PENNSYLVANIA AMERICAN WATER

Elizabeth Rose Triscari
Senior Director, Corporate Counsel
852 Wesley Drive | Mechanicsburg, PA 17055
Phone: 717-550-1574 | Fax: 717-550-1255
elizabeth.triscari@amwater.com

October 1, 2025

VIA ELECTRONIC FILING

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

In re: **Joint Petition of Pennsylvania-American Water Company and the Pennsylvania Department of Environmental Protection Requesting an *Ex Parte* Emergency Order in Regard to Receivership of East Dunkard Water Authority**

Docket No. P-2023-3043950

Third Quarter 2025 Status Report

Dear Secretary Homsher:

Pursuant to Appendix A of the Commission's Ratification Order entered November 20, 2023[1] and the Commonwealth Court Order dated February 8, 2024[2], this letter is intended to serve as the 3rd Quarter Status Report of Pennsylvania-American Water Company ("Pennsylvania-American") regarding its receivership of East Dunkard Water Authority ("EDWA").

On April 29, 2025, Pennsylvania-American closed on the acquisition of EDWA and subsequently requested that the Commonwealth Court terminate its appointment as receiver of EDWA. By the attached Order dated June 13, 2025, the Commonwealth Court granted this request and directed Pennsylvania-American to submit a final accounting of receivership expenses within 90 days, which is September 11, 2025. Pennsylvania-American Water Company requested an extension and filed its receivership expenses on September 22, 2025.

[1] *See,* paragraph 1(c) of Appendix A.
[2] *See,* paragraph 5(t) of the Commonwealth Court Order.

With these expenses being submitted, this will be Pennsylvania-American's final quarterly Status Report and is requesting this receivership be extinguished and the docket be closed.

Should you have any questions, please feel free to contact me.

Sincerely,

Elizabeth Rose Triscari

cc: All Parties on the Attached Certificate of Service *(via electronic mail)*

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Petition of Pennsylvania-American Water Company and the Pennsylvania Department of Environmental Protection Requesting an *Ex Parte* Emergency Order in Regard to Receivership of East Dunkard Water Authority	:	Docket No. P-2023-3043950

CERTIFICATE OF SERVICE

I hereby certify that I have on this 1st day of October a copy of the foregoing **Status Report** on the parties, listed below and in the manner below in accordance with the requirements of 52 Pa. Code §1.54 (relating to service by a party).

SENT VIA ELECTRONIC MAIL ON OCTOBER 1, 2025

Melanie J. El. Atieh, Esquire
Senior Assistant Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
MElAtieh@paoca.org

Alison Kaster, Director
Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
400 North Street
PO Box 3265
Harrisburg, PA 17105
akaster@pa.gov

NazAarah Sabree, Small Business Advocate
Office of Small Business Advocate
555 Walnut Street
1st Floor, Forum Place
Harrisburg, PA 17101
ra-sba@pa.gov

George Jugovic, Assistant Regional Counsel
Chris L. Ryder, Assistant Counsel
Pennsylvania Department of Environmental Protection – Southwest Regional Office
400 Waterfront Drive
Pittsburgh, PA 15222-4745
gjugovic@pa.gov
chriryder@pa.gov

Respectfully submitted,

Elizabeth Rose Triscari, Esquire (PA ID 306921)
Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055
Phone: (717) 550-1574
Email: elizabeth.triscari@amwater.com

Attorney for Pennsylvania-American Water Company

EAST DUNKARD WATER AUTHORITY
3rd QUARTER 2025 STATUS REPORT
SEPTEMBER 30, 2025

1. BACKGROUND

On February 8, 2024, the Pennsylvania Commonwealth Court ("Court") issued an Order appointing Pennsylvania-American Water Company ("PAWC") as a Receiver for the East Dunkard Water Authority ("Authority") and the Authority's property, facilities and assets, including the East Dunkard Public Water System ("System").

Paragraph 5(e) of the Order requires PAWC to conduct an evaluation of the System, identify deficiencies in the System's physical conditions, facilities and operational procedures, identify and prepare a plan of capital and operational procedures, identify and prepare a plan of capital and operational improvements to (i) improve System performance and compliance with applicable law, (ii) address or anticipate the obsolescence of portions of the System, (iii) reduce the cost of operating the System, (iv) provide cost savings or efficiency innovations to the System, or (v) comply with existing or anticipated changes to applicable laws and regulations, and report the results of such evaluation to the Court, Department, Commission and Authority ("the Improvements Plan").

Paragraph 5(t) of the Order requires PAWC to submit an initial status report to the Court, the Pennsylvania Department of Environmental Protection ("Department"), the Pennsylvania Public Utility Commission ("Commission"), and the Authority Board, within sixty (60) days of assuming operations and then quarterly thereafter. The status reports provide relevant updates concerning the condition of the System and activities performed by PAWC pursuant to the Order. The status reports also include a list of Department Mandated Improvements and Commission Approved Projects, and a listing of any recommended additional capital improvements to address the objectives set forth in Paragraph 5(e) of the Order.

To date, PAWC has submitted the following reports as required under the Order:

- 60-day Initial Status Report dated April 8, 2024.
- 2nd Quarter 2024 Status Report dated July 3, 2024.
- System Evaluation and Improvements Plan dated July 22, 2024.
- 3rd Quarter 2024 Status Report dated October 1, 2024.
- 4th Quarter 2024 Status Report dated January 10, 2025.
- 1st Quarter 2025 Status Report dated March 31, 2025.
- 2nd Quarter 2025 Status Report dated July 2, 2025.

This 3rd Quarter 2025 Status Report covers activities between April 1 and September 30, 2025. For ease of reference, the headings used are the same as the previously submitted Status Reports. For those items that were completed as of the 1st Quarter 2025 report, the

descriptions under those items have been removed and the item has simply been marked "Completed". In this manner, the only descriptions remaining in this report reflect work that was active or still ongoing in the 2nd and 3rd Quarters of 2025. Similar to the previous quarterly reports, conditions found and actions taken are summarized in Section 2. Improvement projects are discussed in Section 3.

2. CONDITIONS FOUND & ACTIVITIES PERFORMED

This section describes the conditions of the System and the corrective actions taken from April 1 to September 30, 2025. This section is organized in the following order of components of the System operations: (2.1) - Safety Program; (2.2) - Water Treatment Plant; (2.3) - Water Distribution System; (2.4) - SCADA System; and (2.5) - Water Quality & Environmental Compliance Program.

Note, in the subsections below, the numbered "actions taken" items correspond to the same numbered "conditions found" items.

2.1 Safety Program

2.1.1 Personal Protective Equipment ("PPE")

Conditions found:

1. No automated external defibrillator ("AED") on site.

Actions taken:

1. *Completed*

2.1.2 Plant Water Supply Safety

Conditions found:

1. Determined that the plant's potable water supply was tapped off the plant's 10-inch transmission main rather than the 6-inch distribution main as originally believed. The tap location is before the point on the 10-inch main where regulatory disinfection and contact time ("CT") requirements are met for Giardia log inactivation, thereby making the plant water supply unsafe for human consumption.

Actions taken:

1. *Completed*

2.1.3 Chemical Safety

Conditions found:

1. Waste chemicals were stored in plant area.

2. No fume hood in laboratory, which is preventing process control testing for manganese levels in the water.

Actions taken:

1. *Completed*
2. Purchased temporary fume hood for use until permanent solution. A permanent solution was included in the design for the Phase II Plant Improvements project.

2.1.4 Slip/Fall/Struck-By Protection

Conditions found:

1. Dangerous platform leading to lagoon sampling location.

Actions taken:

1. Installed barricade on unsafe platform and redesignated the sampling point until permanent solution; consultant designed permanent solution in the Phase II Plant Improvement project.

2.1.5 Confined Space Safety

Conditions found:

1. No equipment to monitor for hazardous atmosphere.
2. No safe means for entry into the finished water piping vault.

Actions taken:

1. *Completed*
2. *Completed*

2.1.6 Electrical/Mechanical Safety

Conditions found:

1. No electric arc flash safety program in place.

Actions taken:

1. Performed data collection at the Willowtree pump station; currently gathering power company information required to complete the study. Data collection, calculations and labeling for water treatment plant were completed by consultant.

2.1.7 Vehicle Safety

Conditions found:

1. Both pick-up trucks needed repairs and one was past due on state inspection.

Actions taken:

1. *Completed*

2.2 Water Treatment Plant

2.2.1 Intake & Chemical Feed Operations

Conditions found:

1. Chemical feed pumps are aged and there is no redundancy in the event of a pump failure.
2. Chlorine feed system consists of a single cylinder with no redundancy, no means to monitor the amount of product in the cylinder, no automatic switchover to another cylinder, and limited safety controls.

Actions taken:

1. *Completed*
2. *Completed*

2.2.2 Clarifier & Filter Operations

Conditions found:

1. Filter media is at end of useful life and filter backwashing process is not effective due to aging components.
2. Blower on air scour system of filter backwash has excessive vibration and noise.
3. The filters have numerous design deficiencies, including: (1) the 26 valves controlling the water flow through the filter units have pneumatic actuators. The actuators are aging and are prone to operational mishaps due to the pneumatic controllers; (2) the four individual filter units currently have no means to measure the incoming flow, filtered flow, or filter-to-waste flow rates, all of which are valuable parameters to control filter operations; (3) the filtration unit currently has no means to monitor the Combined Filter Effluent ("CFE") turbidity readings; (4) the settled water turbidimeter and the four Individual Filter Effluent ("IFE") turbidimeters are based on outdated technology and are no longer supported by their manufacturer (HACH); and (5) the filter units currently have no means to monitor the loss of head through each unit, another very important parameter for filter operation control.

Actions taken:

1. *Completed*
2. *Completed*

3. A design report and permit application was submitted to the Department for a Phase II Plant Improvements project that will remedy the deficiencies. The Department approved the project in Public Water Supply Construction/Operations Permit No. 3024505MA dated June 18, 2024. The remedies will include: (1) replacement of each actuator with electric powered actuators which are more reliable and require less maintenance, and connecting each actuator to the Supervisory Control and Data Acquisition ("SCADA") System; (2) installation of incoming flow, filtered flow, and filter-to-waste flow meters on each of the filter units; (3) modifying the filtered water piping to provide a representative CFE sampling point, installing a tap and common service saddle and corporation, and installing a new Lovibond turbidimeter that will continuously monitor CFE turbidity; (4) replacement of each turbidimeter with a new, state-of-the-art, Department-approved unit manufactured by Lovibond; and (5) installation of a differential pressure gauge on each filter that is connected to SCADA to provide real-time loss of head data. Bids for the construction of these improvements are due by October 8, 2025.

2.2.3 Post-Treatment & High Service Pumping Operations

Conditions found:

1. Entry point sample location at vault on effluent line from Griffin Tank was producing poor quality water due to tap age, condition and location. The current Hach CL10 analyzer at entry point vault is in poor condition and needs to be replaced.

Actions taken:

1. *Completed*

2.3 Water Distribution System

2.3.1 Water Mains, Services and Meters

Conditions found:

1. Leaks were left running on water mains and service lines. No proactive program to identify leaks and repair them promptly.
2. No procedures in place to follow the requirements in the Distribution System Corrective Action Plan ("CAP") dated November 2020. This CAP was requested by the Department as a result of multiple water quality complaints and manganese sample results exceeding the Secondary Maximum Contaminant

EAST DUNKARD WATER AUTHORITY
3rd QUARTER 2025 STATUS REPORT
SEPTEMBER 30, 2025

1. BACKGROUND

On February 8, 2024, the Pennsylvania Commonwealth Court ("Court") issued an Order appointing Pennsylvania-American Water Company ("PAWC") as a Receiver for the East Dunkard Water Authority ("Authority") and the Authority's property, facilities and assets, including the East Dunkard Public Water System ("System").

Paragraph 5(e) of the Order requires PAWC to conduct an evaluation of the System, identify deficiencies in the System's physical conditions, facilities and operational procedures, identify and prepare a plan of capital and operational procedures, identify and prepare a plan of capital and operational improvements to (i) improve System performance and compliance with applicable law, (ii) address or anticipate the obsolescence of portions of the System, (iii) reduce the cost of operating the System, (iv) provide cost savings or efficiency innovations to the System, or (v) comply with existing or anticipated changes to applicable laws and regulations, and report the results of such evaluation to the Court, Department, Commission and Authority ("the Improvements Plan").

Paragraph 5(t) of the Order requires PAWC to submit an initial status report to the Court, the Pennsylvania Department of Environmental Protection ("Department"), the Pennsylvania Public Utility Commission ("Commission"), and the Authority Board, within sixty (60) days of assuming operations and then quarterly thereafter. The status reports provide relevant updates concerning the condition of the System and activities performed by PAWC pursuant to the Order. The status reports also include a list of Department Mandated Improvements and Commission Approved Projects, and a listing of any recommended additional capital improvements to address the objectives set forth in Paragraph 5(e) of the Order.

To date, PAWC has submitted the following reports as required under the Order:

- 60-day Initial Status Report dated April 8, 2024.
- 2nd Quarter 2024 Status Report dated July 3, 2024.
- System Evaluation and Improvements Plan dated July 22, 2024.
- 3rd Quarter 2024 Status Report dated October 1, 2024.
- 4th Quarter 2024 Status Report dated January 10, 2025.
- 1st Quarter 2025 Status Report dated March 31, 2025.
- 2nd Quarter 2025 Status Report dated July 2, 2025.

This 3rd Quarter 2025 Status Report covers activities between April 1 and September 30, 2025. For ease of reference, the headings used are the same as the previously submitted Status Reports. For those items that were completed as of the 1st Quarter 2025 report, the

descriptions under those items have been removed and the item has simply been marked "Completed". In this manner, the only descriptions remaining in this report reflect work that was active or still ongoing in the 2nd and 3rd Quarters of 2025. Similar to the previous quarterly reports, conditions found and actions taken are summarized in Section 2. Improvement projects are discussed in Section 3.

2. CONDITIONS FOUND & ACTIVITIES PERFORMED

This section describes the conditions of the System and the corrective actions taken from April 1 to September 30, 2025. This section is organized in the following order of components of the System operations: (2.1) - Safety Program; (2.2) - Water Treatment Plant; (2.3) - Water Distribution System; (2.4) - SCADA System; and (2.5) - Water Quality & Environmental Compliance Program.

Note, in the subsections below, the numbered "actions taken" items correspond to the same numbered "conditions found" items.

2.1 Safety Program

2.1.1 Personal Protective Equipment ("PPE")

Conditions found:

1. No automated external defibrillator ("AED") on site.

Actions taken:

1. *Completed*

2.1.2 Plant Water Supply Safety

Conditions found:

1. Determined that the plant's potable water supply was tapped off the plant's 10-inch transmission main rather than the 6-inch distribution main as originally believed. The tap location is before the point on the 10-inch main where regulatory disinfection and contact time ("CT") requirements are met for Giardia log inactivation, thereby making the plant water supply unsafe for human consumption.

Actions taken:

1. *Completed*

2.1.3 Chemical Safety

Conditions found:

1. Waste chemicals were stored in plant area.

2. No fume hood in laboratory, which is preventing process control testing for manganese levels in the water.

Actions taken:

1. *Completed*
2. Purchased temporary fume hood for use until permanent solution. A permanent solution was included in the design for the Phase II Plant Improvements project.

2.1.4 Slip/Fall/Struck-By Protection

Conditions found:

1. Dangerous platform leading to lagoon sampling location.

Actions taken:

1. Installed barricade on unsafe platform and redesignated the sampling point until permanent solution; consultant designed permanent solution in the Phase II Plant Improvement project.

2.1.5 Confined Space Safety

Conditions found:

1. No equipment to monitor for hazardous atmosphere.
2. No safe means for entry into the finished water piping vault.

Actions taken:

1. *Completed*
2. *Completed*

2.1.6 Electrical/Mechanical Safety

Conditions found:

1. No electric arc flash safety program in place.

Actions taken:

1. Performed data collection at the Willowtree pump station; currently gathering power company information required to complete the study. Data collection, calculations and labeling for water treatment plant were completed by consultant.

2.1.7 Vehicle Safety

Conditions found:

1. Both pick-up trucks needed repairs and one was past due on state inspection.

Actions taken:

1. *Completed*

2.2 Water Treatment Plant

2.2.1 Intake & Chemical Feed Operations

Conditions found:

1. Chemical feed pumps are aged and there is no redundancy in the event of a pump failure.
2. Chlorine feed system consists of a single cylinder with no redundancy, no means to monitor the amount of product in the cylinder, no automatic switchover to another cylinder, and limited safety controls.

Actions taken:

1. *Completed*
2. *Completed*

2.2.2 Clarifier & Filter Operations

Conditions found:

1. Filter media is at end of useful life and filter backwashing process is not effective due to aging components.
2. Blower on air scour system of filter backwash has excessive vibration and noise.
3. The filters have numerous design deficiencies, including: (1) the 26 valves controlling the water flow through the filter units have pneumatic actuators. The actuators are aging and are prone to operational mishaps due to the pneumatic controllers; (2) the four individual filter units currently have no means to measure the incoming flow, filtered flow, or filter-to-waste flow rates, all of which are valuable parameters to control filter operations; (3) the filtration unit currently has no means to monitor the Combined Filter Effluent ("CFE") turbidity readings; (4) the settled water turbidimeter and the four Individual Filter Effluent ("IFE") turbidimeters are based on outdated technology and are no longer supported by their manufacturer (HACH); and (5) the filter units currently have no means to monitor the loss of head through each unit, another very important parameter for filter operation control.

Actions taken:

1. *Completed*
2. *Completed*

3. A design report and permit application was submitted to the Department for a Phase II Plant Improvements project that will remedy the deficiencies. The Department approved the project in Public Water Supply Construction/Operations Permit No. 3024505MA dated June 18, 2024. The remedies will include: (1) replacement of each actuator with electric powered actuators which are more reliable and require less maintenance, and connecting each actuator to the Supervisory Control and Data Acquisition ("SCADA") System; (2) installation of incoming flow, filtered flow, and filter-to-waste flow meters on each of the filter units; (3) modifying the filtered water piping to provide a representative CFE sampling point, installing a tap and common service saddle and corporation, and installing a new Lovibond turbidimeter that will continuously monitor CFE turbidity; (4) replacement of each turbidimeter with a new, state-of-the-art, Department-approved unit manufactured by Lovibond; and (5) installation of a differential pressure gauge on each filter that is connected to SCADA to provide real-time loss of head data. Bids for the construction of these improvements are due by October 8, 2025.

2.2.3 Post-Treatment & High Service Pumping Operations

Conditions found:

1. Entry point sample location at vault on effluent line from Griffin Tank was producing poor quality water due to tap age, condition and location. The current Hach CL10 analyzer at entry point vault is in poor condition and needs to be replaced.

Actions taken:

1. *Completed*

2.3 Water Distribution System

2.3.1 Water Mains, Services and Meters

Conditions found:

1. Leaks were left running on water mains and service lines. No proactive program to identify leaks and repair them promptly.
2. No procedures in place to follow the requirements in the Distribution System Corrective Action Plan ("CAP") dated November 2020. This CAP was requested by the Department as a result of multiple water quality complaints and manganese sample results exceeding the Secondary Maximum Contaminant

Levels.

Actions taken:

1. Implemented a practice to actively look for leaks in the system and make repairs within 24 hours of discovery. Repaired a total of 135 leaks to date.
2. *Completed*

2.3.2 Pumping Stations & Storage Tanks

Conditions found:

1. One of the two 1994-vintage pumps at the Bald Hill pump station have failed and there is no redundancy.

Actions taken:

1. *Completed*

2.4 SCADA System

Work was completed by PAWC's SCADA team to tie-in the new chemical feed pumps (see Section 2.2.1), tie-in a new entry point chlorine/CT compliance analyzer (see Section 2.2.3), and implement a quarterly critical alarm/shutdown testing program (see Section 2.5.2).

2.5 Water Quality & Environmental Compliance Program

PAWC has observed and reviewed the Authority'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 Department, and identified deficiencies and improvement opportunities. Immediate actions taken to improve the water quality and environmental compliance program are listed below.

2.5.1 Filter Bed Evaluation Program

Conditions found:

1. No program in place for quarterly Filter Bed Evaluations as required by Department regulations.

Actions taken:

1. *Completed*

2.5.2 Compliance Monitoring & Reporting

Conditions found:

1. A CT segment designation form was not submitted by Authority.
2. The 2023 Annual Water Supply Report was not submitted by Authority.
3. No program in place to test critical alarms and shutdowns as required by regulations.

Actions taken:

1. *Completed*
2. *Completed*
3. *Completed*

2.5.3 New Regulations

Conditions found:

1. No plans in place for Lead Service Line Inventory public facing map due by October 16, 2024 under the Lead and Copper Rule.

Actions taken:

1. *Completed*

2.5.4 Permits & Fees

Conditions found:

1. NPDES discharge permit expires May 31, 2024 and renewal permit application was not submitted to Department 180 days prior to expiration date as required by Department regulations.

Actions taken:

1. *Completed*

2.5.5 Sanitary Survey dated September 16-17, 2024

Conditions found:

1. PAWC received the Department's Sanitary Survey report on December 20, 2024. The Department's report included a new Violation No. 8211440 for conditions that existed prior to PAWC's receivership.

Actions taken:

1. *Completed*

3. IMPROVEMENT PROJECTS

This section describes future improvement projects that have been identified since the assumption of receivership operations by PAWC on February 9, 2024. In accordance with the Order, this section includes a list of Department Mandated Improvements, Commission Approved Projects, and a listing of any recommended additional capital improvements to address the objectives set forth in Paragraph 5(e) of the Order.

3.1 Department Mandated Improvements

Prior to PAWC's assumption of receivership operations, the Authority had applied for and received grant funding from Greene County under the Department of Community and Economic Development's Community Development Block Grant ("CDBG") program. This CDBG was being used to fund several ongoing projects that are compliance-based and therefore "Department Mandated Improvements". Each project is discussed separately below.

3.1.1 Filter Rebuild Project

This project is required under paragraph 7(e) of the Court Order. The project has been permitted by the Department under Water Supply Permit No. 3023509MA issued on December 11, 2023. The scope of the project includes replacement of the filter media, filter backwash aeration piping, and filter backwash underdrain nozzles in each of the four filter cells. Completed.

3.1.2 Distribution System Mapping & Improvements Project

This project addresses one of the recommendations in the Authority's 2020 Distribution System CAP. The project includes the preparation of updated distribution system mapping using field-verified information and the design and installation of additional system valves, blowoffs and/or hydrants to improve leak isolation and flushing capabilities. This project is in the design phase. The Department has advised the Authority that a permit is not required for the project. PAWC plans to complete this project post-closing using funding other than the CDBG.

3.1.3 Plant Improvements Project

This project addresses numerous design deficiencies at the plant that have been identified by the Department in previous inspection reports, enforcement orders, Filter Plant Performance Evaluations and Sanitary Surveys. The current scope includes the following improvements:

1. Replace all water quality compliance analyzers (chlorine residual, turbidity, pH).
2. Add individual filter flow meters (influent, effluent, filter-to-waste).
3. Replace filter valve controllers.

4. Install new entry point water quality analyzers and an automated control valve on the influent to the Griffin Tank that will automatically shut down if disinfection treatment is compromised.
5. Install by-pass piping to allow the Griffin Tank to be taken out of service for maintenance.
6. Laboratory renovations (permanent fume hood, chemical containment cabinets).
7. Replace lagoon sampling access ramp with unit meeting all safety standards.
8. Replace failed variable frequency drivess and add surge protection at two pump stations (Davistown, Rocky Hollow).
9. Wiring and programming to tie new equipment into High Tide SCADA system.

A design report and permit application was submitted to the Department for this Phase II Plant Improvements project. The Department approved the project in Public Water Supply Construction/Operations Permit No. 3024505MA dated June 18, 2024. Bids for the construction of these improvements are due by October 8, 2025.

3.2 Commission Approved Projects

None at this time.

3.3 Recommended Additional Capital Improvements

PAWC prepared the System evaluation required under Paragraph 5(e) of the Order and submitted a System Evaluation and Improvements Plan on July 22, 2024. The Plan describes short-term system improvements that are needed during the current receivership period and longer-term improvements planned for after closing of the acquisition by PAWC.

Priority post-closing improvement projects (as identified in the April 23, 2025 Consent Order and Agreement with the Department) are discussed in Section 5.

4. ACQUISITION UPDATE

On June 21, 2024, PAWC filed an application with the Commission seeking approval to acquire substantially all of the assets, properties and rights of EDWA owned and used in connection with its water system and the right to offer, render, furnish and supply water service in the areas served by EDWA. The Office of Consumer Advocate ("OCA") and Office of Small Business Advocate ("OSBA") intervened in the proceeding and OSBA also filed a Protest. PAWC, EDWA, OCA and OSBA reached a settlement and filed a Joint Petition for Approval of Unanimous Settlement of All Issues and Joint Stipulation of Facts (the Settlement) on December 3, 2024. Administrative Law Judge Eranda Vero issued a Recommended Decision on February 27, 2025 recommending the PUC approve, with one

modification, the Settlement, because the Settlement is in the public interest. The PUC issued a final order approving the Settlement and PAWC's acquisition of the EDWA water system on March 13, 2025. On April 29, 2025, PAWC completed its acquisition of the water system assets of the East Dunkard Water Authority.

5. POST-CLOSING UPDATE

PAWC and the Department entered into a Consent Order and Agreement ("COA") on April 23, 2025 that identified deficiencies and correction actions to be undertaken by PAWC after closing of the acquisition.

A summary of the post-closing corrective actions required in the COA and their status is provided below:

- By April 29, 2026, PAWC shall install and thereafter calibrate and maintain flow meters to measure flows of individual filter (as that term is used in 25 Pa. Code §109.1204(h)) effluent at each of the four filters within the System's Water Treatment Plant; and tie each such meter to report individual filter effluent flows to the Water Treatment Plant's SCADA System.

  Status: Individual filter flow meters will be installed as part of the Phase II Plant Improvements project. Bids for the construction of these improvements are due by October 8, 2025.

- By April 29, 2026, PAWC shall identify and establish a monitoring point CFE (as that term is used in 25 Pa. Code §§109.301 and 109.1204(g)). Install a turbidimeter at the CFE monitoring point. Tie the CFE turbidimeter to report turbidity measurements to the Water Treatment Plant's SCADA System. Program the SCADA System to provide an alarm if the CFE turbidimeter indicates turbidity values in excess of 0.15 NTU.

  Status: New CFE piping and a CFE turbidimeter will be installed as part of the Phase II Plant Improvements project. Bids for the construction of these improvements are due by October 8, 2025.

- By April 29, 2026, PAWC shall establish a new entry point monitoring location on the influent pipe to the Griffin Tank (the tank receiving finished water produced by the System's Water Treatment Plant). Install online chlorine, pH and temperature sampler/analyzer equipment at such monitoring point. Tie the chlorine, pH and temperature monitors to the Water Treatment Plant's SCADA System. Install a shutoff valve on the influent pipe to the Griffin Tank tied to the Water Treatment Plant's SCADA System. Program the SCADA System to provide an alarm and shutoff influent flow to the Griffin Tank if chlorine, pH and temperature monitors indicate conditions under which the influent water does not meet applicable drinking water

standards and treatment requirements established under the SDWA and SDWA Regulations.

Status: A new entry point with online monitoring equipment and automatic shutoff valve will be installed as part of the Phase II Plant Improvements project. Bids for the construction of these improvements are due by October 8, 2025.

- By April 29, 2026, PAWC shall replace the programmable logic controllers, human machine interface components, and software of the Water Treatment Plant's SCADA System; replace the related communications network components within the Water Treatment Plant; and program the SCADA System to provide automated control of plant treatment processes, obtain and store monitoring data required under 25 Pa. Code §109.301 among others.

  Status: The plant SCADA replacement project is underway. PAWC has contracted with a systems integrator to procure the hardware and build control panels. Specifications for system functionality have been prepared by the integrator and approved by PAWC. The next steps will be approving the final design specification, finishing the build, and install/commissioning, mostly likely in early 2026.

- By April 29, 2026, PAWC shall program the replacement SCADA System installed at the Water Treatment Plant to provide for automated flow pacing of the sodium hydroxide, polyaluminum chloride, and chorine feed systems at the Water Treatment Plant.

  Status: The replacement SCADA system will be programmed for automated flow pacing of chemicals following installation of all components.

- By April 29, 2026, PAWC shall conduct and provide a report to the Department with respect to an evaluation of the water supply demands of the System compared to the Permitted Water Allocation Amount. The evaluation shall consider, among other factors, the current water demands of the System, the projected future water supply demands of the System for a period of at least ten years after closing, the amounts of water loss or unaccounted for water due to leakage from the System, and the projected reduction in the amount of water loss or unaccounted for water expected to result from implementation of a reasonable program of leak detection and reduction (the "Demand/Allocation Evaluation"). If the Demand/Allocation Evaluation finds that the current or reasonably projected water supply demands of the System exceed the existing Permitted Water Allocation Amount, PAWC shall, within sixty (60) days of the submission of the Demand/Allocation Evaluation, or such later date as provided by the Department in writing, submit to the Department (i) an application for an amendment to the Water Allocation Permit to authorize a withdrawal from the Monongahela River sufficient to meet the current and reasonably projected demands of the System; and/or (ii) a plan for development of

additional sources of surface or ground water sufficient to meeting the current and reasonably projected demands of the System.

Status: PAWC has retained an engineering consultant, GFT Infrastructure, Inc. ("GFT") to perform the Demand/Allocation Evaluation and the project is underway. PAWC anticipates completion of the evaluation by the deadline.

- By July 28, 2025, or such later date as provided by the Department in writing, PAWC shall submit complete, accurate, and technically sufficient permit applications for the construction and operation of the Bealls Run Pump Station, Laurel Run Pump Station, Sugar Grove Tank, Clark Tank and the Bobtown Tank.

  Status: PAWC retained GFT to prepare a permit application for the above-listed facilities. The permit application was submitted to the Department on July 28, 2025. The Department issued Construction Permit No. 3025503 on September 17, 2025. Minor improvements to the existing facilities, as detailed in the permit application, are underway. Following completion of the improvements, PAWC will prepare and submit Certificate of Construction Form(s) to the Department for issuance of a final Operations permit for the facilities.

In addition to the COA-related improvements described above, PAWC has made several other system improvements since the closing of the acquisition. These include:

- Replaced pumps and fixed the access hatch at the Bealls Run pump station;
- Replaced pumps and in process of installing a new electrical service at the Laurel Run pump station;
- Installed a new electrical service at the Bobtown tank;
- Installed electric surge protection at the Griffin tank;
- Improved the access roads at Clark Tank and Griffin Tank;
- Installed security fencing at Bald Hill tank;
- Removed the old house on the plant property;
- Replaced all vehicles;
- Replaced the IFE turbidimeters;
- In process of installing security fencing and a key card access control system at plant;
- In process of making access safety improvements the plant lagoon and clarifier; and
- In process of improving access roads at Sugar Grove Tank, Abel Tank, and Bald Hill tank.

6. FINAL ACCOUNTING

On September 22, 2025, PAWC filed the Accounting of Receivership with the Commonwealth Court of Pennsylvania, which detailed the financial condition and activity at the beginning, during and end of the receivership. At the end of the receivership, there

was $119,989.10 remaining in the bank accounts, with $25,472.89 owed to certain customers due to prepayments in excess of final billings prior to acquisition by PAWC. PAWC will comply with the Court's decision regarding the customer refunds and final transfers to the Authority General Indemnity Escrow.

Levels.

Actions taken:

1. Implemented a practice to actively look for leaks in the system and make repairs within 24 hours of discovery. Repaired a total of 135 leaks to date.
2. *Completed*

2.3.2 Pumping Stations & Storage Tanks

Conditions found:

1. One of the two 1994-vintage pumps at the Bald Hill pump station have failed and there is no redundancy.

Actions taken:

1. *Completed*

2.4 SCADA System

Work was completed by PAWC's SCADA team to tie-in the new chemical feed pumps (see Section 2.2.1), tie-in a new entry point chlorine/CT compliance analyzer (see Section 2.2.3), and implement a quarterly critical alarm/shutdown testing program (see Section 2.5.2).

2.5 Water Quality & Environmental Compliance Program

PAWC has observed and reviewed the Authority'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 Department, and identified deficiencies and improvement opportunities. Immediate actions taken to improve the water quality and environmental compliance program are listed below.

2.5.1 Filter Bed Evaluation Program

Conditions found:

1. No program in place for quarterly Filter Bed Evaluations as required by Department regulations.

Actions taken:

1. *Completed*

2.5.2 Compliance Monitoring & Reporting

Conditions found:

1. A CT segment designation form was not submitted by Authority.
2. The 2023 Annual Water Supply Report was not submitted by Authority.
3. No program in place to test critical alarms and shutdowns as required by regulations.

Actions taken:

1. *Completed*
2. *Completed*
3. *Completed*

2.5.3 New Regulations

Conditions found:

1. No plans in place for Lead Service Line Inventory public facing map due by October 16, 2024 under the Lead and Copper Rule.

Actions taken:

1. *Completed*

2.5.4 Permits & Fees

Conditions found:

1. NPDES discharge permit expires May 31, 2024 and renewal permit application was not submitted to Department 180 days prior to expiration date as required by Department regulations.

Actions taken:

1. *Completed*

2.5.5 Sanitary Survey dated September 16-17, 2024

Conditions found:

1. PAWC received the Department's Sanitary Survey report on December 20, 2024. The Department's report included a new Violation No. 8211440 for conditions that existed prior to PAWC's receivership.

Actions taken:

1. *Completed*

3. IMPROVEMENT PROJECTS

This section describes future improvement projects that have been identified since the assumption of receivership operations by PAWC on February 9, 2024. In accordance with the Order, this section includes a list of Department Mandated Improvements, Commission Approved Projects, and a listing of any recommended additional capital improvements to address the objectives set forth in Paragraph 5(e) of the Order.

3.1 Department Mandated Improvements

Prior to PAWC's assumption of receivership operations, the Authority had applied for and received grant funding from Greene County under the Department of Community and Economic Development's Community Development Block Grant ("CDBG") program. This CDBG was being used to fund several ongoing projects that are compliance-based and therefore "Department Mandated Improvements". Each project is discussed separately below.

3.1.1 Filter Rebuild Project

This project is required under paragraph 7(e) of the Court Order. The project has been permitted by the Department under Water Supply Permit No. 3023509MA issued on December 11, 2023. The scope of the project includes replacement of the filter media, filter backwash aeration piping, and filter backwash underdrain nozzles in each of the four filter cells. Completed.

3.1.2 Distribution System Mapping & Improvements Project

This project addresses one of the recommendations in the Authority's 2020 Distribution System CAP. The project includes the preparation of updated distribution system mapping using field-verified information and the design and installation of additional system valves, blowoffs and/or hydrants to improve leak isolation and flushing capabilities. This project is in the design phase. The Department has advised the Authority that a permit is not required for the project. PAWC plans to complete this project post-closing using funding other than the CDBG.

3.1.3 Plant Improvements Project

This project addresses numerous design deficiencies at the plant that have been identified by the Department in previous inspection reports, enforcement orders, Filter Plant Performance Evaluations and Sanitary Surveys. The current scope includes the following improvements:

1. Replace all water quality compliance analyzers (chlorine residual, turbidity, pH).
2. Add individual filter flow meters (influent, effluent, filter-to-waste).
3. Replace filter valve controllers.

4. Install new entry point water quality analyzers and an automated control valve on the influent to the Griffin Tank that will automatically shut down if disinfection treatment is compromised.
5. Install by-pass piping to allow the Griffin Tank to be taken out of service for maintenance.
6. Laboratory renovations (permanent fume hood, chemical containment cabinets).
7. Replace lagoon sampling access ramp with unit meeting all safety standards.
8. Replace failed variable frequency drivess and add surge protection at two pump stations (Davistown, Rocky Hollow).
9. Wiring and programming to tie new equipment into High Tide SCADA system.

A design report and permit application was submitted to the Department for this Phase II Plant Improvements project. The Department approved the project in Public Water Supply Construction/Operations Permit No. 3024505MA dated June 18, 2024. Bids for the construction of these improvements are due by October 8, 2025.

3.2 Commission Approved Projects

None at this time.

3.3 Recommended Additional Capital Improvements

PAWC prepared the System evaluation required under Paragraph 5(e) of the Order and submitted a System Evaluation and Improvements Plan on July 22, 2024. The Plan describes short-term system improvements that are needed during the current receivership period and longer-term improvements planned for after closing of the acquisition by PAWC.

Priority post-closing improvement projects (as identified in the April 23, 2025 Consent Order and Agreement with the Department) are discussed in Section 5.

4. ACQUISITION UPDATE

On June 21, 2024, PAWC filed an application with the Commission seeking approval to acquire substantially all of the assets, properties and rights of EDWA owned and used in connection with its water system and the right to offer, render, furnish and supply water service in the areas served by EDWA. The Office of Consumer Advocate ("OCA") and Office of Small Business Advocate ("OSBA") intervened in the proceeding and OSBA also filed a Protest. PAWC, EDWA, OCA and OSBA reached a settlement and filed a Joint Petition for Approval of Unanimous Settlement of All Issues and Joint Stipulation of Facts (the Settlement) on December 3, 2024. Administrative Law Judge Eranda Vero issued a Recommended Decision on February 27, 2025 recommending the PUC approve, with one

modification, the Settlement, because the Settlement is in the public interest. The PUC issued a final order approving the Settlement and PAWC's acquisition of the EDWA water system on March 13, 2025. On April 29, 2025, PAWC completed its acquisition of the water system assets of the East Dunkard Water Authority.

5. POST-CLOSING UPDATE

PAWC and the Department entered into a Consent Order and Agreement ("COA") on April 23, 2025 that identified deficiencies and correction actions to be undertaken by PAWC after closing of the acquisition.

A summary of the post-closing corrective actions required in the COA and their status is provided below:

- By April 29, 2026, PAWC shall install and thereafter calibrate and maintain flow meters to measure flows of individual filter (as that term is used in 25 Pa. Code §109.1204(h)) effluent at each of the four filters within the System's Water Treatment Plant; and tie each such meter to report individual filter effluent flows to the Water Treatment Plant's SCADA System.

  Status: Individual filter flow meters will be installed as part of the Phase II Plant Improvements project. Bids for the construction of these improvements are due by October 8, 2025.

- By April 29, 2026, PAWC shall identify and establish a monitoring point CFE (as that term is used in 25 Pa. Code §§109.301 and 109.1204(g)). Install a turbidimeter at the CFE monitoring point. Tie the CFE turbidimeter to report turbidity measurements to the Water Treatment Plant's SCADA System. Program the SCADA System to provide an alarm if the CFE turbidimeter indicates turbidity values in excess of 0.15 NTU.

  Status: New CFE piping and a CFE turbidimeter will be installed as part of the Phase II Plant Improvements project. Bids for the construction of these improvements are due by October 8, 2025.

- By April 29, 2026, PAWC shall establish a new entry point monitoring location on the influent pipe to the Griffin Tank (the tank receiving finished water produced by the System's Water Treatment Plant). Install online chlorine, pH and temperature sampler/analyzer equipment at such monitoring point. Tie the chlorine, pH and temperature monitors to the Water Treatment Plant's SCADA System. Install a shutoff valve on the influent pipe to the Griffin Tank tied to the Water Treatment Plant's SCADA System. Program the SCADA System to provide an alarm and shutoff influent flow to the Griffin Tank if chlorine, pH and temperature monitors indicate conditions under which the influent water does not meet applicable drinking water

standards and treatment requirements established under the SDWA and SDWA Regulations.

Status: A new entry point with online monitoring equipment and automatic shutoff valve will be installed as part of the Phase II Plant Improvements project. Bids for the construction of these improvements are due by October 8, 2025.

- By April 29, 2026, PAWC shall replace the programmable logic controllers, human machine interface components, and software of the Water Treatment Plant's SCADA System; replace the related communications network components within the Water Treatment Plant; and program the SCADA System to provide automated control of plant treatment processes, obtain and store monitoring data required under 25 Pa. Code §109.301 among others.

  Status: The plant SCADA replacement project is underway. PAWC has contracted with a systems integrator to procure the hardware and build control panels. Specifications for system functionality have been prepared by the integrator and approved by PAWC. The next steps will be approving the final design specification, finishing the build, and install/commissioning, mostly likely in early 2026.

- By April 29, 2026, PAWC shall program the replacement SCADA System installed at the Water Treatment Plant to provide for automated flow pacing of the sodium hydroxide, polyaluminum chloride, and chorine feed systems at the Water Treatment Plant.

  Status: The replacement SCADA system will be programmed for automated flow pacing of chemicals following installation of all components.

- By April 29, 2026, PAWC shall conduct and provide a report to the Department with respect to an evaluation of the water supply demands of the System compared to the Permitted Water Allocation Amount. The evaluation shall consider, among other factors, the current water demands of the System, the projected future water supply demands of the System for a period of at least ten years after closing, the amounts of water loss or unaccounted for water due to leakage from the System, and the projected reduction in the amount of water loss or unaccounted for water expected to result from implementation of a reasonable program of leak detection and reduction (the "Demand/Allocation Evaluation"). If the Demand/Allocation Evaluation finds that the current or reasonably projected water supply demands of the System exceed the existing Permitted Water Allocation Amount, PAWC shall, within sixty (60) days of the submission of the Demand/Allocation Evaluation, or such later date as provided by the Department in writing, submit to the Department (i) an application for an amendment to the Water Allocation Permit to authorize a withdrawal from the Monongahela River sufficient to meet the current and reasonably projected demands of the System; and/or (ii) a plan for development of

additional sources of surface or ground water sufficient to meeting the current and reasonably projected demands of the System.

Status: PAWC has retained an engineering consultant, GFT Infrastructure, Inc. ("GFT") to perform the Demand/Allocation Evaluation and the project is underway. PAWC anticipates completion of the evaluation by the deadline.

- By July 28, 2025, or such later date as provided by the Department in writing, PAWC shall submit complete, accurate, and technically sufficient permit applications for the construction and operation of the Bealls Run Pump Station, Laurel Run Pump Station, Sugar Grove Tank, Clark Tank and the Bobtown Tank.

  Status: PAWC retained GFT to prepare a permit application for the above-listed facilities. The permit application was submitted to the Department on July 28, 2025. The Department issued Construction Permit No. 3025503 on September 17, 2025. Minor improvements to the existing facilities, as detailed in the permit application, are underway. Following completion of the improvements, PAWC will prepare and submit Certificate of Construction Form(s) to the Department for issuance of a final Operations permit for the facilities.

In addition to the COA-related improvements described above, PAWC has made several other system improvements since the closing of the acquisition. These include:

- Replaced pumps and fixed the access hatch at the Bealls Run pump station;
- Replaced pumps and in process of installing a new electrical service at the Laurel Run pump station;
- Installed a new electrical service at the Bobtown tank;
- Installed electric surge protection at the Griffin tank;
- Improved the access roads at Clark Tank and Griffin Tank;
- Installed security fencing at Bald Hill tank;
- Removed the old house on the plant property;
- Replaced all vehicles;
- Replaced the IFE turbidimeters;
- In process of installing security fencing and a key card access control system at plant;
- In process of making access safety improvements the plant lagoon and clarifier; and
- In process of improving access roads at Sugar Grove Tank, Abel Tank, and Bald Hill tank.

6. FINAL ACCOUNTING

On September 22, 2025, PAWC filed the Accounting of Receivership with the Commonwealth Court of Pennsylvania, which detailed the financial condition and activity at the beginning, during and end of the receivership. At the end of the receivership, there

was $119,989.10 remaining in the bank accounts, with $25,472.89 owed to certain customers due to prepayments in excess of final billings prior to acquisition by PAWC. PAWC will comply with the Court's decision regarding the customer refunds and final transfers to the Authority General Indemnity Escrow.