

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

Public Meeting held March 26, 2026

Commissioners Present:

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

Application of Veolia Water Pennsylvania,  
Inc. for approval of the right to acquire  
certain real estate in Marysville Borough,  
Perry County, Pennsylvania

Docket No.  
A-2026-3059888

**Public Version**

**ORDER**

**BY THE COMMISSION:**

By the application (Application) filed with the Pennsylvania Public Utility Commission (Commission) on January 16, 2026, Veolia Water Pennsylvania, Inc. (Veolia), Utility Code 210013, seeks a certificate of public convenience pursuant to Section 1102(a)(3) of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1102(a)(3), evidencing Commission approval of Veolia's right to acquire certain real estate in Marysville Borough, Perry County, Pennsylvania.<sup>1</sup>

**I. AFFECTED ENTITIES AND BACKGROUND**

Veolia is a regulated public utility company, duly organized and existing under the laws of the Commonwealth with offices located at 6310 Allentown Boulevard,

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<sup>1</sup> The Commission notes that Veolia's Application requested expedited consideration due to reasons related to water supply reliability.

Harrisburg, Pennsylvania 17112. Veolia provides water service to approximately 69,800 customers throughout Pennsylvania, including in Marysville Borough, Perry County. Veolia also provides wastewater service in portions of Columbia and Montour Counties as Veolia Water Pennsylvania, Inc. – Wastewater Division, Utility Code 230077.

Brent Kauffman (Seller) is a private individual, not engaged in the provision of public utility service, with a mailing address of 407 Mountain Road, Marysville, Pennsylvania 17053. Veolia and the Seller entered into an Easement Purchase Agreement (Agreement) for Veolia to purchase from the Seller a perpetual, exclusive easement and right of way (Easement) situated on a portion of a parcel of land identified by Perry County Tax Parcel No. 150,152.06-111.000 (Parcel). A copy of the Agreement was included in the Application’s Exhibit 1 and was filed with the Commission as confidential information. After closing, Veolia indicated that it intends to use the Easement as part of a site for the construction of a water booster pump station and associated equipment (Proposed Booster Station) that will serve customers in the Marysville Pressure Zone of Veolia’s Harrisburg System, Public Water System Identification No. 7220015.

Veolia submitted proofs of publication and service to the appropriate entities. Notice of the Application was published in the *Pennsylvania Bulletin*, 56 Pa.B. 738, on January 31, 2026. The protest period ended February 16, 2026. No protests were filed, and no hearings were held.

## **II. LOCATION AND DESCRIPTION OF PROPERTY**

The Parcel is situated in the southeastern portion of Marysville Borough between land owned by the Pennsylvania Railroad and South Main Street. The Parcel has an address at 400 South Main Street, Marysville, Pennsylvania 17053 and consists of approximately 9 acres of land. The Easement is situated on the undeveloped portion of the Parcel’s southern tip that consists of 0.232 acres of land. The Application’s Exhibit 2 included a map that depicted the Easement’s boundaries along with a written description

of the Easement's boundaries by metes and bounds.

### **III. DESCRIPTION OF PROPOSED FACILITIES**

After closing, Veolia averred that it will construct the Proposed Booster Station on the Easement. Additionally, Veolia detailed that the Proposed Booster Station is required because Veolia's existing water booster pump station (Existing Pump Station) for its Marysville Pressure Zone is beyond its useful service life and some interruptions to service are possible if the Existing Pump Station has mechanical or other issues. Veolia clarified that space is limited at the Existing Pump Station site, and that the pumps are in an underground vault which requires confined space safety protocols for operator entry.

In the Application's Exhibit 3, Veolia provided a map that depicted the locations of its Proposed Booster Station, Existing Pump Station, and Harrisburg System mains that convey water to and from the Existing Pump Station and the Proposed Booster Station. In supplemental information filed with the Commission, Veolia clarified that finished water from the Harrisburg System's Sixth Street Water Treatment Plant is conveyed from the Harrisburg Pressure Zone to the Marysville Pressure Zone by a 20-inch-diameter cast iron main that crosses the Susquehanna River. Thereafter, the 20-inch main is connected to an eight-inch-diameter asbestos cement main (South Main Street Main) that extends along South Main Street in Marysville Borough to a point of connection at the Existing Pump Station. Veolia averred that the replacement of the South Main Street Main with a 12-inch-diameter ductile iron (DI) pipe is currently being constructed under a separate project.

In the Application and with further clarifications provided in supplemental information filed with the Commission, Veolia identified that the Proposed Booster Station's preliminary design consists of one 400-square-foot building, three booster pumps, 150 linear feet (LF) of eight-inch-diameter DI process piping, meters, control and instrumentation equipment, one generator, electrical and mechanical equipment, fencing, lighting, security systems, provisions for a future chemical feed system, and 300 LF of

12-inch-diameter DI pipe to connect to the new South Main Street Main. Veolia specified that it expects to complete the Proposed Booster Station's design and permitting in 2026 and projects that construction will commence in 2027.

#### **IV. PURCHASE AGREEMENT**

Pursuant to the Agreement, Veolia agreed to pay the Seller \$90,000 for the Easement. **[BEGIN CONFIDENTIAL]**

**[END CONFIDENTIAL]** Through this Order, we will direct Veolia to file with the Commission copies of the executed documents recorded with the Perry County Recorder of Deeds for the real estate acquired by Veolia.<sup>2</sup>

In the Application's Exhibit 4 that was filed with the Commission as confidential information, Veolia included a copy of a real estate appraisal (Easement Appraisal) for the Easement. **[BEGIN CONFIDENTIAL]**

**[END CONFIDENTIAL]** Veolia averred that although the Easement's purchase price is more than the appraisal amount, the purchase price was agreed upon because the Easement has a higher relative value to Veolia due to the requirement that the Proposed Booster Station must be located at a site that allows the transfer of water between the Harrisburg and Marysville Pressure Zones.

In the Application, Veolia averred that the Agreement was developed through arm's length negotiations and that the Seller is not affiliated with Veolia. In supplemental information filed with the Commission, Veolia estimated additional

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<sup>2</sup> See, Ordering Paragraph 3.

transaction and closing costs of \$199,900 and provided the following tentative journal entries to record this transaction in its accounts as indicated in Table 1 below:

**Table 1: Agreement Tentative Journal Entries**

<b>Account No.</b>	<b>Account Description</b>	<b>Debit</b>	<b>Credit</b>
303.2	Land and Land Rights <i>Purchase price – Easement</i>	\$90,000	
303.2	Land and Land Rights <i>Purchase price – Estimated transaction and closing costs</i>	\$199,900	
131	Cash <i>Purchase price - Easement</i>		\$90,000
131	Cash <i>Purchase price – Estimated transaction and closing costs</i>		\$199,900

We find that it is in the public interest to provide the Commission and interested parties with a reasonable opportunity to review and consider Veolia’s ratemaking claims related to the Easement as part of a proper rate case proceeding. Therefore, through this Order, we will direct Veolia to identify this transaction for individual review in the context of Veolia’s next base rate case that proposes to include the value of these assets in rate base to evaluate the reasonableness of original cost, accumulated depreciation, and any valuation claims for the Easement.<sup>3</sup>

## **V. ADDITIONAL CAPITAL REQUIREMENTS**

In the Application’s Exhibit 5, Veolia included a copy of a document entitled “Opinion of Probable Cost” prepared January 6, 2026, that detailed a preliminary breakdown of the Proposed Booster Station design, construction and installation costs of \$3,217,000, as summarized in Table 2 below. In supplemental information filed with the Commission, Veolia averred that it expects to finance the Proposed Booster Station costs,

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

the \$90,000 Easement purchase price, and the \$199,900 estimated transaction and closing costs using general corporate funds through its money pool agreement:

**Table 2: Proposed Booster Station Cost Estimate**

Description	Units*	Unit Quantity	Unit Cost	Total Cost
Site Work	LS	1	\$225,000	\$225,000
Booster pumps	EA	3	\$200,000	\$600,000
Process piping	LS	1	\$150,000	\$150,000
Building	SF	400	\$200	\$80,000
Meters and instrumentation	LS	1	\$50,000	\$50,000
Programming	LS	1	\$50,000	\$50,000
Generator	EA	1	\$150,000	\$150,000
Electrical	%	7		\$92,000
Mechanical	%	5		\$66,000
Water main	LF	300	\$2,000	\$600,000
<b>Subtotal:</b>				<b>\$2,063,000</b>
Contractor overhead and profit	%	5		\$104,000
Legal, administrative, and engineering	%	10		\$207,000
Permitting	LS	1	\$100,000	\$100,000
Contingency	%	30		\$743,000
<b>Total Preliminary Construction and Installation Costs:</b>				<b>\$3,217,000</b>
*Note: LS = Lump Sum; EA = Each; SF = Square Feet; LF = Linear Feet				

## VI. EFFECTS ON RATES AND SERVICE

In the Application, Veolia averred that the proposed transaction would not adversely impact its financial condition or credit rating, and that construction of the Proposed Booster Station is necessary as the Existing Pump Station is beyond its useful service life and is a risk for service interruptions, as discussed above in Section III.

In supplemental information filed with the Commission, Veolia noted that the proposed transaction is expected to have a *de minimis* effect on customer rates, if any. According to Veolia, the Existing Pump Station's space limitations do not allow for repairs or upgrades without an extended station shutdown period of three to six months. Resultingly, Veolia elected to pursue the construction of the Proposed Booster Station

while temporarily keeping the Existing Pump Station in service. Veolia indicated that the Existing Pump Station will be removed from service concurrent with the commissioning and start up of the Proposed Booster Station, and there is no planned overlap of simultaneous operation of the two stations. Veolia averred that it will start to remove Existing Pump Station equipment and structures within two months of completing Proposed Booster Station construction.

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

In supplemental information filed with the Commission, Veolia indicated that permits for the Proposed Booster Station include a public water supply permit major amendment, a land development and stormwater management permit, a national pollutant discharge elimination system construction permit, and Marysville Borough building, zoning and demolition permits with a projected combined cost of \$100,000. In addition, as noted in Section IV, above, we are directing Veolia to file with the Commission copies of executed documents recorded with the Perry County Recorder of Deeds for the Easement.

## **VIII. LAND-USE PLANNING COMPLIANCE**

In supplemental information filed with the Commission, Veolia provided copies of land-use planning compliance verification letters from Marysville Borough (Marysville Letter) and the Perry County Planning Commission (PCPC Letter) as of February 10, 2026. In the Marysville Letter, Marysville Borough indicated that the proposed project is consistent with its comprehensive plan and zoning ordinances. The Perry County Planning Commission (PCPC) indicated in the PCPC Letter that it waived the right to complete a review of the proposed activity since it could not offer a consistency determination without a subdivision and/or land development plan for review. However, PCPC noted that its waiver should not be interpreted as PCPC's support of, or opposition to, the Application.

To support the Commission's review of land use planning considerations for the Application, Veolia averred in supplemental information filed with the Commission that Marysville Borough's comprehensive plan is consistent with Perry County's comprehensive plan. Also, Veolia specified that Perry County does not have a county-wide zoning ordinance and that, based on the Marysville Letter, Veolia believes that the Application is consistent with Perry County's comprehensive plan.

## **IX. OTHER CONSIDERATIONS**

Veolia has no outstanding fines or assessments due to the Commission and is current with Commission reporting requirements. DEP's Southcentral Regional Office advised Commission staff that it did not have any open enforcement actions against Veolia.

## **X. CONCLUSION**

Based upon the facts that it is necessary for Veolia to meet the current and future water service needs of customers in its Marysville Pressure Zone; that the Proposed Booster Station will improve water service reliability for Veolia's customers; and that Veolia has the technical, financial and legal fitness to own, operate and maintain its assets, the Commission finds that granting approval of Veolia'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 Veolia Water Pennsylvania, Inc. at Docket No. A-2026-3059888, is hereby approved, consistent with this Order.
2. That 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 Veolia Water Pennsylvania, Inc. to acquire certain

real estate in Marysville Borough, Perry County, Pennsylvania, as described in the Application.

3. That within ten (10) days of closing with Brent Kauffman, Veolia Water Pennsylvania, Inc. shall provide written notification to the Secretary's Bureau at Docket No. A-2026-3059888 that shall also include copies of the executed documents recorded with the Perry County Recorder of Deeds for the real estate acquired by Veolia Water Pennsylvania, Inc., as described in the Application and consistent with this Order.

4. That at the time of filing its next base rate case which proposes to include the assets of this acquisition in rate base, Veolia Water Pennsylvania, Inc. shall provide testimony that specifically references Docket No. A-2026-3059888 and that justifies any amount claimed in rate base in order to evaluate the reasonableness of original cost, accumulated depreciation, and related valuation claims for the assets of this acquisition.

5. That if Veolia Water Pennsylvania, Inc. determines that the transaction will not occur, it will promptly file notice of such determination with the Secretary's Bureau at Docket No. A-2026-3059888 and return the Certificate of Public Convenience issued in Ordering Paragraph 2.

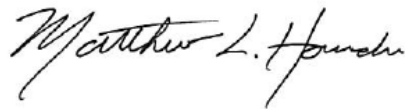
6. That nothing herein shall be construed as an approval or determination of costs or expenses for the purposes of just or reasonable rates or to exempt Veolia Water Pennsylvania, Inc. from obtaining all necessary permits, licenses, and approvals from other federal, state, and local government agencies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

7. That a copy of this Order be served upon Veolia Water Pennsylvania, Inc., Brent Kauffman, the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, the Marysville Borough Board of Supervisors, the Marysville Borough Planning Commission, the Perry County Board of Commissioners, the Perry County Planning Commission, the Pennsylvania Department of Revenue's Bureau of Corporate Taxes, and the Pennsylvania Department

of Environmental Protection – Southcentral Regional Office and its Bureau of Regulatory Counsel.

8. That upon the filing of a notice of closing as outlined in Ordering Paragraph 3, or upon the return of the Certificate of Public Convenience issued in Ordering Paragraph 2, the proceeding at Docket No. A-2026-3059888 be closed.

**BY THE COMMISSION,**

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

Matthew L. Homsher  
Secretary

(SEAL)

ORDER ADOPTED: March 26, 2026

ORDER ENTERED: March 26, 2026