

**PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
HARRISBURG, PA 17120**

Public Meeting held July 24, 2025

Commissioners Present:

Stephen M. DeFrank, Chairman  
Kimberly Barrow, Vice Chair  
Kathryn L. Zerfuss  
John F. Coleman, Jr.  
Ralph V. Yanora

Petition of Veolia Water Pennsylvania, Inc.  
for Approval of its Lead Service Line  
Replacement Program

Docket No.  
P-2023-3042107

**OPINION AND ORDER**

**BY THE COMMISSION:**

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition is the Petition (Petition) of Veolia Water Pennsylvania, Inc. (Veolia), Utility Code 210013, for Commission approval of Veolia's Lead Service Line Replacement Program (LSLR Program) filed on July 24, 2023, as finally amended on December 18, 2024. Veolia's LSLR Program would allow Veolia to replace customer-owned lead service lines (COLSL) and to recover those costs as provided in Section 1311(b)(2)(i) of the Pennsylvania Public Utility Code (Code), 66 Pa.C.S. § 1311(b)(2)(i). For the reasons outlined herein, we approve Veolia's Petition and LSLR Program.

**BACKGROUND**

On October 24, 2018, Governor Wolf signed Act 120 of 2018 (Act 120) into law, thereby amending the Code at 66 Pa.C.S. § 1311(b) to address the accelerated replacement of COLSLs and damaged wastewater sewer laterals (DWSLs). Act 120 set forth a uniform, minimum standard under which jurisdictional water or wastewater

utilities, or “entities,” may seek to replace lead service lines (LSLs) and DWSLs and recover costs associated with replacement. Additionally, Act 120 provided for lead service line replacements (LSLRs) under a Commission-approved program and directed the Commission to establish certain standards, processes, and procedures by regulation. *See* 66 Pa.C.S. §§ 1311(b)(2)(i)-(vii).

The Commission promulgated regulations relating to COLSLs, DWSLs, and LSLRs at 52 Pa. Code §§ 65.51 – 65.62 (relating to LSLRs) and 66.1 – 66.42 (relating to DWSLs) that became effective July 23, 2022.

### **PROCEDURAL HISTORY**

On July 24, 2023, Veolia filed the Petition with the Commission. On August 11, 2023, the Office of Small Business Advocate (OSBA) filed a Notice of Appearance and Notice of Intervention. On August 14, 2023, the Office of Consumer Advocate (OCA) filed an Answer to the Petition. On September 19, 2023, the Commission, by Secretarial Letter, served the Bureau of Technical Utility Services (TUS) Data Request Set 1. On November 1, 2023, Veolia filed its responses to TUS Data Request Set 1. Finally, on March 22, 2024, Veolia, OCA, and OSBA (collectively, the Joint Petitioners) filed a Joint Petition for Approval of Unanimous Settlement of All Issues (Settlement).

On July 2, 2024, Administrative Law Judge (ALJ) Emily I. DeVoe issued a Recommended Decision (RD) that recommended the Settlement be approved without modification. By Order entered September 12, 2024 (September 2024 Order), the Commission adopted ALJ DeVoe’s RD. The September 2024 Order, *inter alia*, directed certain actions for Veolia through the following Ordering Paragraphs:

12. That, within thirty days of the entry date of the Commission’s Final Order in this matter, [Veolia] shall file an amended Lead Service Line Replacement Plan, modified Long-Term Infrastructure Improvement Plan, and tariff

supplement at Docket No. P-2023-3042107, that incorporates any modifications thereto consistent with these proceedings and findings herein with the Secretary's Bureau, and serve a copy upon the Bureau of Technical Utility Services [(TUS)] and all active Parties in this proceeding.

13. That [(TUS)] shall complete its review of the amended Lead Service Line Replacement Plan, modified Long-Term Infrastructure Improvement Plan, and tariff supplement subject to the schedule in place at the time the proceeding was assigned to the Office of [ALJ] for hearings in this matter and submit an order for Commission consideration.

14. That, the proceeding at Docket No. P-2023-3042107 shall remain open pending completion of the [(TUS)] review as ordered in Ordering Paragraph No. 13 above.

September 2024 Order at 4.

On September 30, 2024, Veolia filed with the Commission an amended LSLR plan, a modified Long-Term Infrastructure Improvement Plan (LTIIP), and a tariff supplement labelled as Supplement No. 71 to Water – Pa. P.U.C. No. 7 (Supplement No. 71). Supplement No. 71 specified an issued date of September 30, 2024, and an effective date of October 15, 2024.

By a letter filed with the Commission on October 4, 2024, Veolia indicated that it was withdrawing Supplement No. 71 and, in its place, was filing a *pro forma* tariff supplement for Commission review. The same day, Veolia filed a red-line version of its modified LTIIP showing the changes proposed in this proceeding, as compared to Veolia's LTIIP approved in Docket No. P-2021-3028256.

On October 24, 2024, the Commission served a copy of TUS Data Request Set 2 upon Veolia. On November 15, 2024, Veolia filed responses to TUS Data Request Set 2 with the Commission, including a revised modified LTIP, a revised LSLR plan, and a revised *pro forma* tariff supplement.

On December 4, 2024, the Commission served a copy of TUS Data Request Set 3 upon Veolia. On December 18, 2024, Veolia filed responses to TUS Data Request Set 3 with the Commission that again included a revised modified LTIP (Modified LTIP), a revised LSLR plan (LSLR Plan), and a revised *pro forma* tariff supplement (Pro Forma Tariff). The Petition, Modified LTIP, LSLR Plan, and Pro Forma Tariff collectively represent Veolia's proposed LSLR Program.

Veolia submitted proof of service to the appropriate entities. No other answers or comments were filed, and no additional hearings were held.

## **LEGAL STANDARDS**

The Commission's regulation at 52 Pa. Code § 5.41 governs Petitions generally and provides that petitions for relief must be in writing, state clearly and concisely the interest of the petitioner in the subject matters, the facts and the law and the relief sought. Petitions for relief must also comply with 52 Pa. Code § 1.51.

In accordance with the Commission's regulations at 52 Pa. Code § 65.54, an entity shall file an LSLR program petition in accordance with 52 Pa. Code § 65.55(a). An entity that has a Commission-approved LTIP shall include with its LSLR program petition a modified LTIP containing an LSLR plan as a separate and distinct component of the entity's modified LTIP pursuant to 52 Pa. Code § 65.54(b). An entity that does not have a Commission-approved LTIP when filing its LSLR program petition shall include an LSLR plan meeting the requirements of 52 Pa. Code § 121.3.

Additionally, under Section 65.55 of the Commission’s regulations, an entity’s LSLR program must include a LSLR plan as described in 52 Pa. Code § 65.56, a *pro forma* tariff or tariff supplement containing the proposed changes necessary to implement the entity’s LSLR program as described in 52 Pa. Code § 65.58, and information required by the Commission for filings under 66 Pa.C.S. § 1308 (Section 1308), including statements required by 52 Pa. Code § 53.52(a). A final Commission Order approving an entity’s LSLR program will direct the entity to make any necessary revisions to the *pro forma* tariff or tariff supplement and resubmit the tariff or tariff supplement under Section 1308.

## **DISCUSSION**

### **I. INTRODUCTION**

Veolia is a regulated public utility company, duly organized and existing under the laws of the Commonwealth with a mailing address of 6310 Allentown Boulevard, Harrisburg, Pennsylvania 17112. Veolia provides water service to approximately 69,800 customers throughout 11 counties in Pennsylvania. Veolia also furnishes wastewater service in portions of Columbia and Montour Counties as Veolia Water Pennsylvania, Inc. – Wastewater Division, Utility Code 230077.

### **II. PETITION**

Veolia’s proposed Modified LTIP, LSLR Plan, and Pro Forma Tariff were included as the Petition’s Attachments A, B, and C. These documents are discussed further below in Sections III, IV, and V, respectively. Veolia also included the information required by the Commission for filings under Section 1308 as the Petition’s Attachment D, which is discussed below in Section V.

### III. MODIFIED LTIIIP

Veolia's current LTIIIP was approved by the Commission Order entered December 16, 2021.<sup>1</sup> Veolia's LTIIIP is a five-year plan that spans the years 2022 through 2026 with a planned \$67,753,000 in DSIC-eligible spending. Veolia's LTIIIP identified critical infrastructure that needs to be replaced to ensure reliability and quality of service to its customers. We find that Veolia's Modified LTIIIP, as modified by the Settlement and supplemental information, and the manner in which it was filed conforms to the requirements of Act 11 and Commission regulations, consistent with the following discussion.

Veolia stated that the primary reason for its proposed LTIIIP modification is the need to incorporate its LSLR Program and tariff revisions that will allow it to replace COLSLs and to recover those costs as provided in Section 1311(b)(2) of the Code, 66 Pa.C.S. § 1311(b)(2). The instant Petition asks for a modification of the current DSIC-eligible expenditure projections only in order to incorporate its LSLR Plan. Therefore, we will only discuss Veolia's proposed changes from its LTIIIP to the instant Modified LTIIIP.

In its Modified LTIIIP, Veolia proposed to increase the DSIC-eligible budget by \$939,000 in both 2025 and 2026 in order to fund lead service line removal. Veolia identified two new project categories in its schedule for planned repair and replacement of eligible property to implement its LSLRP, which are listed below:

- Replacement Lead Services - Project ID number CYYF502\_002. This project category is for the replacement of company-owned lead services not included as a part of the main replacement projects (project ID number

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<sup>1</sup> See, *Petition of SUEZ Water Pennsylvania Inc. for Approval of its Second Long-Term Infrastructure Improvement Plan*, at Docket No. P-2021-3028256.

CYYD600\_002). Veolia noted that its policy is to replace the company’s portion of the service in its entirety.

- Replacement Customer Lead Services - Project ID number CYYF504\_002. This project category is for the replacement of customer-owned lead services. Veolia noted that its policy is to offer to replace the customer portion of the service in its entirety.

Table 1 below provides a summary of the modified net budgeted amounts for 2025 and 2026 and the modified net DSIC amounts without overheads or any inflation adjustments. Veolia noted that the budget projections are subject to final budget approvals by Veolia’s parent companies.

**Table 1: Summary of DSIC-Eligible Expenditures for 2022 through 2026 (\$1,000s)**

PROJECT ID	PROJECT TITLE	2022	2023	2024	2025	2026
CYYD502_002	Replacement Short Mains & Valves – DSIC	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00
CYYD501_002	Replacement Fire Hydrants - DSIC	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
CYYD700_002	Highway Main Projects DSIC	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
CYYD100_002	New Mains – DSIC	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
CYYD600_002	Replacement Main Projects - DSIC	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00
CYYF501_002	Replacement Domestic Services – DSIC	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00
CYYF502_002	Replacement Lead Services - DSIC	\$0.00	\$0.00	\$0.00	\$579.00	\$579.00
CYYF503_002	Replacement Fire Services - DSIC	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
CYYF504_002	Replacement Customer Lead Services	\$0.00	\$0.00	\$0.00	\$360.00	\$360.00
CYYG501_002	Replacement Customer Meters -DSIC	\$2,100.00	\$2,100.00	\$2,100.00	\$2,100.00	\$2,100.00
<b>TOTAL NET DSIC</b>		\$13,575.00	\$13,575.00	\$13,575.00	\$14,514.00	\$14,514.00
<b>TOTAL NET BUDGET</b>		\$23,999.00	\$42,857.00	\$29,147.00	\$33,647.00	\$38,692.00
<b>PERCENT DSIC</b>		57%	32%	47%	43%	38%

Veolia stated in its LSLR Plan that for project IDs CYYF502\_002 and CYYF504\_002, any portion of the annual budgetary allotment that is not spent on lead service replacements in a given year may be rolled over to the following year.

Veolia’s Modified LTIP also updated its projections for the total number of services it intends to replace. This corrects a previous typographical error in its estimate of the quantity of eligible property to be replaced each year. Veolia confirmed in its Modified LTIP that its intention was to replace 1,250 services per year, not 12,500 as previously documented. In supplemental information filed with the Commission, Veolia

stated that the 1,250 services are inclusive of the 90 customer-owned and 193 company-owned lead service lines projected to be replaced in 2025 and 2026, respectively, pursuant to its LSLR Plan. Table 2 below details the corrected summary of the DSIC-eligible property (not including mains) to be replaced per year. The amount of main projected to be replaced has not changed with the Modified LTIP.

**Table 2: Estimate of the Quantity of Eligible DSIC Property to be Replaced Per Year**

Year	Services	Valves	Hydrants	Meters
2022	1,250	250	100	3,000 - 3,500
2023	1,250	250	100	3,000 - 3,500
2024	1,250	250	100	3,000 - 3,500
2025	1,250	250	100	3,000 - 3,500
2026	1,250	250	100	3,000 - 3,500

Veolia’s Modified LTIP also incorporated updates to the table of contents, charts, graphs and other applicable sections to reflect the company's name change from Suez to Veolia.

### **MODIFIED LTIP SUMMARY**

Commission review of an LTIP must determine if the LTIP:<sup>2</sup>

- Contains measures to ensure that the projected annual expenditures are cost-effective.
- Specifies the manner in which it accelerates or maintains an accelerated rate of infrastructure repair, improvement, or replacement.
- Is sufficient to ensure and maintain adequate, efficient, safe, reliable, and reasonable service.

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<sup>2</sup> See, 52 Pa. Code § 121.4(e).

- Meets the requirements of 52 Pa. Code § 121.3(a).

The utility has the burden of proof to demonstrate that its proposed LTIP and associated expenditures are reasonable, cost effective and designed to ensure and maintain efficient, safe, adequate, reliable, and reasonable service to consumers.<sup>3</sup> The Modified LTIP, as approved herein, is designed to maintain safe, adequate, reliable, and reasonable service and, as such, Veolia shall be required to comply with the infrastructure replacement schedule and elements of that plan.

#### **IV. LSLR PLAN**

An LSLR Plan must contain, at a minimum, the components specified in 52 Pa. Code § 65.56, including an entity's service line inventory, planning and replacements, and communications, outreach and education. We find that Veolia's LSLR Plan, as modified by the Settlement and supplemental information, contains adequate provisions that comply with these requirements, consistent with the following discussion.

##### **1. SERVICE LINE INVENTORY**

An entity's LSLR Plan must include a service line inventory (SLI) that complies with United States Environmental Protection Agency (EPA) regulation at 40 CFR §§ 141.1-143.20 as monitored by the Pennsylvania Department of Environmental Protection (DEP), inclusive of future changes as those regulations may be amended. Additionally, an entity shall identify any assumptions relied on to compile its SLI and, until the SLI is complete, provide detailed information regarding the progress of its SLI as part of its annual LSLR program report. 52 Pa. Code §§ 65.56(a)(1), (4) and (5).

Veolia indicated that it is in the process of taking an inventory of all service lines in its service territory, and that this inventory is compliant with EPA regulations. Currently, Veolia indicated that its inventory is approximately 53% complete for

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<sup>3</sup> See, 52 Pa. Code § 121.4(d).

company-owned service lines and approximately 37% complete for customer-owned service lines. Veolia anticipates the completion of its inventorying efforts by 2026. Veolia provided inventory results as of June 30, 2023, which are summarized in Table 3 – Service Line Inventory Summary, below:

**Table 3: Service Line Inventory Summary**

<b>Material Type</b>	<b>Veolia Side</b>	<b>Customer Side</b>
Asbestos Cement	170	52
Copper	29,477	16,373
Plastic	3,646	20,278
Brass	47	4
Ductile Iron	250	229
Cast Iron	80	43
Concrete	1	2
<b>Galvanized</b>	<b>965</b>	<b>257</b>
<b>Lead/Leadlined</b>	<b>0</b>	<b>0</b>
<b>Unknown</b>	<b>34,063</b>	<b>31,461</b>
<b>Total</b>	<b>68,699</b>	<b>68,699</b>

Consistent with the Settlement’s Paragraph 27, Veolia specified that in the event it finds lead in a company-owned or customer-owned service line, it will provide a report detailing the location, number of affected pipes, and estimated remediation time for the lead service lines to the Commission, the OCA, and the OSBA within 60 days of the discovery of the lead service line. Also, consistent with the Settlement’s Paragraph 28, Veolia indicated that upon the completion of the inventory, it will replace all existing company-owned and customer-owned lead service lines within three years of completion of the inventory. In supplemental information filed with the Commission, Veolia indicated that the inventory will be considered complete once DEP accepts Veolia’s baseline inventory submittal with a deadline of November 1, 2027, per EPA’s Lead and Copper Rule Improvements.

For future water distribution system acquisitions, Veolia specified that it will complete an inventory for the acquired system or update a previously completed inventory for the acquired system. If any LSLs are identified in that inventory, Veolia will expeditiously replace them under its LSLR Plan. Veolia identified assumptions in its inventory, and committed to include a detailed progress report of its inventory as part of its annual LSLR Program report. After the inventory is complete, Veolia will incorporate the complete inventory into its next LSLR Plan update.

In supplemental information filed with the Commission, Veolia indicated that it has no information regarding how many galvanized service lines currently or ever were downstream of a pipe of unknown material. Pursuant to 52 Pa. Code § 65.52, a galvanized service line is considered an LSL if it ever was or is currently downstream of any LSL or service line of unknown material. Thus, Veolia is considering all identified galvanized service lines to be “Galvanized Requiring Replacement” (“GRR”) and will replace all such lines.

## **2. PLANNING AND REPLACEMENTS**

In supplemental information filed with the Commission, Veolia indicated that it has identified 257 customer-owned and 965 company-owned service lines as GRR. In the LSLR Plan and Pro Forma Tariff, Veolia provided for up to 90 customer-owned LSLRs per year within a maximum budgeted amount of \$360,000 per year, and up to 193 company-owned LSLRs per year within a maximum budgeted amount of \$579,000 per year, with unused funds rolling over to the following year. Veolia believes this budgetary cap for LSLRs is sufficient for up to 90 LSLRs and expects the funding for potential COLSL replacements to be incorporated into the requirements of its capital plan and in future rate case claims. The source of funding is expected to be general corporate funds.

Veolia indicated in its LSLR Plan that it will perform LSLRs in the order that they are identified, except for cases where the LSL is one that serves a sensitive population,

including childcare facilities, schools, and areas identified as having a high concentration of LSLs. Veolia further indicated that in cases where an LSL serves a sensitive population, the identification and replacement of those LSLs will be the highest priority.

In an emergency where there is immediate danger to the public, property and surrounding areas, Veolia will conduct an emergency LSLR for company-owned services to minimize any further damage. For COLSL emergencies, when a property owner can be contacted and opt-in, Veolia will contact a third-party contractor to complete the customer-owned LSLR. In instances where the property owner cannot be contacted, Veolia will provide its best effort to maintain water service to the property via a hose-to-hose connection where feasible. If a hose-to-hose connection is not feasible, water service to the property will be terminated until the property owner opts-in to a Veolia-funded LSLR. Partial replacements are not allowed, and DEP risk mitigation measures for water systems conducting lead service line replacements will be followed.

Upon identification of relevant property owners, Veolia anticipates a simplified process for LSLRs whereby Veolia will contact customers individually either personally (*i.e.*, hand delivered where possible) or via mail providing an "opt-in" letter explaining the LSLR Program and the associated risks of not allowing replacement. Veolia also expects to provide customers with a copy of DEP's Lead Service Line Customer Notification Form included in the LSLR Plan's Exhibit 2.

The customer or property owner will be required to enter into an agreement for the Replacement of the COLSL, on a form provided by Veolia or its contractor, prior to the initiation of any work by Veolia or its contractors to replace a COLSL. In the LSLR Plan's Exhibit 4, Veolia included a copy of its Opt-in Form by which the customer or property owner will authorize the LSLR. The Opt-in Form indicates that Veolia will need access to the home to replace the COLSL.

The LSLR Plan also included a description of Veolia’s processes for LSLRs under normal conditions and under atypical conditions, for coordination with customers and property owners throughout the LSLR process, and for addressing LSLR completion or closeout. Additional procedures are detailed for the instances with no customer response or unsuccessful attempts to obtain acceptance from the customers.

Veolia anticipates leaving lead pipes in the ground as full removal would be cost prohibitive, although the existing LSL will be pulled and removed when site conditions allow for this installation approach. Veolia anticipated recycling and disposal efforts to be minimal and without significant proceeds.

Veolia’s LSLR Plan included a copy of the American Water Works Association Standard C810-17 – Replacement and Flushing of Lead Service Lines for the industry-accepted practices that Veolia plans to use to replace company-owned LSLs and COLSLs.

### **3. COMMUNICATIONS, OUTREACH AND EDUCATION**

To address 52 Pa. Code § 65.56(c)(1), Veolia’s LSLR Plan indicated that its print and broadcast materials are still being developed and will follow EPA requirements for communications, outreach, and education. When developed, Veolia will share the communications materials with the OCA and the OSBA and will report periodically upon request the effectiveness of such materials. Copies of printed and broadcast materials will be included in Veolia’s annual LSLR program report, as they are finalized, and Veolia will make written information about the LSLR Plan available on its website.

Veolia indicated that its website describes the health effects of lead and responsibilities related to service lines. It also includes a link to a self-identification survey, explains how lead exposure in the home can occur, and outlines steps a customer can take to reduce lead exposure and provides contact information for customer

questions. Veolia's website will also include a service line material lookup interactive map.

Once its LSLR Program is approved, Veolia will add to its website and LSLR Plan any additional information required by Commission regulations, including information about eligibility for replacement and replacement scheduling. In order to ensure the Commission and all interested parties understand what is in the final version of Veolia's LSLR Plan, we direct Veolia to file a final version of its Modified LTIP that includes its final version of its LSLR Plan, consistent with 52 Pa. Code § 65.54(b).<sup>4</sup>

## **V. PRO FORMA TARIFF**

Veolia submitted its Pro Forma Tariff containing the proposed changes necessary to implement its LSLR Plan. Veolia's *pro forma* tariff or tariff supplement must address, at a minimum, the components specified in 52 Pa. Code § 65.58. Veolia's Pro Forma Tariff, with the revisions directed by the Commission below in Section V.1., meets these requirements, consistent with the following discussion.

### **1. LSLR PROGRAM ANNUAL CAP**

As discussed above in Section IV.2., Veolia detailed in both its LSLR Plan and Pro Forma Tariff that it will replace up to 90 COLSL replacements per year within a maximum budgeted amount of \$360,000 per year and up to 193 company-owned LSLs per year within a maximum budget of \$579,000 per year, with unused funds rolling over to the following year, subject to certain adjustments for customer reimbursements or unexpended funds. We find that the inclusion of budgetary figures for LSLRs in both the LSLR Plan and Pro Forma Tariff is unnecessarily duplicative and may lead to confusion as to whether it is the maximum number of LSLRs or the maximum budget per year is the controlling element in the Pro Forma Tariff. It is well settled that public utility tariffs

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<sup>4</sup> See, Ordering Paragraph 3.

must be applied consistently with their language. 66 Pa.C.S. § 1303. Additionally, public utility tariffs have the force and effect of law and are binding on the customer as well as the utility. *See, Pennsylvania Electric Co. v. Pennsylvania Public Utility Commission*, 663 A.2d 281, 284 (Pa. Cmwlth. 1995).

Section 1311(b)(2)(vi) of the Code, 66 Pa.C.S. § 1311(b)(2)(vi), provides clear language that the new tariff or supplement to an existing tariff approved by the Commission under subparagraph (v) shall include a cap on the maximum number of customer-owned lead water service lines that can be replaced annually. Further, pursuant to 52 Pa. Code § 65.58(a), an entity's pro forma tariff or tariff supplement must include a cap on the number of COLSLs that can be replaced annually. To ensure that the Pro Forma Tariff can be applied consistently with its language, the Code and Commission regulations, the Commission will direct Veolia to file a tariff supplement that removes the tariff language that includes the maximum budgeted amounts of \$360,000 and \$579,000 per year for customer-owned and company-owned LSLRs, respectively.<sup>5</sup>

## **2. SERVICE LINE DEMARCATION**

The Pro Forma Tariff included a definition for COLSL that is consistent with 52 Pa. Code § 65.52 and provisions for Veolia to perfect its ownership of the portion of the service line located within the then-existing right-of-way. Additionally, Veolia may install a shutoff valve to serve as a point of demarcation between the property's service line and the property's interior water distribution piping if a shutoff valve is not located within 12 inches of a structure.

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<sup>5</sup> *See*, Ordering Paragraph 2.

### **3. PARTIAL LSLRS**

The Pro Forma Tariff included appropriate provisions concerning partial LSLRs. A partial LSLR must result in termination of service under Veolia's tariff. Also, where a property owner elects to replace the COLSL, the property owner must replace the COLSL concurrent with Veolia replacing the company-owned LSL, subject to the property owner providing Veolia at least 90 days' notice prior to replacing the COLSL.

### **4. REIMBURSEMENTS**

The Pro Forma Tariff included appropriate provisions for customer or property owner reimbursement for customers or property owners that replaced their COLSL including the statement that if the reimbursement would cause Veolia to exceed its current annual cap, Veolia will increase its current annual cap by the amount of the reimbursement and decrease its next annual cap by this amount.

### **5. WARRANTY**

The Pro Forma Tariff included appropriate warranty provisions. Veolia will provide a two-year warranty on workmanship, materials, and the restoration of surfaces for any COLSL that the Company or its contractor replaces limited to the cost of replacing the COLSL.

## **VI. OTHER CONSIDERATIONS**

We note that Veolia's Commission-approved LSLR Program will remain effective indefinitely and cannot be terminated or modified except by Commission Order. *See*, 52 Pa. Code §§ 65.55(d) and 65.57. The Commission may release Veolia from Commission-imposed LSLR Plan requirements if Veolia demonstrates the absence of LSLs through its service line inventory and proposes a reasonable tariffed process to address any LSLs that may be discovered thereafter. Otherwise, Veolia shall update its LSLR Plan for Commission review at least once every five years. Pursuant to 52 Pa.

Code § 65.57(b), the Commission will review Veolia’s updates and related public input to determine, among other things, if changes are necessary to maintain and improve the efficiency, safety, adequacy and reliability of Veolia’s LSLR Program.

As described in Ordering Paragraph 2, we will direct Veolia to file its tariff supplement with the Commission, including the tariff changes directed by the Commission in Section V.1., above, which will be reviewed by Commission staff for the required form and content of tariffs and tariff changes pursuant to 52 Pa. Code § 53.1-53.26, and for compliance with Section V.1. Commission staff will address any necessary ministerial tariff changes with Veolia, such as page numbering and table of contents changes, and will take appropriate action to ensure that the filed tariff complies with the tariff changes directed by the Commission in Section V.1.

## **VII. CONCLUSION**

Investigation and analysis of Veolia’s LSLR Program indicates that Commission approval of Veolia’s LSLR Program appears to be lawful, just, reasonable, and consistent with the public interest. As such, we will approve Veolia’s LSLR Program and direct Veolia to file an LSLR Program tariff supplement with the Commission under Section 1308 and consistent with this Opinion and Order; **THEREFORE,**

### **IT IS ORDERED:**

1. That the Petition of Veolia Water Pennsylvania, Inc. at Docket No. P-2023-3042107, as amended, is approved, consistent with this Opinion and Order.

2. That within ten (10) days following the entry date of this Opinion and Order, Veolia Water Pennsylvania, Inc. shall file a tariff supplement with the Secretary’s Bureau at Docket No. P-2023-3042107, consistent with this Opinion and Order, the *pro forma* tariff supplement provided as the Petition’s *pro forma* tariff, dated December 18, 2024, as modified by the Commission’s directed tariff changes in Section V.1. of this

Opinion and Order, and Commission regulations for the required form and content of tariffs and tariff changes pursuant to 52 Pa. Code §§ 53.1-53.26, to become effective upon at least ten (10) days' notice, and which shall demonstrate to the Commission's satisfaction that the filed tariff changes comply with this Opinion and Order.

3. That within ten (10) days following the entry date of this Opinion and Order, Veolia Water Pennsylvania, Inc. shall file at Docket Nos. P-2021-3028256 and P-2023-3042107 a final version of its Modified Long-Term Infrastructure Improvement Plan that includes its final version of its Lead Service Line Replacement Plan, consistent with this Opinion and Order and 52 Pa. Code § 65.54(b).

4. That Veolia Water Pennsylvania, Inc. shall file a copy of its updated Lead Service Line Replacement Plan with the Commission at least once every five years, until further Order of the Commission.

5. That Veolia Water Pennsylvania, Inc. shall file a copy of its Lead Service Line Replacement Program Report with the Commission by March 1 of each year, until further Order of the Commission.

6. That Veolia Water Pennsylvania, Inc. shall include a report that details its updated unaccounted-for water, non-revenue water and main break occurrence rates in every Annual Asset Optimization Plan filed with the Commission, beginning with Veolia Water Pennsylvania Inc.'s Annual Asset Optimization Plan to be filed on March 2026.

7. That a copy of this Opinion and Order be served upon Veolia Water Pennsylvania, Inc., the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate.

8. That a copy of this Opinion and Order be served upon the Commission's Bureau of Technical Utility Services, Finance/Tariff and Water/Wastewater Sections, for monitoring and compliance.

9. That upon acceptance by the Commission of the tariff supplement filed by Veolia Water Pennsylvania, Inc. pursuant to Ordering Paragraph 2, the proceeding at Docket No. P-2023-3042107 be closed.

**BY THE COMMISSION,**

A handwritten signature in black ink, appearing to read "Matthew L. Homsher". The signature is written in a cursive style with a large initial "M".

Matthew L. Homsher  
Secretary

(SEAL)

ORDER ADOPTED: July 24, 2025

ORDER ENTERED: July 24, 2025