



March 14, 2025

***Krystle Daugherty
Audit Supervisor
Bureau of Audits
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265***

***Re: Management Efficiency Investigation (MEI)
Implementation Plan
Docket No. D-2024-3049372***

Ms. Daugherty:

Attached is Newtown Artesian Water Company's implementation plan to comply with the recent Management efficiency Investigation.

Please do not hesitate to contact me with any questions or comments you may have.

Sincerely,

*Dan Angove
Chief Executive Officer
201 N. Lincoln Avenue – P.O. Box 217
Newtown, PA 18940
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215.968.6781*



III – Corporate Governance

Recommendation III-1: Prepare and file annual diversity reports with the Commission according to the most recently issued guidelines.

Response: Accepted

Going forward, NAWCO will prepare and file the annual diversity report according to the most recently issued guidelines.

Company representative responsible for implementing:

TJ Walsh – General Counsel

Date of Implementation: Ongoing



V - Water Operations

Recommendation V-1: Create a 50-year prediction for replacement needs and use this to accelerate from current main replacement rates in the Company's next LTIP.

Response: Accepted

NAWCO will create a 50-year main replacement prediction plan in conjunction with developing the next LTIP (3rd). NAWCO will consult with our Engineering team to assist in creating the plan.

Company representative responsible for implementing:

Richard Pierone – Director of Operations

Date of implementation: Year-end 2026, coinciding with implementation of our new LTIP.



Recommendation V-2: Review and regularly update the Damage Prevention Manual.

Response: Accepted

NAWCO will review and update the Damage Prevention Manual on an annual basis.

Company representative responsible for implementing:

Richard Pierone – Director of Operations

Date of implementation: Year-end 2025.



Recommendation V-3: Verify the material type of the remaining unknown service lines and continue to remove any lead from the distribution system.

Response: Accepted

NAWCO will continue to verify the material type of all unknown service lines. In accordance with NAWCO's Lead Service Line Replacement Plan, NAWCO will continue to replace all lead service lines from the distribution system.

Company representative responsible for implementing:

Richard Pierone – Director of Operations

Date of implementation: Current/Ongoing



VI – Emergency Preparedness

Recommendation VI-1: Correct minor deficiencies in physical security.

Response: Accepted

NAWCO will address all minor deficiencies in physical security. Monthly building inspections will include full site examinations to address any future minor deficiencies.

Company representative responsible for implementing:

Richard Pierone – Director of Operations

Date of implementation: Current/Ongoing



Recommendation VI-2: Improve physical security for control rooms and SCADA system equipment.

Response: Accepted

After consultation with our Security company, NAWCO has a plan to implement an additional layer of physical security for the SCADA control room.

Company representative responsible for implementing:

Richard Pierone – Director of Operations

Date of implementation: Year-end 2025



Recommendation VI-3: Install sprinkler systems at regularly occupied facilities where feasible.

Response: Rejected

NAWCO follows all Pennsylvania building code, and local Newtown Township and Newtown Borough, laws and regulations regarding fire protection at all its occupied facilities. Smoke alarms and detectors are located throughout the building to alert personnel in case of an emergency.

Installing a fire suppression system, whether it is a sprinkler, foam or other system, would be a costly investment that would be passed onto rate payers. NAWCO would need to include such costs in its next base rate case filing.

Because all occupied facilities comply with all applicable laws, the perceived benefit of installing a sprinkler system does not warrant this expenditure at this time.



Recommendation VI-4: Develop a mobile device security policy that requires compliance with specific security criteria for employee-owned devices to be allowed to connect to the Company's intranet.

Response: Accepted

With consultation from our IT consultant and mobile provider, NAWCO will implement a plan to improve mobile device security.

Company representative responsible for implementing:

Richard Pierone – Director of Operations

Date of implementation: Year-end 2025



Recommendation VI-5: Develop and maintain incident response plans focused on physical security, cybersecurity and emergency response.

Response: Accepted

NAWCO will develop and maintain incident response plans focusing on physical security, cybersecurity, and emergency response.

Company representative responsible for implementing:

Richard Pierone – Director of Operations

Date of implementation: Current/Ongoing



VII – Customer Service

Recommendation VII-1: Implement routine customer feedback surveys to ensure customer expectations are met and opportunities for improvement are identified.

Response: Accepted

NAWCO will include a QR Code on each invoice taking the customers to the survey on our website.

Company representative responsible for implementing:

Gregg Lalli – Office Manager

Date of implementation: June 2025



Recommendation VII-2: Standardize and formalize documentation to include version controls on all standard operating procedures and use processes or tools to ensure documentation is kept up to date.

Response: Accepted

NAWCO will develop and maintain the document with all policies and procedures including versioning any changes as they occur.

Company representative responsible for implementing:

Gregg Lalli – Office Manager

Date of implementation: Current/Ongoing