant to Section 4 of the Environmental Hearing Board Act, 35 P.S. § 7514, and the Administrative Agency Law, 2 Pa. C.S. Chapter 5A. The Board's address is:

Environmental Hearing Board
Rachel Carson State Office Building, Second Floor
400 Market Street
P.O. Box 8457
Harrisburg, PA 17105-8457

TDD users may contact the Environmental Hearing Board through the Pennsylvania Relay Service, 800-654-5984.

Appeals must be filed with the Board within 30 days of receipt of notice of this action unless the appropriate statute provides a different time. This paragraph does not, in and of itself, create any right of appeal beyond that permitted by applicable statutes and decisional law.

A Notice of Appeal form and the Board's rules of practice and procedure may be obtained online at <http://ehb.courtapps.com> or by contacting the Secretary to the Board at 717-787-3483. The Notice of Appeal form and the Board's rules are also available in braille and on audiotape from the

Secretary to the Board.

IMPORTANT LEGAL RIGHTS ARE AT STAKE. YOU SHOULD SHOW THIS DOCUMENT TO A LAWYER AT ONCE. IF YOU CANNOT AFFORD A LAWYER, YOU MAY QUALIFY FOR FREE PRO BONO REPRESENTATION. CALL THE SECRETARY TO THE BOARD AT 717-787-3483 FOR MORE INFORMATION. YOU DO NOT NEED A LAWYER TO FILE A NOTICE OF APPEAL WITH THE BOARD.

IF YOU WANT TO CHALLENGE THIS ACTION, YOUR APPEAL MUST BE FILED WITH AND RECEIVED BY THE BOARD WITHIN 30 DAYS OF RECEIPT OF NOTICE OF THIS ACTION.

FOR THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF ENVIRONMENTAL PROTECTION:

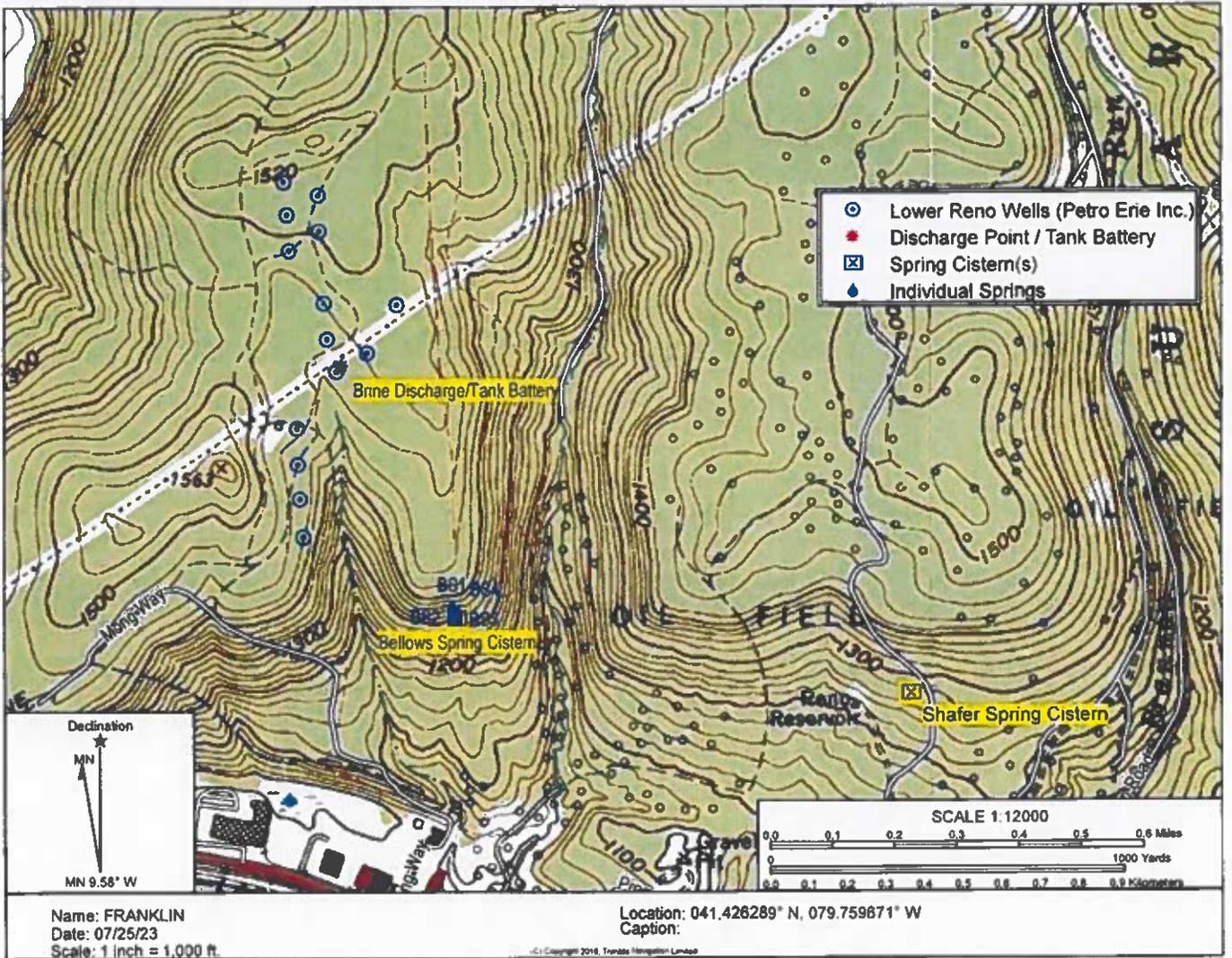


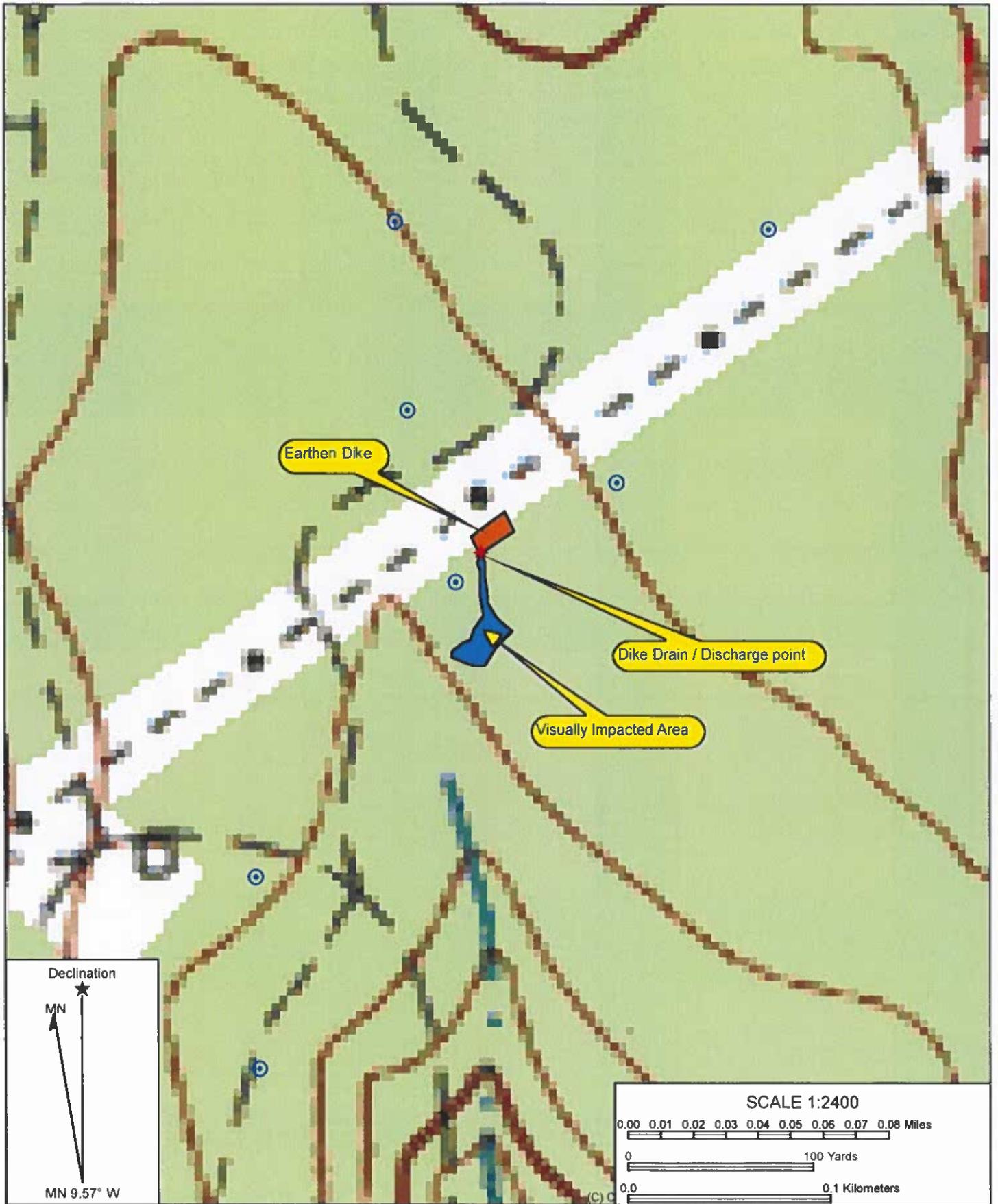
Scott Dudzic
Northwest District Oil and Gas Manager
District Oil and Gas Operations

EXHIBIT A
Petro Erie Wells

Permit Number	Well Name and Number	Municipality	County
121-44422	Lower Reno 4A	Sugarcreek Township	Venango County
121-44463	Lower Reno 1A	Sugarcreek Township	Venango County
121-44464	Lower Reno 2A	Sugarcreek Township	Venango County
121-44465	Lower Reno 3A	Sugarcreek Township	Venango County
121-44466	Lower Reno 5A	Sugarcreek Township	Venango County
121-45433	Lower Reno 6	Sugarcreek Township	Venango County
121-45434	Lower Reno 7	Sugarcreek Township	Venango County
121-45435	Lower Reno 8	Sugarcreek Township	Venango County
121-45437	Lower Reno 11	Sugarcreek Township	Venango County
121-45440	Lower Reno 18	Sugarcreek Township	Venango County
121-45441	Lower Reno 19	Sugarcreek Township	Venango County
121-45442	Lower Reno 23	Sugarcreek Township	Venango County
121-45443	Lower Reno 24	Sugarcreek Township	Venango County
121-45444	Lower Reno 28	Sugarcreek Township	Venango County

EXHIBIT B





Declination

MN

MN 9.57° W

SCALE 1:2400

0.00 0.01 0.02 0.03 0.04 0.05 0.06 0.07 0.08 Miles

0 100 Yards

0.0 0.1 Kilometers

Name: FRANKLIN
 Date: 08/15/23
 Scale: 1 inch = 200 ft.

Location: 041.427988° N, 079.768008° W
 Caption: <<Type caption here.>>

EXHIBIT C

ORDER REQUIRING CLEANUP AND REMEDIATION OF A SPILL(S) AND/OR RELEASE(S)

DEP DOCKET NUMBER:		
PERSON(S) SUBJECT TO ORDER: <i>Petro Eric Inc</i>	PHONE NO.: <i>814-881-9800</i>	EMAIL: <i>lemp@verlocity.net</i>
ADDRESS OF PERSON(S) SUBJECT TO ORDER: <i>7395 Market Rd. Fairview, PA 16415-2826</i>		MUNICIPALITY: <i>Sugarcreek</i>
PROJECT NAME/SITE ID/FACILITY NUMBER/Location of Violation(s):	COUNTY: <i>Venango</i>	GPS COORDINATES: <i>41.42808 -79.76825</i>
PERMIT NO(S): <i>121-45433 Lower Reno 6</i>	DATE OF INSPECTION: <i>7/21/2023</i>	TIME OF INSPECTION: <i>A.M. 8:00</i>
NAME AND TITLE OF RECEIVING OFFICIAL:		

The Department of Environmental Protection (Department) is the agency with the duty and authority to administer the Land Recycling and Environmental Remediation Standards Act, Act of May 19, 1995, P.L. 4, 35, 35 P.S. §§ 6026.101-6026.908 (Act 2); and to administer and enforce the Oil and Gas Act, Act of February 14, 2012, P.L. 87, No. 13, 58 Pa. C.S §§ 3201-3274 (2012 Oil and Gas Act); the Solid Waste Management Act, Act of May 1, 1984, P.L. 206, as amended, 35 P.S. §§ 6018.101-6018.1003 (Solid Waste Management Act); The Clean Streams Law, Act of June 22, 1937, P.L. 1987, as amended, 35 P.S. §§ 691.1-691.1001 (Clean Streams Law); Section 1917-A of the Administrative Code of 1929, Act of April 9, 1929, P.L. 177, as amended, 71 P.S. §510-17 (Administrative Code); and the rules and regulations promulgated thereunder.

The undersigned authorized representative of the Department has conducted an inspection of the above location on the above date and has determined that the violation(s) listed in this Order has/have occurred. This Order applies when a spill(s), discharge(s), disposal, and/or release(s) (hereinafter collectively "spill(s) or release(s)") of substances creates "pollution" and/or a danger of "pollution" to "Waters of the Commonwealth" as those terms are defined in Section 1 of the Clean Streams Law, 35 P.S. § 691.1.

Hereinafter the term "regulated substance(s)" as used in this Order shall have the same meaning as "regulated substance" as that term is defined in section 103 of Act 2, 35 P.S. § 6026.103. The regulated substance(s) that has/have been spilled or released to the ground and/or the waters of the Commonwealth as identified in this Order is/are also a "residual waste" as that term is defined in Section 103 of the Solid Waste Management Act, 35 P.S. § 6018.103, and an "industrial waste," as that term is defined in Section 1 of the Clean Streams Law, 35 P.S. § 691.1.

If applicable, each well permit issued for the well(s) identified at the location above contains the following two conditions: (1) "This permit and the permittee's authority to conduct the activities authorized by this permit are conditioned upon operator's compliance with applicable law and regulations"; and (2) "This permit does not relieve the operator from the obligation to comply with the Clean Streams Law and all statutes, rules and regulations administered by the Department.

The violation(s) identified in this Order constitutes a violation/violations, as applicable, of the well permit issued for the well(s) identified above at the location; constitutes unlawful conduct pursuant to Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3259, Section 611 of the Clean Streams Law, 35 P.S. § 691.611, and Section 302 of the Solid Waste Management Act, 35 P.S. § 6018.302; a statutory nuisance under Section 3252 of the 2012 Oil and Gas Act, 58 P.S. § 3252, Sections 307(c) and/or 402(b) of the Clean Streams Law, 35 P.S. §§ 691.307(c) and/or 402(b), and Section 601 of the Solid Waste Management Act, 35 P.S. § 6018.601; and subjects the Person(s) identified in this Order to a claim for civil penalties under Section 3256 of the 2012 Oil and Gas Act, 58 Pa. C.S § 3256, Section 605 of the Clean Streams Law, 35 P.S. § 691.605, and Section 605 of the Solid Waste Management Act, 35 P.S. § 6018.605.

Pursuant to Section 3253 of the 2012 Oil and Gas Act 58 Pa. C.S § 3253, Section 610 of the Clean Streams Law 35 P.S. § 691.610, Section 602 of the Solid Waste Management Act 35 P.S. § 6018.602; and Section 1917-A of the Administrative Code 71 P.S. § 510-17, the Department hereby ORDERS that the Person(s) Subject to this Order shall perform the corrective actions listed in this Order. Nothing contained in this Order shall be construed to relieve or limit the obligations of the above mentioned persons, including, but not limited to, the "well operator" as that term is defined in Section 3203 of the 2012 Oil and Gas Act, 58 Pa. C.S § 3203, of any well/project/site/facility/location included in this Order to comply with the terms and conditions of any permit, if applicable, existing or hereafter issued by the Department to the operator, or to limit any civil or criminal liability of the person. Additional requirements may be imposed in the future by subsequent Department orders or other actions.

Joint and Several Responsibility (As Applicable): The Persons Subject to this Order as identified above are jointly and severally responsible for the obligations under this Order.

VIOLATIONS

- UNAUTHORIZED SPILL(S) OR RELEASE(S) OF REGULATED SUBSTANCE(S) TO WATERS OF THE COMMONWEALTH OR TO GROUND CREATING A POTENTIAL FOR POLLUTION OF WATERS OF THE COMMONWEALTH:**
- SPILL OR RELEASE OF PRODUCTION FLUIDS FROM TANK OR PIT** in violation of Section 3259 of the 2012 Oil and Gas Act (58 Pa. C.S. § 3259), Sections 307, 401, and/or 402(b) of the Clean Streams Law (35 P.S. §§ 691.307, 691.401, and 691.402(b)), Section 301 of the Solid Waste Management Act (35 P.S. § 6018.301), and 25 Pa. Code §§ 78.54, 78.57(a), 78.60(a), 91.33, and/or 91.34.
 - SPILL(S) OR RELEASE(S) OF REGULATED SUBSTANCE(S) FROM TANK OR PIT** in violation of Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S § 3259, Sections 307, and 401, of the Clean Streams Law, 35 P.S. §§ 691.307 and 691.401, Section 301 of the Solid Waste Management Act, 35 P.S. § 6018.301, 25 Pa. Code §§ 78.54, 78.56, 78.60(a), 91.33, and/or 91.34, and/or the conditions in the permit(s) for the well(s).
 - SPILL(S) OR RELEASE(S) OF REGULATED SUBSTANCE(S) FROM WELLHEAD** in violation of Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S § 3259, Sections 307 and, 401, of the Clean Streams Law, 35 P.S. §§ 691.307 and, 691.401, Section 301 of the Solid Waste Management Act, 35 P.S. § 6018.301, 25 Pa. Code §§ 78.54, 78.56, 78.60(a), 91.33, and/or the conditions in the permit(s) for the well(s).
 - OTHER SPILL(S) OR RELEASE(S) OF REGULATED SUBSTANCE(S) ON THE WELL SITE OR ACCESS ROAD** in violation of Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S § 3259, Sections 307, and 401, of the Clean Streams Law, 35 P.S. §§ 691.307 and, 691.401, and Section 301 of the Solid Waste Management Act, 35 P.S. § 6018.301, 25 Pa. Code §§ 78.54, 78.60(a), 91.33, and/or the conditions in the permit(s) for the well(s).
 - SPILL(S) OR RELEASE(S) OF REGULATED SUBSTANCE(S) FROM PIPELINE** in violation of Sections 307, and 401, of the Clean Streams Law, 35 P.S. §§ 691.307, and 691.401, and Section 301 of the Solid Waste Management Act, 35 P.S. § 6018.301, 25 Pa. Code § 91.33, and/or the conditions in the permit(s) for the well(s).
 - FAILURE TO HAVE SECONDARY CONTAINMENT AROUND OIL TANK(S) WITH A CAPACITY OF AT LEAST 680 GALLONS OR A COMBINED CAPACITY OF 1,320 GALLONS** in violation of 25 Pa. Code §§ 78.64 and 91.34, and the conditions in the permit(s) for the well(s).
 - FAILURE TO HAVE SUFFICIENT CONTAINMENT CAPACITY AROUND REGULATED SUBSTANCE STORAGE TANK(S) THAT ARE NOT EQUIPPED WITH INDIVIDUAL SECONDARY CONTAINMENT AT AN UNCONVENTIONAL WELL SITE** in violation of Section 3218.2(d) of the 2012 Oil and Gas Act, 58 Pa. C.S § 3218.2(d), and the conditions in the permit(s) for the well(s).
 - FAILURE TO REPORT A RELEASE OF A REGULATED SUBSTANCE** in violation of 25 Pa. Code §§ 78.66, and 91.33, and/or the conditions in the permit(s) for the well(s).

DESCRIPTION OF VIOLATIONS

On 7/20/2023, the Department received a complaint of a release from a tank battery located approximately 0.75 miles north of the Venango Water PWSID: 6610014. The Department responded to the site and observed production fluids (Brine) leaking from a tank battery secondary containment 75 feet northeast of the Lower Reno 6 oil well (121-45433).

This well is currently listed as "proposed but never materialized" in the Department's tracking system, but the well exists and appears to have been drilled in 2013-2014.

The Department returned on 7/21/2023, to inspect the area and take additional samples. Production fluids were observed inside and outside containment. A visually impacted area was observed stretching 180 feet south of the secondary containment drain valve and spread from 6 feet to 20 feet in width. Production fluids were observed running out of the open drain valve at the time of inspection. The valve was closed to prevent further release. Conductivity readings were taken around the entire area. Reading exceeding the limits of the meter were recorded, in excess of 20,000 Micro Siemens. Samples were collected from

a spring near the impacted area, which is a raw water source for a public water supply.

CORRECTIVE ACTION REQUIRED OR ACTIVITY TO BE CEASED:

- Immediately cease the spill(s) or release(s) of regulated substance(s) onto the ground and/or into the waters of the Commonwealth described above.
- Immediately contain spilled or released regulated substance(s).
- Immediately prevent migration of the regulated substance(s) from the site of the spill or release. If the regulated substance(s) have already migrated from the site of the spill or release, immediately prevent any further migration of the regulated substance from the site of the spill or release.
- Immediately prevent the regulated substance(s) from reaching or impacting surface water or groundwater. If the regulated substance(s) have already reached or impacted surface water or groundwater, immediately prevent the regulated substance(s) from continuing to reach or from further impacting surface water or groundwater.
- Immediately notify downstream users that a spill or release of the regulated substance(s) occurred.
- Within _____ days, submit to the Department, in writing, a report which details the cause and duration of each violation and the corrective action taken to prevent its recurrence.
- Within _____ days, submit to the Department a copy of a site specific Control and Disposal Plan that meets the requirements of 25 Pa. Code Chapter 78.
- Within _____ days, remove all regulated substance(s) from the tank(s) and/or pit(s) described above and properly dispose of all of the regulated substance(s) at a permitted disposal/recycling facility in accordance with the Solid Waste Management Act, the Clean Streams Law, the 2012 Oil and Gas Act, and the Regulations.
- Within _____ days, submit receipts and/or other applicable documentation to the Department to verify that the regulated substance(s) was/were removed from the tank(s) and/or pit(s) described above and disposed of at a permitted treatment facility in accordance with the Solid Waste Management Act, the Clean Streams Law, the 2012 Oil and Gas Act, and the Regulations.
- Investigate and remediate the contamination from the spill(s) or release(s) of regulated substance(s) pursuant to applicable provisions of Act 2 and its Regulations and this Order, as follows:

Within ten days, hire a qualified environmental consultant to investigate and remediate the soil, groundwater, surface water, wetlands, and/or sediments that was/were contaminated by the spill or release of regulated substance(s), and simultaneously submit to the Department, in writing, the name, address, and telephone number of such consultant;

Within 60 days, submit to the Department a written plan to investigate and remediate the soil, groundwater, surface water, wetlands, and/or sediments that was/were contaminated by the spill or release of regulated substance(s) ("Remediation Plan"). The Remediation Plan shall, at a minimum: (1) be prepared and submitted by the qualified environmental consultant hired in accordance with this order; (2) include a complete, written Notice of Intent to Remediate the contaminated soil and groundwater that complies with all of the requirements of 25 Pa. Code § 250.5(a); (3) include a summary of the interim remedial actions that have been completed to date to contain the spill or release of regulated substance(s), and the plan and schedule for continuing these interim remedial actions until the final, Department-approved remedial actions have been completed in accordance with this Order; (4) include a schedule for completing the remedial actions and for submitting the reports required to demonstrate attainment with the chosen remediation standard in accordance with the requirements of 25 Pa. Code §§250.2(b)(1) and 250.2(b)(2); and (5) identify the date when all disturbed areas will be completely restored and re-vegetated;

Upon receipt of the Department's written approval of the Remediation Plan or revised Remediation Plan, and in accordance with the Department-approved schedule, investigate and remediate the soil, groundwater, surface water, wetlands, and/or sediments that was/were contaminated by the spill or release of regulated substance(s) in accordance with the Department-approved Remediation Plan;

Submit "Progress Reports" to the Department on a quarterly basis. The Progress Reports shall be due by the 30th day of the month following each calendar quarter (i.e. April 30, July 30, October 30, and January 30), and describe the actions taken in the previous quarter to comply with the requirements of this Order, including the requirements in plans or other documents approved by the Department under this Order; and

Take any and all actions necessary to obtain access to any property necessary to comply with the obligations under this Order.

Additional Requirements:

CORRESPONDENCE WITH THE DEPARTMENT:

All correspondence with the Department concerning this Order shall be addressed to:

Robert Bechtel, Env. Group Manager District of Columbia Operations
270 Chestnut St
Meadville PA 16335 (814) 573-3610
email: rbechtel@pa.gov

DOCUMENT REVIEW AND APPROVAL BY THE DEPARTMENT:

With regard to the Remediation Plan and any other document submitted pursuant to the requirements of this Order, the Department will review the document and will approve, approve with modification(s), or disapprove the document, or portion thereof, in writing. If the document, or any portion thereof, is disapproved by the Department, a revised document shall be submitted to the Department that addresses the Department's concern within a reasonable time, as specified by the Department. The Department will approve, modify and approve, or disapprove the revised document in writing. Upon approval by the Department, the document, including the schedules identified in the document, shall become a part of this Order for all purposes and shall be enforceable as such.

APPEAL NOTICE

Any person aggrieved by this action may appeal, pursuant to Section 4 of the Environmental Hearing Board Act, 35 P.S. § 7514, and the Administrative Agency Law, 2 Pa. C.S. Chapter 5A, to the Environmental Hearing Board, Second Floor, Rachel Carson State Office Building, 400 Market Street, P.O. Box 8457, Harrisburg, PA 17105-8457, 717-787-3483. TDD users may contact the Board through the Pennsylvania Relay Service, 800-654-5984. Appeals must be filed with the Environmental Hearing Board within 30 days of receipt of written notice of this action unless the appropriate statute provides a different time period. Copies of the appeal form and the Board's rules of Practice and Procedure may be obtained from the Board. The appeal form and the Board's rules of Practice and Procedure are also available in Braille or on audiotape from the Secretary to the Board at 717-787-3483. This paragraph does not, in and of itself, create any right of appeal beyond that permitted by applicable statutes and decisional law.

IF YOU WANT TO CHALLENGE THIS ACTION, YOUR APPEAL MUST REACH THE BOARD WITHIN 30 DAYS. YOU DO NOT NEED A LAWYER TO FILE AN APPEAL WITH THE BOARD.

IMPORTANT LEGAL RIGHTS ARE AT STAKE, HOWEVER, SO YOU SHOULD SHOW THIS DOCUMENT TO A LAWYER AT ONCE. IF YOU CANNOT AFFORD A LAWYER, YOU MAY QUALIFY FOR FREE PRO BONO REPRESENTATION. CALL THE SECRETARY TO THE BOARD (717-787-3483).

DEPARTMENT REPRESENTATIVE	RECEIVING OFFICIAL
Signature: <u>Robert R. Berthel</u> Name: <u>Robert R. Berthel</u> Title: <u>Environmental Group Manager</u> Address: <u>230 Chestnut St</u> <u>Meadville PA 16335</u> Phone Number: <u>(814) 573-3610</u> Date: <u>7/21/2023</u>	The undersigned representative hereby acknowledges receipt of this order and attachment(s) hereto. This signature does not constitute an acknowledgement that any or all of the violations listed in this Order and attachment(s) hereto have occurred or continue to occur. Signature: <u>Harry L. Rhoades III</u> Name: <u>HARRY L. RHOADES</u> Date: <u>7-21-23</u> (Please Print)

_____ attached pages are part of this order for all purposes and shall be enforceable as such (as applicable).

EXHIBIT D

Wells with Unnecessary Equipment

Permit Number	Well Name and Number
121-44422	Lower Reno 4A
121-44465	Lower Reno 3A
121-44466	Lower Reno 5A
121-45433	Lower Reno 6
121-45434	Lower Reno 7
121-45435	Lower Reno 8
121-45437	Lower Reno 11
121-45440	Lower Reno 18

ATTACHMENT G



AQUA PENNSYLVANIA, INC.
RECEIVER FOR
VENANGO WATER COMPANY

Dear Venango Water Customer,

Aqua Pennsylvania, Inc. (“Aqua”) has been operating the Venango Water Company (“VWC”) as Receiver as ordered by the Pennsylvania Public Utility Commission (“PUC”) since August 12, 2023.

Our work to date

Aqua worked diligently since taking over as Receiver to lift the Do Not Consume that had been in place since July 21, 2023. Actions included stabilizing the VWC system to ensure there was adequate water supply for sanitary purposes, trucking water from Aqua’s Emlenton water system to fill the VWC tank and for flushing purposes, and testing and sampling throughout the distribution system and source to ensure the water meets DEP drinking water regulations. On September 1, 2023, Aqua provided notice to the VWC customers that the Do Not Consume was lifted after consultation and approval of the Pennsylvania Department of Environmental Protection (“DEP”).

Aqua will now continue operating the system under the PUC’s Order until a determination is made by the PUC under the Section 529 of the Public Utility Code, 66 Pa. C.S. § 529 (“529 Proceeding”). The 529 Proceeding will determine whether a capable public utility should acquire the VWC system.

Next Steps for Customers

Under the PUC’s Order, Aqua is required to assume the customer service, billing and collections functions of VWC.

Customer Service

With Aqua, you have access to our U.S.-based, state-of-the-art customer service call centers:

- Our representatives are available to assist with your service and billing needs Monday through Friday between 8 a.m. and 5 p.m. at **877.987.2782**.
- For emergencies outside of these hours, you can call **877.987.2782** and the issue will be addressed promptly by our operations team.
- We also provide updates and resources to our customers through Facebook, Twitter and Instagram. You can follow us at @MyAquaWater.



Billing & Payment

Enclosed is Aqua's first bill to the VWC customers, which has been estimated based on prior consumption history. Aqua will work to reconcile this estimated read with later actual readings in future billings to VWC customers. Customers may review their rights as it pertains to estimated billings under 52 Pa. Code § 56.12. Your base rates will not change while the 529 proceeding is conducted. Aqua will continue to bill you in accordance with the VWC tariff which can be found on Aqua's website at https://www.aquawater.com/_assets/doc/venango-water-co-tariff-no-3-effective-11-15-2018.pdf.

When it comes to paying your bill, Aqua has several payment options for customers:

- You may mail your payment to:
 - Aqua
 - P.O. Box 70279
 - Philadelphia, PA 19176-0279

- Aqua e-billing, which allows you to pay your bill online and receive an electronic bill.

- If you use direct debit to autopay your current bill or a bill-payer service from your bank account, you must take the following steps once you receive your first Aqua bill that has your account number – please allow appropriate time to follow this process and for your bank to make the change:
 - **Change the payee designation to Aqua Pennsylvania**
 - Update the payee account number to your new 16-digit account number on your enclosed bill.
 - Change the mailing address for the payment to the remittance address on your Aqua bill.

- Learn much more about bill payment options at <https://www.aquawater.com/customers/pay-my-bill/index.php>

We look forward to serving you while we operate the VWC system.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Venango Water Company – Ex Parte	:	
Emergency Order Naming Aqua	:	Docket No. M-2023-3042180
Pennsylvania, Inc. as Receiver	:	
	:	
Section 529 Investigation of Venango	:	Docket No. I-2023-3042312
Water Company	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this 11th day of October 2023 served a true and correct copy of the foregoing document upon the persons and in the manner indicated below:

VIA ELECTRONIC MAIL

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VIA ELECTRONIC MAIL AND U.S. MAIL

Randall L. Rhodes, Secretary
Venango Water Company
P.O. Box 397
Reno, PA 16343
vwc-rlr@pa.rr.com



Alexander R. Stahl

Dated: October 11, 2023

SC-2 Exhibit 3

OCA-I-5 Attachment 1
 Venango Water Company Capital Improvements

	System Component	Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL
1	Safety	Miscellaneous	\$ 20,000										\$ 20,000
2	New Well or Well Pump Construction	Develop new Well Source and consolidate Shaffer Spring Treatment	\$ 2,000,000										\$ 2,000,000
3	Land Purchases/Disposals	Easement Aquisition	\$ 50,000	\$ 50,000									\$ 100,000
4	Repair/Replace Tanks, Reservoirs, and Standpipes	Tank Replacement		\$ 2,500,000									\$ 2,500,000
5	Supply Meter/Gas Meas Meter	Customer Meter Replacements		\$ 70,950									\$ 70,950
6	New ERT Devices	Customer Meter Replacements		\$ 43,000									\$ 43,000
7	Repair/Replace Pumping Equipment	Bring Bellows Spring Online and Replace Treatment Facility	\$ 10,000	\$ 100,000	\$ 500,000								\$ 610,000
8	Distribution Main Repl	Water Main Replacements			\$ 200,000	\$ 1,000,000			\$ 1,000,000			\$ 1,000,000	\$ 3,200,000
9	Administration	IT Transition	\$ 50,000										\$ 50,000
10	Administration	IT Capex	\$ 3,440										\$ 3,440
TOTALS			\$ 2,133,440	\$ 2,763,950	\$ 700,000	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000	\$ 8,597,390
Rolling Total			\$ 2,133,440	\$ 4,897,390	\$ 5,597,390	\$ 6,597,390	\$ 6,597,390	\$ 6,597,390	\$ 7,597,390	\$ 7,597,390	\$ 7,597,390	\$ 8,597,390	