

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

Public Meeting held October 9, 2025

Commissioners Present:

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

Application of The York Water Company - Wastewater for approval of the right to: (1) acquire certain wastewater system assets of Margareta MHP, LLC; and (2) begin to offer, render, furnish or supply wastewater service to the public in an additional portion of Lower Windsor Township, York County, Pennsylvania

Docket No.
A-2024-3049695

Public Version

ORDER

BY THE COMMISSION:

By the application (Application) filed with the Pennsylvania Public Utility Commission (Commission) on June 21, 2024, The York Water Company – Wastewater (York Water-WW), Utility Code 230087, seeks certificates of public convenience pursuant to Sections 1102(a)(1)(i) and 1102(a)(3) of the Pennsylvania Public Utility Code (Code), 66 Pa.C.S. §§ 1102(a)(1)(i) and 1102(a)(3), evidencing Commission approval of York Water-WW’s right to: (1) acquire certain wastewater system assets of Margareta MHP, LLC (Margareta); and (2) begin to offer, render, furnish or supply wastewater service to the public in an additional portion of Lower Windsor Township, York County, Pennsylvania.

I. AFFECTED ENTITIES AND BACKGROUND

York Water-WW is a regulated public utility company, duly organized and existing under the laws of the Commonwealth with a mailing address of 130 East Market Street, York, Pennsylvania 17401. York Water-WW furnishes wastewater service to approximately 6,682 customers in all or portions of 15 municipalities throughout Adams, Lancaster, Franklin, and York Counties. York Water-WW is a division of The York Water Company (York Water), Utility Code 213550. York Water provides water service in various municipalities throughout portions of Adams, Lancaster, Franklin, and York Counties.

Margaretta is a Pennsylvania limited liability company, duly organized and existing under the laws of the Commonwealth with a mailing address of 2678 Mount Rose Avenue, York, Pennsylvania 17402. Margaretta owns and operates a wastewater collection, conveyance and treatment system that provides wastewater service to 85 lots for manufactured homes in the Margaretta Mobile Home Park (Margaretta MHP) with 61 lots currently occupied and 24 vacant lots. As discussed below in Section IV, York Water-WW updated the number of prospective customers detailed in the Application's Section 5 to 86 (85 mobile homes + 1 residential structure) by adding a residential structure located on the Margaretta MHP parcel. Water service within Margaretta MHP is provided by York Water. In supplemental information filed with the Commission, York Water-WW indicated that the prospective customers outside of the Margaretta MHP are assumed to either receive water service by York Water or on-lot wells. York Water-WW clarified that Lower Windsor Township does not have a mandatory connection ordinance for wastewater.

York Water-WW submitted proofs of publication and service to the appropriate entities. Notice of the Application was published in the *Pennsylvania Bulletin*, 54 Pa.B. 3863, on Saturday, July 6, 2024. On July 9, 2024, the Office of Small Business

Advocate (OSBA) filed a Notice of Intervention. On July 11, 2024, the Application was reassigned from the Commission's Bureau of Technical Utility Services (TUS) to the Office of Administrative Law Judge (OALJ) due to OSBA's request for hearings. On July 17, 2024, OSBA filed a letter at this docket indicating that, after discussions with York Water-WW and further investigation, OSBA had resolved its concerns in this matter and petitioned for leave to withdraw the Intervention. No objection to the letter Petition for Leave to Withdraw OSBA's Intervention was filed in this proceeding. The protest period ended July 22, 2024.

On March 3, 2025, York Water-WW filed a letter that requested this matter be either transferred to TUS for review or set for a prehearing conference before an administrative law judge to address OSBA's Petition to Withdraw OSBA's Intervention and any other matters. On March 19, 2025, Administrative Law Judge Jeffery A. Watson issued an Order that reassigned the Application from the Office of Administrative Law Judge to TUS for further review and consideration by the Commission. Except as discussed above, no other answers or comments were filed, and no hearings were held.

II. LOCATION AND DESCRIPTION OF REQUESTED TERRITORY

The Application's Exhibit B included a copy of a map (Requested Territory Map) entitled "Exhibit B-3a: Proposed Expansion w/ Metes and Bounds" and dated May 14, 2024, that depicted York Water-WW's requested wastewater service territory (Requested Territory) along with a written description of the territory's boundaries by bearing angles and distances. The Requested Territory consists of 51.1 acres of land situated in the central portion of Lower Windsor Township, York County, abutting York Water-WW's existing certificated territory in Lower Windsor Township along the east side along Prayer Mission Road. Specifically, the Requested Territory includes the entire parcel of land that encompasses the Margaretta MHP and extends east along an approximate 100-foot-wide path (Furnace Segment) centered on Furnace Road to a point of intersection with Prayer Mission Road. Further, the alignment of the Requested Territory proceeds

north along an approximate 50-foot-wide path (Prayer Mission Segment) on the western side of the centerline of Prayer Mission Road to its intersection with East Prospect Road (State Route 124). Finally, the last segment of the Requested Territory proceeds west from this intersection along an approximate 100-foot-wide path (East Prospect Segment) centered on East Prospect Road, and terminates approximately at the western edge of the frontage of the parcel identified by York County Parcel ID 35-000-JL-0078.00-00000 along East Prospect Road.

In supplemental information filed with the Commission as the Application's Attachment A-4-2, York Water-WW included copies of requests for public wastewater service from three property owners (Furnace Owners) identified by York County Parcel IDs 350-00JL-008-600, 350-00JL-008-100, and 350-00JL-008-500, located immediately north of the Margareta MHP along Furnace Road. Although the Commission notes that York Water-WW did not provide copies of any requests for wastewater service from prospective customers that adjoin the Prayer Mission and East Prospect Segments of the Requested Territory, York Water-WW did specifically identify, in Attachment A-4-2, potential customers located along the Prayer Mission and East Prospect Segments of the Requested Territory, which include numerous residential dwellings as well as a manufacturing facility.

III. DESCRIPTION OF FACILITIES FOR FURNISHING SERVICE

York Water-WW will acquire certain wastewater system assets (Margareta System) of Margareta including three wastewater lift stations (Lift Stations) and approximately 9,123 linear feet (LF) of various diameter gravity wastewater mains along with other associated appurtenances (e.g., manholes). The Application's Exhibit H included a copy of a map of the Margareta System that included a rudimentary inventory and description of the wastewater system. In the Application's Section 6, York Water-WW indicated that it will develop a more accurate inventory and description of the wastewater system assets, and will file an update to Exhibit H that reflects its

conclusions. In supplemental information filed with the Commission, York Water-WW provided a copy of a revised Exhibit H that expanded the breakdown of the Margareta System assets for the collection and conveyance system (Margareta Conveyance System), excluding the Margareta MHP wastewater treatment plant (Margareta WWTP). Specifically, the Margareta Conveyance System consists of approximately 5,300 LF of four-inch-diameter polyvinyl chloride (PVC) and approximately 300 LF of six-inch-diameter PVC gravity mains, and approximately 1,200 LF of two-inch diameter PVC force main. The Lift Stations consist of one 1,000-gallon collection tank with a two-horsepower (HP) pump, and two 500-gallon collection tanks with three-quarter HP pumps, respectively.

York Water-WW indicated that the Margareta Conveyance System mains pass under the mobile homes, and wastewater from each residential unit flows directly into the main, creating no or very few customer-side laterals to the main connection. Further, York Water-WW also indicated this system configuration does not conform to best engineering practices, complicates proper and regular maintenance, and presents certain risks to workers and residents. Pursuant to the Asset Purchase Agreement (APA) discussed in Section IV below, York Water may move certain wastewater mains into the roadway right-of-way or another such location as authorized in the Easement Agreement, provided as the Application's Exhibit D. The decision to relocate any wastewater main is entirely within York Water-WW's sole discretion, and Margareta has agreed to pay the cost to relocate, extend, and install the customer lateral from each residential unit to the newly relocated main with Margareta retaining ownership, operation and maintenance responsibility for the reconfigured customer side of the service lateral.

In the Application's Section 6, York Water-WW indicated that it intends to change the wastewater treatment location for the Margareta MHP from the Margareta WWTP to York Water's Lower Windsor wastewater treatment plant (Lower Windsor WWTP), which, using publicly available information, is estimated to be located 0.7 miles to the

east in York Water-WW's adjoining service territory.¹ In supplemental information filed with the Commission, York Water-WW averred that the Margaretta WWTP is inferior and much older than the Lower Windsor WWTP, which has new, state of the art technology and treatment. Further, York Water-WW indicated that it is not interested in operating the Margaretta MHP and the consolidation of wastewater treatment facilities in reasonable proximity is a longstanding sewage planning and environmental regulatory goal. However, as discussed in Section VIII below, the Application did not demonstrate compliance with Pennsylvania Department of Environmental Protection (DEP) regulations in Section 5 of the Pennsylvania Sewage Facilities Act requirements (35 Pa.C.S. § 750.5) for both the proposed change in wastewater treatment location and the expanded area for sewerage contemplated by the Requested Territory.

Additionally, York Water-WW indicated that to provide wastewater treatment for the Margaretta MHP at the Lower Windsor WWTP, a new force main (Main Extension) would be required to be constructed from a point of connection with the Margaretta Conveyance System to the Lower Windsor WWTP. In supplemental information filed with the Commission, York Water-WW provided a copy of a preliminary map (Main Extension Map) for the route of the proposed Main Extension as the Application's Attachment A-9-1. York Water-WW indicated that the Main Extension will likely consist of 3,925 LF of three-inch-diameter, high-density polyethylene pipe (HDPE). York Water-WW averred that the Main Extension will be completed and in service prior to closing on the acquisition of the Margaretta System. Therefore, we will direct York Water-WW to provide written notification to the Commission within ten days of placing the Main Extension into service.²

In the Application's Section 6, York Water-WW provided a written description of the route for the Main Extension from the Lower Windsor WWTP to the Margaretta MHP that did not include a wastewater main extension to the East Prospect Segment.

¹ See, *Google Maps*, <https://maps.google.com>. Last viewed July 18, 2025.

² See, Ordering Paragraph 6.

Further, the Main Extension Map also did not depict any planning for facilities that would enable York Water-WW to provide wastewater service to this same segment of the Requested Territory. Additionally, as discussed in Section X below, the York County Planning Commission indicated that the Application is not consistent with the adopted county or multi-county comprehensive plan.

In addition to the Main Extension, York Water-WW indicated that a new wastewater pump station (Margaretta PS) located in the Margaretta MHP will be required to convey wastewater through the Main Extension to the Lower Windsor WWTP. Based on the historic maximum daily flow of approximately 12,900 gallons per day (GPD) for the Margaretta MHP, York Water-WW specified that the Margaretta PS will be designed for a capacity of 70 gallons per minute, or approximately 100,000 GPD if required to run continuously over a 24-hour period. Upon approval of the Application by the Commission, York Water-WW averred that it will finalize the design of the Main Extension and Margaretta PS and will submit an application to DEP for the required water quality management (WQM) permits. However, pursuant to 52 Pa. Code § 3.501(a)(6)(i), we find that an application before the Commission is required to provide proof of compliance with the applicable design, construction, and operation standards of DEP to include copies of the WQM permits. Therefore, we will direct York Water-WW to file copies of all the DEP-approved WQM permits required to construct and operate the Main Extension, as depicted in the Application's Attachment A-9-1, and the new Margaretta PS.³

York Water-WW provided a copy of the DEP-approved Lower Windsor WWTP's National Pollutant Discharge Elimination System (NPDES) Permit No. PA0084565 as the Application's Attachment A-12-1 in supplemental information filed with the Commission. The NPDES Permit indicated that the Lower Windsor WWTP has a permitted hydraulic design capacity of 0.175 million gallons per day (MGD) and an

³ See, Ordering Paragraph 4.

effluent discharge rate for Outfall 001 of 0.0875 MGD. York Water-WW also provided a copy of Lower Windsor's 2023 Chapter 94 Municipal Wasteload Management Annual Report (2023 Chapter 94 Report) filed with DEP as the Application's Attachment A-15-1. The 2023 Chapter 94 Report detailed that the highest monthly average flow for the preceding five years was 0.069 MGD in September 2021 and that the highest monthly average flow for 2023 was 0.058 MGD, which are both well below the hydraulic design capacity and effluent limit for Outfall 001. Additionally, the 2023 Chapter 94 Report indicated a projected growth rate of 20 equivalent dwelling units (EDUs) per year for the next five years, or a projected annual increase in wastewater flows of 0.0025 MGD. In supplemental information filed with the Commission, York Water-WW averred that it can provide adequate wastewater collection, conveyance, treatment, and disposal capacity to meet present and future customer needs. In the Application, York Water-WW averred that it has sufficient professional resources and treatment capacity to meet the demands of the Margaretta MHP and its projected requirements through at least the year 2030. Therefore, it appears the Lower Windsor WWTP has adequate capacity to provide wastewater treatment service for the Margaretta MHP and the Furnace Owners.

IV. ASSET PURCHASE AGREEMENT

On February 7, 2024, York Water-WW and Margaretta entered into an APA that outlined the terms for York Water-WW's acquisition of the Margaretta System along with the associated appurtenances for the purchase price of \$1. A confidential copy of the APA was included as the Application's Exhibit C. York Water-WW averred that all negotiations were conducted at arm's length. In supplemental information filed with the Commission, York Water-WW clarified that there is no affiliation between York Water-WW and Margaretta. York Water-WW indicated that Margaretta will continue to provide wastewater service until the closing date, and York Water-WW will begin to provide wastewater service to Margaretta's customers at 8:00 a.m. on the first Monday following the closing on the acquisition of the Margaretta System.

[BEGIN CONFIDENTIAL]

[END CONFIDENTIAL]

York Water-WW averred that there have been no contributions toward the construction of the Margareta System and Margareta has no outstanding PENNVEST loans. The following tentative journal entries for booking the transaction in York Water-WW's accounts were provided in the Application:

1. Record Purchase of System

Account No.	Description	Debit	Credit
105	Construction Work in Process	20,001	
131	Cash		20,001

2. Close Project to Utility Plant

Account No.	Description	Debit	Credit
101	Utility Plant in Service	43,964	
108	Accumulated Depreciation		20,885
114	Utility Plant Acquisition Adjustment		3,078
105	Construction Work in Process (Purchase price + other acquisition costs)		20,001

3. Record other Project Costs

Account No.	Description	Debit	Credit
105	Construction Work in Process	50,000	
224	Line of Credit Borrowings – Supervisory Control and Data Acquisition (SCADA)		50,000

4. Close Projects to Utility Plant⁴

Account No.	Description	Debit	Credit
101	Utility Plant in Service	50,000	
105	Construction Work in Process (SCADA)		50,000

York Water-WW indicated that it is not seeking to establish fair market value or a determination of ratemaking rate base pursuant to 66 Pa. C.S. § 1329. York Water-WW

⁴ York Water-WW noted in the Application this is a high estimated cost for SCADA installation and connectivity, system location confirmation, and geographic information system mapping.

averred that the original cost of the Margaretta System was not available from Margaretta, and that it will perform an original cost study for the Margaretta System to determine the original cost and accumulated depreciation.⁵ Therefore, we will direct York Water-WW to file a copy of its original cost study of the wastewater system assets acquired from Margaretta with the Commission upon completion of said study and at least four months prior to the date it plans to make its next general rate case filing with the Commission.⁶ Accordingly, York Water-WW will be directed to identify this transaction for individual review in the context of its next general rate case that proposes to include the value of these assets in rate base, including capitalized transaction and closing costs, in order to evaluate the reasonableness of the original cost, contributions, accumulated depreciation, and any utility plant acquisition adjustment claims, pursuant to Section 1327 of the Code, 66 Pa.C.S. § 1327.⁷

V. ADDITIONAL CAPITAL REQUIREMENTS

In the Application, York Water-WW estimated the cost for the Main Extension would be approximately \$350,000. Additionally, York Water-WW indicated that it will install a supervisory control and data acquisition (SCADA) system at a projected expense of approximately \$50,000. In supplemental information filed with the Commission as the Application's Attachment A-9-2, York Water-WW provided a more detailed breakdown of the preliminary cost estimate by major plant account for both the Main Extension and Margaretta PS in the following table below:⁸

⁵ See, 66 Pa.C.S. § 1311(a) (relating to valuation of and return on the property of a public utility).

⁶ See, Ordering Paragraph 10.

⁷ See, Ordering Paragraph 11.

⁸ York Water-WW indicated the cost estimate is a not representative of a final design and serves as an order-of-magnitude cost estimate.

TABLE: PRELIMINARY COST ESTIMATE - MAIN EXTENSION & MARGARETTA PS			
Item No.	Description	Major Plant Account	Projected Cost
1	Mobilization, Bonds, Insurance and Proj. Mgmt. (5%)	10135430	\$51,060
2	Traffic Maintenance & Protection (3%)	10136020	\$30,640
3	Erosion and Sediment Control (1.5%)	10136020	\$15,320
4	Clearing and Grubbing	10136020	\$10,000
5	4-Foot Diameter Manholes	10136121	\$3,750
6	Manhole Frame and Cover	10136121	\$780
7	10-inch Diameter PVC Main Installation	10136120	\$6,750
8	Margetta Pump Station	10135430	\$500,000
9	Air Release Valve Manholes	10136121	\$82,500
10	3-inch Diameter HDPE Force Main Installation	10136020	\$254,150
11	Sanitary Sewer Excavation & Suitable Backfill	10136020	\$9,000
12	Vegatative Restoration	10136020	\$4,370
13	Municipal Pavement Restoration	10136020	\$137,250
14	Additional Unclassified Excavation	10136020	\$1,375
15	Miscellaneous Concrete Installation	10136020	\$1,250
16	Unknown Utility Repair	10136020	\$20,000
Construction Subtotal			\$1,128,195
Total with 25% Contingency			\$1,411,000
Engineering Design, Permitting, and Construction Services (20%)			\$282,200
Projected Total Cost Estimate			\$1,693,200

York Water-WW indicated that the construction costs and purchase price will be financed by internally generated funds, proceeds from the issuance of common stock under York Water-WW's dividend reinvestment and direct and employee stock purchase plans, and, if necessary, borrowings against York Water-WW's line of credit.

VI. PROPOSED RATES

In the Application, York Water-WW indicated that Margarettta does not charge its customers for wastewater service. However, York Water-WW provided a copy of a notice (Jan 2024 Customer Notice) entitled “Notice of Utility Charges Effective January 1, 2024”, dated November 20, 2023, that was sent to all residents of Margarettta MHP by Foote Property Management, LLC as the Application’s Attachment A-11-1. The Jan 2024 Customer Notice indicated that effective January 1, 2024, all residents

would be billed a monthly charge of \$53.25 for wastewater service, and the charge would be adjusted monthly based on Margaretta WWTP operation expenses. In supplemental information filed with the Commission, York Water-WW averred that the Jan 2024 Customer Notice does not indicate a current rate being charged to customers because Margaretta indicated that the charge is adjusted monthly and is not a consistent current rate.

York Water-WW indicated that it will charge its effective metered rate (based on water consumption) for the East Prospect and Lower Windsor Area within the Requested Territory. The Application's Exhibit M included a copy of York Water's Second Notice (June 2024 Notice) dated June 21, 2024, to the prospective customers in Margaretta MHP. In the June 2024 Notice, York Water-WW indicated that residential customers will be billed monthly at a base rate of \$86.90 for the first 4,000 gallons, plus \$7.565 per thousand gallons of water per month if using less than 4,000 gallons, which did not appear to match York Water-WW's effective tariff. In supplemental information filed with the Commission, York Water-WW acknowledged the June 2024 Notice contained a typographical error and should have been consistent with the metered rate for East Prospect and Lower Windsor, Jacobus Borough, and Straban Township Areas. Subsequently, York Water-WW provided a new notice (May 2025 Notice), dated May 8, 2025, to the prospective Margaretta MHP customers correcting the error as the Application's A-33 Attachment 1. The May 2025 Notice and the rate therein appears to be consistent with York Water-WW's effective tariff.

In supplemental information filed with the Commission, York Water-WW provided an updated Exhibit J that detailed an estimate of the annual revenues and expenses for providing wastewater service to requested territory as the Application's Attachment A-5-1. York Water-WW estimated annual revenue and expenses of \$66,744 and \$40,180, respectively, producing a net annual income of \$26,564 ($\$66,744 - \$40,180 = \$26,564$).

VII. PERMITS, EASEMENTS AND RIGHTS-OF-WAY REQUIRED

As discussed above in Section III, York Water-WW averred that it would apply for WQM Permit(s) from DEP for the Main Extension and Margaretta PS upon approval of the Application. In supplemental information filed with the Commission, York Water-WW indicated it will apply for an NPDES earth disturbance permit with the York County Conservation District. York Water-WW also indicated that depending on the final alignment of the Main Extension, several stream crossings may be required and, if applicable, General Permit 5 Utility Stream Permits will be required from DEP for each crossing. Additionally, the Main Extension will require the development of a stormwater management plan to be submitted to DEP. York Water-WW indicated that it will engage an engineering consultant to complete the permitting work for the proposed Main Extension and Margaretta PS for an estimated cost of approximately \$40,000.

Further, York Water-WW indicated that an easement may be required across certain property identified by York County Parcel ID 35000JL009300 depending on the final alignment of the Main Extension, and projected the cost to obtain these anticipated easements to be approximately \$8,000. In supplemental information filed with the Commission, York Water-WW provided an updated Exhibit D that included an executed copy of the Permanent Utility and Access Easement Agreement (Easement Agreement) by and between York Water-WW and Margaretta dated February 7, 2024, for the consideration of \$1 as the Application's A-28 Attachment 1. The Easement Agreement grants and conveys an easement to York Water-WW across the entire Margaretta MHP parcel for the purpose of maintaining, constructing and operating wastewater mains and related infrastructure as more fully depicted on an attached plan as the Easement Agreement's Exhibit A.

VIII. ACT 537 OFFICIAL SEWAGE FACILITIES PLAN

In supplemental information filed with the Commission as the Application's Attachment A-1-1, York Water-WW provided a copy of Lower Windsor Township's Official Act 537 Sewage Facilities Plan (Act 537 Plan) dated January 1994, prepared by Brinjac, Kambic & Associates, Inc. In the Act 537 Plan's Non-Municipal Wastewater Treatment Facilities Section, the wastewater treatment for the Margareta MHP is planned for on-site collection, conveyance and treatment at Margareta WWTP, which is an 18,000 GPD package-extended aeration treatment plant that discharges to Cabin Creek. As discussed above in Section III, York Water-WW indicated that it is proposing to change the wastewater treatment location from the Margareta WWTP to the Lower Windsor WWTP through the proposed Main Extension. Additionally, the Act 537 Plan does not appear to include approved sewage facility planning for the provision of public wastewater service within the Requested Territory except for the Margareta MHP.

In supplemental information filed with the Commission as a response to TUS's Data Request A-35, York Water-WW indicated that Lower Windsor Township has not updated or revised its Act 537 Plan to incorporate the Application's proposed modifications. Additionally, York Water-WW also indicated that a special study or revision to the Act 537 Plan would involve a multi-step process that requires engaging a professional engineer. York Water-WW averred that it has worked with municipalities in the past to prepare Act 537 Plan Updates under identical and similar circumstances. Further, York Water-WW stated "[...] York Water-WW plans to work with the municipality to complete a Special Study to update the Lower Windsor Township Act 537 Plan." York Water-WW indicated that most sewage facilities planning reviews take many months with some taking years depending on the breadth of the update. York Water-WW posited that to the extent that expansion of York Water-WW's wastewater service territory needs to be conditional on Lower Windsor Township submitting and receiving approval from DEP of any required Act 537 Plan Update, the Commission

could place that condition on the certificate of public convenience (CPC) issued to York Water-WW pursuant to Section 1103 of the Code.

On May 8, 2025, at Docket No. L-2020-3017232, the Commission entered a Revised Final-Form Rulemaking Order that rescinded and reserved Sections 3.501-3.502, and that adopted Sections 3.511-3.516, *et al.* In particular, as it applies to this Application, the Commission reaffirmed its opinion therein that certificated wastewater public utilities are required to provide the appropriate documentation to indicate that the proposed extension of its wastewater facilities outside of its certificated service territory is consistent with the DEP-approved official Act 537 Plan(s) for the affected municipalities. If the treatment facilities covered by the application are considered new or are expanding, the certificated wastewater public utility is required to submit a copy of the Act 537 Planning Approval letter from DEP.

Since this Application involves a change in wastewater treatment location and an extension of wastewater service to an area outside of York Water-WW's certificated service territory, we find it reasonable for us to require evidence of DEP approval of the necessary Act 537 Official Sewage Facilities planning in order for the Commission to determine whether granting a CPC is necessary or proper for the service, accommodation, convenience, or safety of the public. The Application currently lacks sufficient evidence that DEP has approved a sewage facilities planning update, special study and/or planning module. Therefore, pursuant to 66 Pa.C.S. § 1103 (relating to procedures to obtain CPCs), we shall condition the issuance of the CPC requested by York Water-WW upon the filing of a copy of the DEP-approved Act 537 Plan update, special study, and/or planning module for the proposed change in wastewater treatment location.⁹

⁹ See, Ordering Paragraph 3.

IX. OPERATIONS UNDER YORK WATER

As discussed in Section III above, York Water-WW is proposing to change the wastewater treatment location from the Margareta WWTP to Lower Windsor WWTP through the proposed Main Extension. In the Application's Section 14, York Water-WW indicated that it will operate the Margareta System, Main Extension, and Margareta PS from its main office located approximately 15 miles away in York, Pennsylvania. In the Application's Exhibit L, York Water provided a copy of the certificate of its certified operator that will be responsible for the wastewater facility operations. York Water-WW averred that the acquisition of the Margareta System will be incorporated into existing York Water-WW wastewater operations. Further, York Water-WW indicated that it is not anticipating any physical, operational, or managerial changes in York Water-WW's operations as a result of the acquisition.

X. LAND-USE PLANNING COMPLIANCE

York Water-WW sent a land-use planning compliance verification letter to the Lower Windsor Township Planning Commission dated May 14, 2024. The Application's Exhibit K-1 contained a reply (Lower Windsor Letter) from Lower Windsor Township that indicated the Application is consistent with applicable municipal comprehensive plans and/or zoning ordinances. In the Application's Exhibit K, York Water-WW provided a copy of a letter (YCPC Letter) from the York County Planning Commission (YCPC) dated June 3, 2024, that indicated the Application is not consistent with the adopted county or multi-county comprehensive plan. Specifically, YCPC indicated that all but a small portion of the Requested Territory and Main Extension are within a designated Rural Area, which does not provide for the extension of public sewer or water to prevent development pressures in areas that support natural resources or agricultural activities. YCPC also indicated that the Margareta MHP is an existing development within a designated Secondary Growth Area and, thereby, YCPC would be supportive of providing sewer service to a territory limited to the Margareta MHP. Finally, YCPC

discussed the 13 parcels (East Prospect Parcels) that would be impacted as part of the East Prospect Segment and indicated that the parcels are not located in a primary or secondary growth area. The East Prospect Parcels are designated by the Lower Windsor Township's Comprehensive Plan as "Village" along the parcel front and "Agricultural" for the remainder of the parcel as depicted in the YCPC Letter's Exhibit 11.4. YCPC emphasized that the information provided by York Water-WW did not indicate any current public health, safety, and/or welfare concerns, and therefore, the provision of wastewater service to the East Prospect Segment would be inconsistent with the York County Comprehensive Plan.

In supplemental information filed with the Commission, York Water-WW averred that the York County Comprehensive Plan is advisory and not legally binding. York Water-WW reiterated that the Lower Windsor Letter indicated the Application is in compliance with the municipal comprehensive plan and that Lower Windsor Township has the legal responsibility to plan for land development within its jurisdiction. York Water-WW believes that the Application would allow York Water-WW to provide service to customers located beyond the boundaries of the Margaretta MHP who are requesting public wastewater service.

We find it reasonable to determine that if DEP approves the required sewage facilities planning for the Application as described above in Section VIII, there exists a proximal nexus for public wastewater service to be extended with minimal disturbance or significant additional expense from the Main Extension to those parcels located in the Furnace Segment, Prayer Mission Segment, and East Prospect Segment.

Although York Water-WW did not provide copies of any requests for public wastewater service from property owners in the East Prospect Segment, York Water-WW did specifically identify numerous potential customers located along the Prayer Mission and East Prospect Segments of the Requested Territory. Therefore, we will grant York Water WW's Application for the Requested Territory, except for the East Prospect

Segment. As to the East Prospect Segment, we will condition our approval of that segment upon York Water-WW producing evidence to show a need to serve prospective wastewater customers along that route.¹⁰

XI. OTHER CONSIDERATIONS

York Water-WW averred that no corporation or entity, except Margaretta, is furnishing wastewater service in the Requested Territory, and that no other municipal entity is providing wastewater service within one mile of the Requested Territory. In supplemental information filed with the Commission, York Water-WW noted that it believes Application approval is in the public interest because York Water-WW owns and operates 14 wastewater collection systems and 11 sewage treatment facilities and has a dedicated wastewater department with professional and certified operators, because the Requested Territory is adjacent to York Water-WW's certificated wastewater territory, and because it will benefit York Water-WW's existing wastewater customers by expanding the customer base allowing it to spread its fixed wastewater costs over a greater number of customers.

York Water-WW has no outstanding fines or assessments due to the Commission and is current with its reporting requirements. Through Commission correspondence with the DEP's Southcentral Regional Office, it was determined that DEP, for this regional area, does not have any pending actions or outstanding complaints against York Water-WW.

XII. CONCLUSION

Based upon the facts that there is a need to continue to make wastewater service available within the Requested Territory; that Margaretta is no longer willing to provide wastewater service to its customers; that York Water-WW will be able to meet the needs

¹⁰ See, Ordering Paragraph 2.

of new customers; that York Water-WW will expand its service territory to customers in compliance with Commission regulations; and that York Water-WW has the technical, regulatory, financial and legal fitness to operate and maintain the system assets; the Commission finds that granting conditional approval of York Water-WW's Application is necessary or proper for the service, accommodation, convenience, or safety of the public and is in the public interest; **THEREFORE,**

IT IS ORDERED:

1. That the Application of The York Water Company - Wastewater at Docket No. A-2024-3049695, as supplemented, is hereby conditionally approved, consistent with this Order.
2. That The York Water Company - Wastewater shall file with the Secretary's Bureau at Docket No. A-2024-3049695 evidence to support a need to serve prospective wastewater customers along the East Prospect Road segment of the Requested Territory.
3. That The York Water Company - Wastewater shall file with the Secretary's Bureau at Docket No. A-2024-3049695 a copy of the Pennsylvania Department of Environmental Protection-approved Lower Windsor Township Act 537 Official Sewage Facilities Plan update, special study and/or planning module for the proposed change in wastewater treatment location.
4. That The York Water Company - Wastewater shall file with the Secretary's Bureau at Docket No. A-2024-3049695 copies of all water quality management permits, along with any associated conditions approved by the Pennsylvania Department of Environmental Protection, that are required to construct and operate the wastewater main extension, as depicted in the Application's Attachment A-9-1, and the new Margareta mobile home park wastewater pump station, within ten (10) days of the date said permits are issued.

5. That, upon compliance with Ordering Paragraphs 3 and 4, a Certificate of Public Convenience shall be issued pursuant to Section 1102(a)(3) of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1102(a)(3), evidencing Commission approval of the right of The York Water Company - Wastewater to acquire certain wastewater system assets of Margareta MHP, LLC, as described in the Application and consistent with this Order.

6. That The York Water Company - Wastewater shall provide written notification to the Secretary's Bureau at Docket No. A-2024-3049695 within ten (10) days of placing the main extension between the point of connection with the Margareta mobile home park wastewater system and the Lower Windsor wastewater treatment plant into service.

7. That The York Water Company - Wastewater shall provide written notification to the Secretary's Bureau at Docket No. A-2024-3049695 within ten (10) days of closing with Margareta MHP, LLC.

8. That a Certificate of Public Convenience shall be issued pursuant to Section 1102(a)(1)(i) of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1102(a)(1)(i), authorizing The York Water Company - Wastewater to begin to offer, render, furnish, and supply wastewater service to the public in an additional portion of Lower Windsor Township, York County, Pennsylvania, which does not include the East Prospect Road segment of the Requested Territory.

9. That upon submission and verification of compliance with Ordering Paragraph 2, a Certificate of Public Convenience shall be issued pursuant to Section 1102(a)(1)(i) of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1102(a)(1)(i), authorizing The York Water Company - Wastewater to begin to offer, render, furnish, and supply wastewater service to the public in the East Prospect Road segment of the Requested Territory located in Lower Windsor Township, York County, Pennsylvania.

10. That The York Water Company - Wastewater shall file a copy of its original cost study of the wastewater system assets acquired from Margaretta MHP, LLC with the Secretary's Bureau at Docket No. A-2024-3049695 upon completion of said study and at least four (4) months prior to the date that The York Water Company - Wastewater plans to file its next general rate case filing with the Commission, and shall serve copies of said study upon the Bureau of Technical Utility Services, the Bureau of Audits, the Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate.

11. That, at the time of filing its next base rate case that proposes to include the assets of this acquisition in rate base, The York Water Company - Wastewater shall specifically reference Docket No. A-2024-3049695 and provide testimony justifying any amount claimed as an addition to rate base in order to evaluate the reasonableness of the original cost, contributions, accumulated depreciation, and any utility plant acquisition adjustment claims pursuant to Section 1327 of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1327.

12. That if The York Water Company - Wastewater determines that the transaction will not occur, it will promptly file notice of such determination with the Secretary's Bureau and return the Certificate of Public Convenience issued in Ordering Paragraph 5.


13. That nothing herein shall be construed as an approval or determination of costs or expenses for the purposes of just or reasonable rates or to exempt The York Water Company - Wastewater from obtaining all necessary permits, licenses, and approvals from other federal, state, and local government agencies having jurisdiction.

14. That a copy of this Order be served upon The York Water Company - Wastewater, Margaretta MHP, LLC, the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate,

the Pennsylvania Department of Revenue’s Bureau of Corporate Taxes, the Lower Windsor Township Board of Supervisors, the Lower Windsor Township Planning Commission, the York County Commissioners, the York County Planning Commission, and the Pennsylvania Department of Environmental Protection – Southcentral Regional Office and its Bureau of Regulatory Counsel.

15. That upon the issuance of the Certificates of Public Convenience as outlined in Ordering Paragraphs 5, 8, and 9, the proceeding at Docket No. A-2024-3049695 be closed.

BY THE COMMISSION,

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

Matthew L. Homsher
Secretary

(SEAL)

ORDER ADOPTED: October 9, 2025

ORDER ENTERED: October 20, 2025