



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
400 NORTH STREET, HARRISBURG, PA 17120

March 11, 2026

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. A-2026-3060514
Utility Code 2326243

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RE: Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Lansdale Borough, Montgomery County, Pennsylvania at Docket No. A-2026-3060514

Dear Attorneys Preate Havey and Gardella:

On February 13, 2026, Towamencin Township (Towamencin) filed the above-captioned document (Application) with the Pennsylvania Public Utility Commission (Commission). For the Commission to complete its analysis of the filing, please respond with the information requested in the attached document.

Please forward the information to the Secretary of the Commission at the address listed below **within ten (10) business days** from the date of this letter. All documents requiring notary stamps must have original signatures. The Commission strongly encourages submission through efilings with the Secretary of the Commission by opening an efilings account through the Commission website and accepting eservice at <https://efiling.puc.pa.gov>. The Commission is accepting all public documents through our efilings system at this time.

If your filing contains confidential material, you are required to either file by overnight delivery or submit to the Secretary's Share Point File system to ensure the timely filing of your submission. Filers should contact the Secretary's Bureau in advance to gain access to the Share Point File system. Make sure to reference the Docket Number listed above when filing your response. The overnight address for hard-copy or confidential responses is:

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120

Please note your answers must be verified per 52 Pa. Code § 1.36. Accordingly, you must provide the following statement with your responses:

I, [print name of appropriate company representative], hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Signature _____

Title _____

Date _____

Please contact the below staff person if any problems should arise that prevent a full response within ten business days or if any clarification of these data requests is needed. Please mark the materials “CONFIDENTIAL” in bold or highlighted manner if any of the requested information is deemed to be of a confidential nature.

In addition, to expedite completion of the review, please send a copy of the response to Matthew T. Lamb, P.E., in the Water/Wastewater Section of the Bureau of Technical Utility Services via e-mail at mlamb@pa.gov. Thank you in advance for your cooperation.

Sincerely,



Matthew L. Homsher
Secretary

Enclosure: TUS Data Request Set 1

cc: Darryl Lawrence, Office of Consumer Advocate (w/enclosure), ra-oca@paoca.org
NazAarah Sabree, Office of Small Business Advocate (w/enclosure), ra-sba@pa.gov
Allison Kaster, Bureau of Investigation & Enforcement (w/enclosure), akaster@pa.gov

TUS Data Request Set 1

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at Docket No. A-2026-3060514

Note: Please restate the data request prior to providing a response. In addition, provide the name and title of the person(s) providing the response and/or information for each data request.

- A-1. In the Application's Section I.15, Towamencin indicated that it currently serves approximately 1,500 customers including both customers inside of Towamencin's corporate limits (Inside Customers) and customers outside of Towamencin's corporate limits (Outside Customers). However, the Recommended Decision (2023 RD) of Administrative Law Judge Darlene Heep entered November 29, 2023, for Towamencin's application at Docket No. A-2023-3040661, detailed in Section 8 of the Findings of Fact that Towamencin's wastewater system (Wastewater System) provided service to approximately 8,066 customers. Please provide responses to the following:
- a. Explain the apparent discrepancy between the number of Towamencin wastewater customers quantified in the Application and the 2023 RD; and
 - b. Quantify the current number of customers, by customer class and municipality, served by the Wastewater System.
- A-2. In the Application's Section II.25, Towamencin indicated that the Towamencin Municipal Authority (Authority) will treat Outside Customers the same as Inside Customers and noted that Outside Customers pay less than Inside Customers. However, it is unclear to the Commission whether, upon Towamencin's abandonment of wastewater service to the public, the Authority will adopt Towamencin's wastewater tariff rates for Outside Customers. Please either confirm that the Authority will initially adopt Towamencin's effective wastewater tariff rates for Outside Customers or provide a comparison of Towamencin and Authority wastewater service rates, by customer class, that reflects the anticipated changes in rates for Outside Customers.
- A-3. In the Application's Section II.37, Towamencin indicated that several upcoming capital projects are required to maintain the Wastewater System. Please provide a list of the projected capital projects and quantify the estimated project cost along with the associated timeline.
- A-4. The Application's Exhibit A included a copy of the Lease and Service Agreement (2015 Lease Agreement) between the Authority as Lessor, and Towamencin as Lessee dated as of June 30, 2015. The 2015 Lease Agreement's sixth "whereas" recital (Lease Recital) referenced a Guaranteed Revenue Note, Series of 2015 (2015 Note) and a Loan and Security Agreement (2015 Loan Agreement), dated as of June 30, 2015. Please provide copies of the 2015 Note and the 2015 Loan Agreement.
- A-5. The 2015 Lease Agreement's seventh Lease Recital referenced a Guaranty Agreement (2015 Guaranty Agreement) dated as of June 30, 2015. Please provide a copy of the 2015 Guaranty Agreement.

TUS Data Request Set 1

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania
at Docket No. A-2026-3060514

- A-6. The 2015 Lease Agreement’s Section 10 referenced a Connection and Sewer Rent Ordinance. Please provide a copy of Towamencin’s Connection and Sewer Rent Ordinance.
- A-7. The 2015 Lease Agreement’s Section 18 detailed that when all of the indebtedness of the Authority secured by lease payments has been paid in full or due provisions for such payment have been made, Towamencin upon written notice to the Authority may terminate the agreement. Please provide responses to the following:
- a. Provide evidence that the requirements or conditions precedent have been met for Towamencin to request termination of the 2015 Lease Agreement; and
 - b. Provide a copy of Towamencin’s written notice to the Authority requesting that the 2015 Lease Agreement be terminated.
- A-8. The Application’s Exhibit C included a copy of Towamencin’s 2024 Revenue and Expenses from Outside Customers. In the footnote to Exhibit C, Towamencin indicated that the residential sewer rate was increased to \$590 in 2024 for customers other than the Outside Customers, which remained at the \$450 rate. Please provide the following:
- a. A copy of the 2024 resolution or ordinance that increased residential sewer rates to \$590 for Towamencin’s residential Inside Customers; and
 - b. A copy of the resolution or ordinance that changed any rates for Towamencin’s commercial Inside Customers.
- A-9. The Application’s Exhibit D provided a copy of a *pro forma* Assignment and Assumption Agreement (Assignment Agreement) between the Authority and Towamencin. The second “whereas” recital of the Assignment Agreement indicated that Towamencin and the Authority desire to transfer any other assets that are material to the operation of the Wastewater System and owned by Towamencin. However, the Assignment Agreement did not provide a list of any other assets that are material to the operation of the Wastewater System and owned by Towamencin. Please provide responses to the following:
- a. Provide a list of any Wastewater System assets owned by Towamencin that are used and useful in providing wastewater service to the public that will be transferred to the Authority, including any wastewater assets on its books; and
 - b. If Towamencin will transfer the title, possession, or use of any Wastewater System assets that are used or useful in providing wastewater service for the public to the Authority, submit an amendment to the Application clarifying that Towamencin is seeking a Certificate of Public Convenience pursuant to Section 1102(a)(3) of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1102(a)(3), for Commission approval

TUS Data Request Set 1

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at Docket No. A-2026-3060514

of Towamencin's right to transfer certain Wastewater System assets that are used or useful in providing wastewater service for the public to the Authority; or

- c. Explain why Commission approval of the transfer of certain Wastewater System assets owned by Towamencin to the Authority is not required pursuant to 66 Pa.C.S. § 1102(a)(3).
- A-10. The Assignment Agreement's Section 5(f) indicated that the Authority made the representation or warranty to Towamencin that there is no litigation, except for the pending litigation disclosed to Towamencin, which could have a material adverse effect on the operations of the Wastewater System or materially affect the validity or enforceability of the Assignment Agreement. Please provide a detailed explanation of the Authority's pending litigation that was disclosed to Towamencin including how the pending litigation could have a material adverse effect on the operations of the Wastewater System or materially affect the validity or enforceability of the Assignment Agreement.
- A-11. The Assignment Agreement's Exhibit A included a list of the contracts to be transferred by Towamencin to the Authority. The first contract listed in Exhibit A referenced a Sewage Treatment Agreement (2015 Sewage Treatment Agreement) among Towamencin, the Authority, and Clemens Food Groups dated October 27, 2015. Please provide a copy of the 2015 Sewage Treatment Agreement.
- A-12. Please provide a copy of the most recent Chapter 94 Municipal Wasteload Management Report for the Authority wastewater treatment plant (Authority WWTP) and contributing sanitary sewer systems that was submitted to the Pennsylvania Department of Environmental Protection (DEP).
- A-13. Please provide a DEP compliance history for the calendar years 2024 and 2025 of Towamencin's Wastewater System with an explanation of each violation.
- A-14. In supplemental information filed with the Commission for Towamencin's application at Docket No. A-2023-3040661, Towamencin provided a copy of Towamencin's DEP-approved Act 537 Official Sewage Facilities Plan (Towamencin Act 537 Plan) dated July 20, 1987, prepared by EDM Consultants, Inc. Please indicate whether this Application is consistent with the Towamencin Act 537 Plan.
- A-15. The Application did not include copies of letters from Worcester Township, Lower Salford Township, Franconia Township, Landsdale Borough, and Montgomery County that indicated whether the Application is consistent with adopted municipal and county comprehensive plans and zoning designations. Please provide responses to the following:

TUS Data Request Set 1

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania
at Docket No. A-2026-3060514

- a. Provide evidence that land use planning consistency verification letters to Worcester Township, Lower Salford Township, Franconia Township, Landsdale Borough, and Montgomery County that requested confirmation of whether the Application is consistent with adopted municipal and county comprehensive plans and zoning designations; and
 - b. Provide copies of the responses to land use planning consistency verification letters from Worcester Township, Lower Salford Township, Franconia Township, Landsdale Borough, and Montgomery County; or
 - c. If responses to Towamencin's letters have not been provided by Worcester Township, Lower Salford Township, Franconia Township, Landsdale Borough, and Montgomery County, provide verification of whether the Application is consistent with the adopted municipal and county comprehensive plans and zoning designations.
- A-16. In the Assignment Agreement's Section 2, Towamencin and the Authority agreed to take all other actions necessary and appropriate to transfer to and vest in the Authority all rights held by Towamencin in the Wastewater System. However, the Application did not describe the DEP-approved permits held by Towamencin for the Wastewater System nor provide details as to whether the Authority has submitted applications to DEP to transfer all permits from Towamencin to the Authority. Please provide responses to the following:
- a. Provide a detailed list of all DEP permits held by Towamencin for the Wastewater System that will need to be transferred to the Authority; and
 - b. Indicate whether the Authority has submitted applications to DEP to transfer the permits listed in the response provided to A-16.a., and, if so, provide a copy of each permit transfer application submitted to DEP.
- A-17. Please provide evidence that Towamencin filed its 2024 annual report with the Commission.
- A-18. Please explain how the Application will benefit Towamencin's Outside Customers.