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May 20, 2025

VIA ELECTRONIC FILING

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

**In re: I&E Petition to Request the Commission Open a Section 529
Investigation Into the Acquisition of Rock Spring Water
Company - Docket No. P-2024-3051313**

Dear Secretary Homsher:

Pursuant to Appendix A of the Commission's Opinion and Order entered March 21, 2025,¹ please find attached the Status Report of Pennsylvania-American Water Company ("Pennsylvania-American") regarding Rock Spring Water Company ("Rock Spring") dated May 20, 2025. If you should have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Teresa K. Harrold".

Teresa K. Harrold

cc: The Honorable Administrative Law Judge John M. Coogan (*via electronic mail*)
All Parties on the Attached Certificate of Service (*in the manner specified*)

¹ See, paragraph 1(o) of Appendix A.

**ROCK SPRING WATER COMPANY
INITIAL STATUS REPORT
MAY 20, 2025**

1. BACKGROUND

On March 21, 2025, the Public Utility Commission (“PUC”) issued an Order appointing Pennsylvania-American Water Company (“PAWC”) as the Receiver for the Rock Spring Water Company (“Rock Spring”) and its property, facilities and assets (“System”).

Appendix A, Paragraph 1(o) of the Order requires PAWC to submit 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.

This document provides the 60-day Initial Status Report required by the Order.¹ Conditions found and actions taken are summarized in Section 2.

2. CONDITIONS FOUND & ACTIVITIES PERFORMED

This section describes the conditions of the System found upon assumption of receivership operations by PAWC on March 21, 2025, and the corrective actions taken to date. Photographs referenced in the discussion below are found at the end of this report. This section is organized as follows: (2.1) - Safety Program; (2.2) - Water Supply and Treatment; (2.3) - Water Distribution System; (2.4) - SCADA System; (2.5) - Water Quality & Environmental Compliance Program; and (2.6) Public Outreach Program.

¹ Appendix A, Paragraph 1(c), of the Order requires PAWC to provide a listing of recommended capital improvements, identifying the capital improvements necessary to improve the performance of the system, to address or anticipate the obsolescence of portions of the system, to reduce the cost of operating the system, to provide cost savings or efficiency innovations to the system, or to comply with existing or anticipated changes to applicable laws and regulations.

PAWC is conducting this evaluation and will submit this analysis when complete.

2.1 Safety Program

PAWC has observed and reviewed Rock Spring's safety procedures, programs and equipment for compliance with applicable regulations, industry standards and best practices, and took immediate action, as necessary. To date, PAWC's actions have included the following:

1. Ensure proper PPE is used when working with hazardous chemicals.
2. Determined that Rock Spring was feeding chlorine at the wrong location in the process, and that there was a leak in the raw water line. PAWC fixed the leak and changed the chlorine injection point to the permitted location by pulling new plastic tubing and installing a new chemical feed pump.
3. PAWC determined there is no secondary containment on the chemical tank. PAWC is working on installing secondary containment on the chemical tank.
4. PAWC determined that Rock Spring was feeding an insufficient dose of chlorine to maintain a proper disinfection residual at the end of the distribution system. PAWC increased the chlorine dosage to ensure a proper disinfection residual throughout the distribution system.

2.2 Water Supply and Treatment

PAWC has operated the water supply and treatment system, interviewed Rock Spring employees, reviewed process control and compliance testing, evaluated the adequacy and condition of treatment equipment, and identified deficiencies and improvement opportunities. Immediate actions taken to improve the performance of the water supply and treatment are listed below.

1. Met with the DEP Sanitarian at well site to review what immediate improvements are planned for the well site and all required samples for Rock Spring.
2. Met with Rock Spring to review the PUC order, including Appendix A.
3. Installed an off gas device on the chlorine feed pump.
4. Installing containment for the hypo day tank.
5. Chlorine shutdowns were installed and tested.
6. Installed a chlorine analyzer at the well site with high levels and low-level shutdowns alarms to ensure the proper amount of chlorine is being fed at the well site.
7. Installed new locks and security devices at the well, treatment site, and storage tank.
8. The existing well pump failed. PAWC worked with DEP and performed an emergency well pump procurement and replacement. The system was supplied by the tank during the replacement. PAWC performed the work quickly so that the customers were not out of water and it was not necessary to issue a boil water notice.

2.3 Water Distribution System

PAWC has operated the water distribution system, interviewed Rock Spring employees, observed the water storage tank, reviewed water quality testing data, and identified deficiencies and improvement opportunities. Immediate actions taken to improve the performance of the distribution system are listed below.

1. Rock Spring employees informed PAWC of a suspected leak. Staff from PAWC's Philipsburg operation pinpointed and repaired the leak, resulting in a reduction of system delivery of approximately 40,000 gpd. Once the leak was fixed system, delivery dropped from 140-160,000 gpd to 100-120,000 gpd.
2. PAWC is continuing leak detection efforts and anticipates finding and repairing more leaks which should result in additional reductions in system delivery.

2.4 SCADA System

PAWC completed an evaluation of the Supervisory Control and Data Acquisition (“SCADA”) system and has made the following improvements.

1. New SCADA functionality was tested and is operational to include tank levels, power feed, and chlorine levels in the System.
2. A new mast was installed on top of the well building roof for better cell signal for the SCADA system.
3. Rock Spring SCADA data is now sent to PAWC’s Milton operations for access and 24/7 monitoring.

2.5 Water Quality & Environmental Compliance Program

PAWC has observed and reviewed Rock Spring's water quality and environmental compliance testing and reporting procedures versus regulatory requirements, interviewed Authority employees, evaluated the tools and equipment in place for compliance monitoring, reviewed compliance testing data and reported the data to the DEP, and identified deficiencies and improvement opportunities. Immediate actions taken to improve the water quality and environmental compliance program are listed below.

1. Samples are taken daily to ensure compliance with water quality regulations.
2. PAWC has begun the process of setting up a new bacteria sample location.

2.6 Public Outreach Program

Over the past 60 days, PAWC has been keeping customers informed through various channels, including:

1. PAWC reached out to the Ferguson Township Manager and agreed to stay in communication throughout the receivership. PAWC discussed how to get the word out to customers about what is happening with the receivership. Ferguson Township is finalizing a resident township mailer that will go out to all Ferguson residents in a few weeks with information about the Rock Spring receivership.
2. PAWC intends to work with Ferguson Township to post updates on the township website.
3. PAWC invited the Township Supervisors out for a tour of the improvements it made to the System.
4. Customers have a PAWC-specific email address for contacting PAWC with any questions or concerns.

PHOTOS



Continuous Chlorine Analyzer



Secured Compliance Sample Point



Secured Chlorine Injection Point Pit



New Chlorine Feed Equipment



Emergency Well Pump Replacement



New well pump

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission :
Bureau of Investigation and Enforcement : Docket No.
Petition to Request the Commission Open : P-2024-3051313
A Section 529 Investigation into the :
Acquisition of Rock Spring Water Company :

CERTIFICATE OF SERVICE

I hereby certify that I am on this 20th day of May, 2025, serving the above-referenced Status Report upon the person listed below and, in the matter, indicated, which service satisfies the requirements of 52 Pa. Code § 1.54 (related to service by a party).

SERVICE BY ELECTRONIC MAIL ON MAY 20, 2025

Carrie B. Wright, Esq. Pennsylvania Public Utility Commission Bureau of Investigation and Enforcement 400 North Street Harrisburg, PA 17120 carwright@pa.gov	Alexander R. Stahl, Esquire Aqua Pennsylvania, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010 astahl@aquaamerica.com
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Respectfully submitted,



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**Attorney for *Pennsylvania-American
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