

1 **YORK WATER STATEMENT NO. 2**

2
3 **BEFORE THE**

4 **PENNSYLVANIA PUBLIC UTILITY COMMISSION**

5
6 **THE YORK WATER COMPANY**

7
8 **DIRECT TESTIMONY OF MATTHEW J. SCARPATO**

9
10 Q. State your name and business address.

11 A. Matthew J. Scarpato. My business address is: 130 East Market Street, York,
12 Pennsylvania.

13
14 Q. By whom are you employed?

15 A. I am employed by The York Water Company (“York Water” or the “Company”).
16

17 Q. State your present position with the Company.

18 A. I am the Vice President of Operations.
19

20 Q. How long have you been employed by the Company?

21 A. I have been employed by the Company since July 5, 2023.
22

23 Q. What is your educational background?

1 A. I have a Bachelor of Science degree in Accounting from York College of
2 Pennsylvania, York, Pennsylvania and a Master's Degree in Business
3 Administration from the Pennsylvania State University, Harrisburg, York,
4 Pennsylvania.

5
6 Q. Are you a member of any professional societies or trade associations?

7 A. Yes, I am currently a member of the American Water Works Association, the
8 Waterworks Operators Association of Pennsylvania, and the National Association
9 of Water Companies.

10

11 Q. What has been your other business experience?

12 A. From February 2021 through March 2023, I was the Chief Financial Officer and
13 Vice President of Operations for Homestead Village Enhanced Senior Living in
14 Lancaster, Pennsylvania. From May 2020 through February 2021, I was the Chief
15 Financial Officer for Homestead Village Enhanced Senior Living in Lancaster,
16 Pennsylvania. From December 2010 through May 2020, I was the Executive Vice
17 President of Operations and Finance for York Jewish Community Center in York,
18 Pennsylvania.

19

20 Q. Have you previously testified before a regulatory commission?

21 A. No, this is the first time I have presented testimony to the Pennsylvania Public
22 Utility Commission ("Commission").

23

1 Q. Will you list the exhibits you are sponsoring in this proceeding?

2 A. I am sponsoring the following exhibits prepared by me or under my direction and
3 supervision:

4
5 Exhibit Nos. HIX-1, HIX-2, HIX-3, HIX-4, HIX-5, HIX-6, HIX-7, FIX-1, FIX-2,
6 FIX-3, FIX-4, FIX-5, FIX-6, and FIX-7 relating to quality of service.

7
8 Q. Please outline the operations of the Company.

9 A. The Company obtains the bulk of its water for its primary water distribution system
10 in York and Adams County from the South and East Branches of the Codorus
11 Creek. The East Branch flows into the Company's two impounding basins on its
12 primary system known as Lake Williams and Lake Redman. The water is taken
13 from the confluence of the east and south branches of the creek and pumped by the
14 Company's Brillhart Pumping Station a distance of approximately two miles to the
15 Company's Purification Plant. The Company also has an intake in the
16 Susquehanna River. Water is pumped through a 15-mile transmission pipeline
17 connecting the Susquehanna River to the Company's Lake Redman impounding
18 reservoir. The Company has an alternate pumping station at Lake Redman, which
19 allows the Company to pump directly from Lake Redman. Water from Lake
20 Redman is pumped a distance of approximately three miles to the Company's
21 Purification Plant.

22

1 The Company obtains its water supply for its system for Franklin County from the
2 Roxbury Dam on the Conodoguinet Creek. The Company has a reservoir on this
3 system.

4
5 The Company fully treats and filters the water that is supplied to the public. The
6 Company was one of the first public water supply systems in the nation to treat and
7 filter its water supply, having constructed its first filtration and treatment facilities
8 in 1898. After treatment, water for its primary system is retained in two storage
9 basins located at the Purification Plant for eventual distribution to the Company's
10 service areas. In compliance with requirements of the Department of
11 Environmental Protection ("DEP") related to finished water storage facilities, the
12 two basins were covered in 1993 and 1994.

13
14 The Company has two separate types of service areas. One is referred to as the
15 "Gravity System." In the "Gravity System," water flows to customers from the
16 Purification Plant without the use of booster pumps. The second service area is
17 referred to as the "Repumped System," for which booster pumps are used to
18 provide necessary water pressure and flow. All booster stations are equipped with
19 at least two pumps and backup power generation to safeguard water service in the
20 event of mechanical or electrical failure.

1 The Company has thirty-nine standpipes, two finished water reservoirs, and thirty-
2 four booster stations located throughout its service territory, which provide
3 emergency supplies and water pressure.

4
5 In addition to the water assets described above, the Company owns and operates
6 seven groundwater sources, one in the Borough of Carroll Valley, Adams County,
7 PA, two in Cumberland Township, Adams County, PA, one in Straban Township,
8 Adams County, PA, one in Washington Township, York County, PA, one in West
9 Donegal Township, Lancaster County, PA, and one in Salisbury Township,
10 Lancaster County, PA. These water supply systems are not connected to the
11 Company's primary water treatment plant and have their own water treatment
12 facilities.

13
14 The Company owns and operates eleven wastewater collection systems and
15 treatment facilities, one in East Manchester Township, York County, PA, one in the
16 Borough of East Prospect and Lower Windsor Township, York County, PA, one in
17 Felton Borough, York County, PA, two in Letterkenny Township, Franklin County,
18 PA, one in Straban Township, Adams County, PA, one in Washington Township,
19 York County, PA, one in Shrewsbury Township, York, PA, one in Mount Joy
20 Township, Lancaster County, PA, one in Monaghan Township, York County, PA,
21 and one in the Borough of York Haven, York County, PA. The Company owns
22 and operates three wastewater collection systems, one in West York Borough, York
23 County, PA with wastewater treatment provided by Pennsylvania-American Water

1 Company, one in Jacobus Borough, York County, PA, with wastewater treatment
2 provided by Springfield Township York County Sewer Authority, and one in West
3 Manheim Township, York County, PA, with wastewater treatment provided by
4 Penn Township.

5
6 Q. What measures has the Company taken to ensure the safety and availability of
7 water in the event of an emergency?

8 A. The Company has a long-standing Emergency Response Plan for drinking water
9 contamination incidents prepared in accordance with the regulatory requirements of
10 DEP and the guidelines established by the United States Environmental Protection
11 Agency (“EPA”). The Emergency Response Plan is tested, evaluated, and updated
12 on a regular basis, not less frequent than annually.

13
14 The Company has established a York County Inter Water Utility Cooperation Plan.
15 Under the Plan, if a York County water utility has a water contamination incident
16 or a water loss, the neighboring utilities would assist in meeting drinking water
17 needs through the operation of one or more Drinking Water Fill Stations.

18
19 Customers of the affected utility will be notified of the locations and operating
20 hours of the Drinking Water Fill Stations. The Company maintains an inventory of
21 the Drinking Water Fill Station connection facilities.

1 In addition, York Water has improved its notification procedures in the event of a
2 water contamination incident. To ensure that residential customers, businesses,
3 governmental agencies, and health care facilities are promptly and properly
4 informed and protected in the event of an emergency, the Company has entered into
5 an emergency telephone message distribution contract, which provides rapid
6 telephone notification to its customer base. Annually the Company attempts to
7 secure current telephone numbers and email addresses from all of its customers,
8 and currently has approximately 90% of its customers' landline, cellular, or email
9 telephone numbers/addresses. The telephone numbers and email addresses are kept
10 secure in the Company's database, and access is restricted to customer service staff.
11 In addition to the emergency telephone message distribution notification, the
12 Company provides notification through the Company's website, local radio and
13 television stations, newspapers, and other media.

14
15 York Water has installed a Supervisory Control and Data Acquisition ("SCADA")
16 process control network, which enables the Company to immediately detect a water
17 contamination incident throughout its distribution system. This process control
18 network allows the Company to provide rapid customer notification in the event of
19 an emergency.

20
21 Q. Mr. Hand's testimony states that one of the goals of the Company is to provide
22 high quality water and excellent service. How has the Company achieved this
23 goal?

1 A. York Water continually strives to provide superior service to its customers. The
2 Company exceeds all standards for water quality, assuring that its customers
3 receive safe water. And York Water designs and upgrades the Company's delivery
4 system so that its customers receive their water reliably.

5
6 To reduce the cost of service to York Water's customers and keep the Company's
7 rates as affordable as possible, York Water encourages water conservation by its
8 customers.

9
10 The Company meters all customer water usage with the exception of fire service or
11 temporarily after an acquisition before meters are installed. All meter readings are
12 checked during the billing process to make sure that the most recent consumption is
13 consistent with the historical average. If the reading is abnormal, before billings
14 are mailed, a customer service employee attempts to contact the customer to inform
15 the customer of the abnormal reading and suggest the customer investigate a
16 possible leak. The Company has received high praise from its customers for this
17 validation procedure.

18
19 Each year, York Water's customers receive bill inserts or onserts (messages printed
20 on the actual water bill) that describe ways to conserve water. In addition, a
21 brochure that the Company provides to all new customers contains a section on
22 water conservation. Also, the Company's Consumer Confidence Report (Refer to
23 Exhibit No. FIX-1) contains water conservation information.

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The Company and its employees undertake an active role in the community to stress the need for water conservation. Speakers are provided to local organizations to explain the need for water conservation. The Company provides coloring books and brochures to local school and scout groups on water conservation. The Company has also sponsored and provided instruction for the Boy Scout merit badge on Water and Soil Conservation. The Company has assigned a team of employees to complete and analyze monthly water audits using industry benchmarks as a guide for performance. When safety conditions allow, the Company offers tours of its water treatment process to school-age children and local scout troops to demonstrate the importance of water conservation, the quality of the product and the value of drinking water to the community.

During the drought periods of 1997, 1999, 2001-2003, and 2023 to the present, the Company issued many press releases urging customers to conserve water. In addition, the Company sponsored a series of water conservation tips broadcast over a local TV station and over the local Cable TV network.

The Company has a Drought Contingency Plan, approved by the Commission and DEP, filed as a part of its Tariff.

The Company practices water conservation as well. Leak detection and repair has always been one of the Company's highest priorities.

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The repair of a large leak or one doing any damage takes precedence over all other activities of the distribution department, which operates 24 hours a day, 365 days a year.

The Company has an employee whose sole responsibility is leak detection. During the calendar year 2024, the Company's Leak Detection Coordinator detected 184 leaks throughout the Company's service territory. The Company has purchased and installed leak detection equipment, which allows York Water to continuously monitor portions of its distribution system to detect leaks.

In addition, York Water's Distribution Department Superintendent periodically contacts municipal street crew superintendents, police and fire officials in the 57 municipalities served by the Company to remind and encourage them to contact the Company if they observe any unusual water flows in the streets or at valve boxes or hydrants. All such reports are promptly investigated.

It should also be noted that most of the municipalities in which York Water serves have code provisions that require the installation of water saving plumbing fixtures.

Q. Please describe the actions that the Company takes to maintain and improve the quality and safety of the water provided to customers.

1 A. In addition to the affordability of the Company's water and the exceptional
2 customer service that York Water provides to its customers, the quality of water the
3 Company delivers to its customers is second to none. As reflected in the
4 attachment to Exhibit No. HIX-1, the Company compares the chemical
5 characteristics of the Company's water supply to the EPA's and DEP's Safe
6 Drinking Water Act standards. This information is posted on the Company's
7 website and mailed to customers who use York Water's water in processing or
8 request the information. The Company's water quality routinely exceeds, and in
9 most instances, far exceeds the Safe Drinking Water Act standards.

10
11 The Company maintains its own laboratory and performs nearly 70,000 chemical
12 and bacteriological tests every year to make certain that water quality meets or
13 exceeds recognized standards of water quality and purity. In addition, periodic
14 tests are performed by independent laboratories to confirm that water delivered to
15 customers is safe and aesthetically pleasing to customers.

16
17 The Company is not in violation of any provision of the Pennsylvania Safe
18 Drinking Water Act or any rule, regulation or order or any condition of any permit,
19 variance, or exemption granted by the DEP. To the contrary, the Company is in
20 compliance with all Safe Drinking Water Act provisions and generally exceeds
21 such standards. Providing safe and high-quality water is as critically important to
22 the Company as it is to its customers.

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Attached to Exhibit No. HIX-1 is the Company’s 2024 annual Drinking Water Quality Reports prepared and provided to York Water’s customers and users in February 2025. The Safe Drinking Water Act requires community water systems to annually prepare and provide to customers and users annual consumer confidence reports detailing the quality of water delivered by the Company. In addition to sending the report to customers electronically, the Company mails copies to those customers requesting a hard copy of the report. Prior to releasing the report, the Company advertises its availability in local newspapers and places the report on the Company’s website so that non-customer users can obtain a copy.

The Company entered into a consent order and agreement with DEP in December 2016 after the Company determined it exceeded the action level for lead as established by the Lead and Copper Rule (“LCR”) issued by the EPA. The Company has not had an exceedance in any subsequent compliance test. Under the agreement, the Company committed to exceed the LCR replacement schedule by replacing all of the remaining known company-owned lead service lines within four years from the agreement. The Company completed the replacement of all known company-owned lead service lines by the end of 2018, compressing the replacement schedule from four year to two. Any additional company-owned lead service lines that have been discovered since the end of 2018 have been replaced. Currently, all known company-owned lead service lines have been replaced. The

1 consent order and agreement was terminated by DEP in June 2022 after
2 determining all obligations had been completed.

3
4 The Company was granted approval by the Commission to modify its tariff to
5 include the cost of the replacement of lead customer-owned service lines that are
6 discovered when the Company replaces its lead service lines, and to include the
7 cost of the annual replacement of up to 400 lead customer-owned service lines
8 whenever they are discovered, regardless of the material used for the company-
9 owned service line over nine years from the agreement. All known customer-
10 owned lead service lines that were connected to a company-owned lead service line
11 were replaced by the end of 2018. Any additional customer-owned lead service
12 lines connected to a company-owned lead service line that have been discovered
13 since the end of 2018 have been replaced.

14
15 To identify customer-owned lead service lines not adjoining active, identified
16 company-owned lead service lines, the Company continues to canvass its
17 customers and seek their assistance with identifying the material composition of
18 their customer-owned service lines. The Company has used its website as well as
19 targeted mailings to identify customer-owned lead service lines. To date, over 800
20 customer-owned lead service lines have been replaced by the Company.

21
22 Q. Does this conclude your direct testimony at this time?

23 A. Yes.