



**FOURTH STATUS REPORT TO THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

DEER HAVEN, LLC (WATER)

AQUA PENNSYLVANIA, INC., AS RECEIVER

DOCKET NOS. P-2024-3050545 and I-2024-3051540

Dated: July 7, 2025

A. BACKGROUND

On August 1, 2024, Deer Haven, LLC (Water) (“DH Water”) filed a Petition requesting that the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) issue an *Ex Parte* Emergency Order Allowing Aqua Pennsylvania, Inc. to Act as a Receiver to Operate the Deer Haven Water and Sewer Systems.¹ The Commission issued an *Ex Parte* Emergency Order naming Pocono Water Works Company, Inc. (“Pocono Water”) as Receiver.² Aqua Pennsylvania, Inc. (“AP”) filed a letter on August 13, 2024, regarding the DH Water system and noted that AP would be willing to act as the Receiver for the DH Water system. AP also informed the Commission that the DH Water system consisted of a community water system (DH Water – White Beauty View Estates) and non-community water system (DH Water – Lower White Pines) that the prior operator was providing services for:

The Deer Haven Water System is a community water system consisting of approximately 43 customers; however, the prior operator was also operating a non-transient non-community water system that does not have established treatment processes which is close in proximity to, but separate from, the Deer Haven Water System. Aqua specifically requests that the Commission clarify Aqua’s role regarding management and oversight to the non-transient non-community water system in addition to the Deer Haven Water System to ensure water quality for these residents.³

AP is now operating both the community and non-community DH Water systems to ensure the safety of the public.

On August 22, 2024, Chairman DeFrank issued a motion to name AP as Receiver for the DH Water System. On August 26, 2024, the Commission issued a Ratification Order naming AP as Receiver for the DH Water system and modifying the existing *Ex Parte* Emergency Order to remove Pocono Water as the Receiver, along with other modifications requested by AP.⁴

The two separate DH Water systems serve approximately 40 customers in Palmyra Township, Pike County, Pennsylvania. The DH Water systems abut Lake Wallenpaupack and are near several of AP’s water systems including Tanglwood North and Tanglwood Lakes. 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 August 7, 2024, and then quarterly thereafter to detail any relevant updates pursuant to duties and responsibilities assigned through receivership.”⁵ AP submitted its Initial Status Report on October 7, 2024. AP submitted its Second Status Report on January 6, 2025. AP submitted its Third Status Report on April 7, 2025.

¹ *Petition of Deer Haven, LLC Requesting an Ex Parte Emergency Order Allowing Aqua Pennsylvania, Inc. to Act as a Receiver to Operate the Deer Haven Water and Sewer Systems*, Docket No. P-2024-3050545. (“DH Petition”).

² *DH Petition*, Docket No. P-2024-3050545, *Ex Parte* Emergency Order (Aug. 7, 2024) (“*Ex Parte* Emergency Order”).

³ Letter of AP Re: DH Petition, Docket No. P-2024-3050545 (Aug. 13, 2024).

⁴ DH Petition, Docket No. P-2024-3050545, Ratification Order, Ordering Paragraph 2 (Aug. 26, 2024) (hereinafter “Ratification Order”).

⁵ *Ratification Order*, Ordering Paragraph No. 5, Appendix A, Paragraph 1.o.

Aqua now submits its Fourth Status Report on the operations of DH Water as directed by the Commission.

B. FOURTH STATUS REPORT

1. Receivership Order

The Commission directed that utility service serving the DH Water facilities be transferred to the Receiver.⁶ Electric service was transferred and established in AP's name as Receiver in accordance with the Commission's Receivership Order.

The Commission directed that DH Water 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.⁷

The Commission directed that by August 22, 2024, DH Water 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 DH Water to the Receiver.⁸ The Commission also directed that DH Water, including its owners and employees, provide full and unconditional cooperation with the orderly transition of operations, management, and oversight to the Receiver.⁹

2. Operations and Capital Expenditures

On August 22, 2024, AP began its Receivership duties for the DH Water systems. AP is currently managing the DH Water systems with current staff. The community water system serves approximately 20 customers, and the non-community water system serves approximately 20 customers – a total of 40 customers. AP was informed that the DH Water – White Beauty View Estates (community) water system has been on a boil water notice since June 26, 2024, due to a failure of the 4-Log disinfection system. The DH Water – Lower White Pines (non-community) system is not on a boil water notice. AP lifted the boil water notice on November 6, 2024.

AP completed the following operational and capital improvements since the last status report on the DH Water system:

- i. AP installed a new stairwell entrance and Bilco door to the treatment building. AP completed re-routing the plumbing within the treatment building which allowed the Company to install a Chlorine Analyzer at the treatment building. The DEP completed a construction inspection and issued the 4-log permit, included with this Status Report as **Attachment A**.

⁶ *Id.* Ordering Paragraph No. 10.

⁷ *Id.* Ordering Paragraph No. 11.

⁸ *Id.* Ordering Paragraph No. 12 and 13 as Modified by the Ratification Order.

⁹ *Id.* Ordering Paragraph No. 14.

Regarding the transient non-community DH Water – Lower White Pines – system, AP plans to monitor the operation of the production and distribution systems. There is currently no water treatment for this transient non-community water system, as treatment is not required for a non-community water system.

AP established a website to provide information to customers concerning the DH Water system: <https://www.aquawater.com/deerhaven>

AP has developed a recommended capital plan for the DH Water systems which is included with this Status Report as **Attachment B**.¹⁰

As AP continues to operate the system to ensure compliance with the Ratification Order, AP will make improvements necessary to provide quality and reliable service. AP will have further information on operational issues in later status reports.

3. Financial

The Ratification Order directed AP to establish the financial position of DH Water at the time AP assumed its Receivership role.¹¹ AP is working to establish the financial position of DH Water as of the start of AP's Receivership. AP will continue to track expenses and capital improvements related to the DH Water system through deferred accounting treatment via establishment of a regulatory asset in accordance with AP's Receivership duties.¹²

The Company notes that the current revenues of the DH Water system are insufficient to cover current and future operational expenses (40 customers x \$15 per month x 12 months = \$7,200).¹³

C. CONCLUSION

AP will continue to investigate the DH Water systems' operations and financial status and will make necessary improvements to operate the DH Water systems to ensure quality and reliability of service to the DH Water customers for the period of its Receivership duties during the 529 proceeding. AP will provide an update to this Status Report on or before October 6, 2025.

¹⁰ *Ratification Order*, Ordering Paragraph 5, Appendix A, Paragraph 1.c.

¹¹ *Id.* Ordering Paragraph 5, Appendix A Paragraph 1.r.

¹² *Id.* Ordering Paragraph 5, Appendix A, Paragraphs 1.s and 2.b.

¹³ AP notes that although the DH Water tariff notes a commercial customer rate, there were no commercial DH Water customers listed in the records provided to AP. Also, AP notes that the mobile home park customers noted in the tariff no longer exist.

ATTACHMENT A



VIA ELECTRONIC MAIL

June 6, 2025

Mr. Dave Hoogstad, Area Manager II - NEPA
Aqua Pennsylvania, Inc.
1775 N. Main Street
Honesdale, Pa 18431

Re: PWS Operations Permit No. 2520110
Aqua Pennsylvania, Inc.
Aqua Deer Haven White Beauty View Estates
PWS ID No. 2520110
Deer Haven White Beauty View Estates Chlorine Analyzer Installation Project
Palmyra Township, Pike County
APS No. 1138267 & AUTH No. 1528757

Dear Mr. Hoogstad:

We are pleased to enclose Water Supply Operations Permit No. 2520110 for the operation of PWS facilities approved under PWS Permit No. 5224508MA issued December 9, 2024. This permit is issued in response to an inspection by Department of Environmental Protection personnel on June 4, 2025.

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.

Please study the permit carefully and direct any questions to Deborah S. Wilkes of this office at dwilkes@pa.gov.

Sincerely,

Brian T. Yagiello

Brian T. Yagiello
Environmental Program Manager
Safe Drinking Water Program

Enclosure(s)

cc: Daniel Hopkins, P.E./Entech Engineering, Inc. (via email)
Alyssa Kenthak/Entech Engineering, Inc. (via email)

bcc: E. Bartolacci, Pocono District Office (via email)
M. Hess, BSDW (via email)
J. Schultz, BSDW (via email)
B. Yagiello (via email)
B. Shrodo (via email)
T. Ostir (via email)
D. Wilkes
File - OnBase

BTY:DW:dw
WP: WILKES-682

Addresses for labels/envelopes:

Mr. Dave Hoogstad, Area Manager II - NEPA
Aqua Pennsylvania, Inc.
1775 N. Main Street
Honesdale, PA 18431

Mr. Daniel Hopkins, P.E.
Entech Engineering, Inc.
201 Penn Street
Reading, PA 19603

Ms. Alyssa Kenthak, Environmental Scientist
Entech Engineering, Inc.
239 South Mountain Blvd - Suite 300
Mountain Top, PA 18707

Email Addresses:

dhoogstad@aquaamerica.com
dhopkins@entecheng.com
AKenthack@entecheng.com

SPECIAL CONDITIONS

1. The Permittee shall comply with the requirements of EPA Method 334.0 including the following:
 - a. The Permittee shall conduct and document an initial demonstration of capability (IDC) for all analysts responsible for conducting compliance and/or comparative grab sampling and analysis in accordance with Section 10 of EPA's Method 334.0.
 - b. The Permittee shall conduct and document an initial calibration verification for all instruments used for conducting compliance and/or comparative grab sampling and analysis in accordance with Section 10 of EPA's Method 334.0.
 - c. The Permittee shall conduct and document routine calibration verifications no less than every 90 days for all instruments used for conducting compliance and/or comparative grab sampling and analysis in accordance with Section 11 of EPA's Method 334.0.
 - d. Records of all calibration verifications and comparative grab sampling shall be maintained (at the plant, office or on site) and made available to the Department (or other agencies) upon request.

ATTACHMENT B

Deer Haven, LLC (Water)
CapEx

	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	Water Treatment Facility Repl (DH)	Access Improvements	\$ 32,000										\$ 32,000
2	Distribution System (WBE)	Water Main replacements					\$ 36,000	\$ 360,000	\$ 36,000	\$ 360,000			\$ 792,000
3	Distribution System (WBE)	Interconnect						\$ 50,000	\$ 157,500				\$ 207,500
4	Distribution System (DH & WBE)	Meter and ERT Replacement		\$ 98,000									\$ 98,000
5	Water Treatment Facility Repl (WBE)	Repl Well Station					\$ 80,000	\$ 630,000					\$ 710,000
6	Distribution System (DH)	Transfer Services						\$ 14,000		\$ 14,000			\$ 28,000
7	Wells (DH)	Mech Backup Well							\$ 50,000	\$ 200,000			\$ 250,000
8	Controls (DH)	Elec/cont Board	\$ 30,000										\$ 30,000
9	Safety (WBE)	Eye Wash/ Misc	\$ 6,000										\$ 6,000
10	Wells (DH)	Well Station				\$ 100,000	\$ 500,000						\$ 600,000
11	Distribution System (DH & WBE)	Leak Detection /Repairs	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 100,000
12	Wells (DH)	Generator	\$ 10,000	\$ 50,000									\$ 60,000
13	Wells (WBE)	Generator	\$ 10,000	\$ 50,000									\$ 60,000
													\$ -
	Contingency 10%	10% of items above	\$ 9,800	\$ 20,800	\$ 1,000	\$ 11,000	\$ 62,600	\$ 106,400	\$ 25,350	\$ 58,400	\$ 1,000	\$ 1,000	\$ 297,350
	TOTALS		\$ 107,800	\$ 228,800	\$ 11,000	\$ 121,000	\$ 688,600	\$ 1,170,400	\$ 278,850	\$ 642,400	\$ 11,000	\$ 11,000	\$ 3,270,850
	Rolling Total		\$ 107,800	\$ 336,600	\$ 347,600	\$ 468,600	\$ 1,157,200	\$ 2,327,600	\$ 2,606,450	\$ 3,248,850	\$ 3,259,850	\$ 3,270,850	