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File #: 210634

May 27, 2026

VIA ELECTRONIC FILING

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: PA Public Utility Commission, *et al.* v. The York Water Company - Water Division
Docket Nos. R-2025-3053442, *et al.***

**PA Public Utility Commission, *et al.* v. The York Water Company - Wastewater
Division
Docket Nos. R-2025-3053573, *et al.***

Dear Secretary Homsher:

Enclosed for filing on behalf of The York Water Company (“York Water” or the “Company”) is the feasibility study for a water customer class demand study. This filing is being made pursuant to Ordering Paragraph 10 of the Opinion and Order entered on February 26, 2026, in the above-captioned proceeding.

York Water notes that simultaneously with the filing of the enclosed feasibility study, the Company is filing a Petition for Authorization to Defer, for Accounting and Financial Purposes, Expenses Associated with the Water Customer Class Demand Study at a separate docket. Pursuant to Ordering Paragraph 10, the active parties to this proceeding are being served with that Petition.

Copies of this filing are being served as indicated on the Certificate of Service.

Matthew Homsher, Secretary
May 27, 2026
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Respectfully submitted,



Devin Ryan

DR/bfc
Enclosures

cc: Certificate of Service
The Honorable Emily A. Farren (*via email; w/attachment*)
The Honorable John M. Coogan (*via email; w/attachment*)
Office of Special Assistants (*via email; w/attachment*)

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL

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Date: May 27, 2026



Devin T. Ryan

THE YORK WATER COMPANY
York, Pennsylvania

FEASIBILITY OF CONDUCTING
A CUSTOMER CLASS DEMAND STUDY

May 2026

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC
Mechanicsburg, Pennsylvania

THE YORK WATER COMPANY
FEASIBILITY OF CONDUCTING
A CUSTOMER CLASS DEMAND STUDY

INTRODUCTION

In The York Water Company's (York Water) most recent rate proceeding at Docket No. R-2025-3053442, the Bureau of Investigation and Enforcement, Office of Consumer Advocate, the Office of Small Business Advocate and York Water agreed to a Partial Settlement Petition (the Settlement) that resolved all the issues in the case, except for the issue of water revenue allocation that was reserved for litigation and briefing. Under the Pennsylvania Public Utility Commission's ("Commission") Opinion and Order entered February 26, 2026 ("Final Order"), York Water "shall study the feasibility and costs of an updated customer class demand study within ninety (90) days of the entry of this Opinion and Order and shall report such costs to the Commission." Final Order, p. 85.

Pursuant to that directive, York Water submits the following feasibility study of the costs to conduct a customer class demand study, including the timetable required to complete such a study. The feasibility analysis includes the scope of the proposed demand study, the facilities and equipment required, and an estimate of the total costs.

SCOPE OF PROPOSED DEMAND STUDY

In order to analyze the cost of studying customer demands on York Water's system, a tentative scope of the study must be considered. The elements that define the scope of the study include the classification of customers selected, the sample size of customers

to be tested, the total number of customers selected within each service area and classification, and the duration of the testing period for which the sample customers are observed.

Sample Design and Selection. In order to make the results of the customer demand study representative, residential customers will be categorized by housing density and annual consumption level so that an appropriate selection of each type of neighborhood is included. Residential peak demands are primarily influenced by income, lawn size and the amount of precipitation and evapotranspiration. Housing density represents a measure of both income level and lawn size. Approximately ten to twelve neighborhoods in total located in both the gravity and repumped service areas, which are representative of the total population served by York Water, would be selected for testing.

Commercial customers will be grouped based on the nature of business (e.g., restaurants, offices, hospitals, apartment complexes) and average consumption. One customer from each significant type of business for each gravity and repumped service area will be selected for testing. Approximately fifty customers would be tested.

The ten largest industrial users consume over half of the total industrial class and represent several different manufacturing processes. The results of testing these customers would provide sufficient data for the industrial class.

FACILITIES AND EQUIPMENT REQUIRED

If the study is to be undertaken, York Water currently has Kamstrup smart meter devices with remote read capabilities installed for residential customers that encompass high, medium and low density neighborhoods in the gravity and repumped service areas.

For residential customers, the device records water usage on an hourly basis and would be transmitted wirelessly to where data can be accessed by York Water staff. The testing period would be conducted for all areas for one to three years.

For commercial and industrial customers, a meter interface unit (MIU) can be installed on each customer's meter. Some commercial customers that would be selected for the sample group currently have remote read capabilities. An estimated 36 – 50 additional MIUs would be required to install to compile the sample set of commercial and industrial customers to conduct the study. Each customer would be tested for one to three years.

ESTIMATE OF COST

The cost of the MIU equipment and labor required to conduct the testing described above is estimated at \$20,000 to \$26,000, as follows:

Estimated Cost of Equipment for Customer Demand Study

| MIU Devices by Meter Size | Quantity | Unit Cost | Labor | Total Cost |
|---------------------------|--------------|-----------|-------|----------------------------|
| ¾-inch | 1 – 6 | \$216 | \$100 | \$316 - \$1,896 |
| 1-inch | 3 – 10 | \$216 | \$100 | \$948 - \$3,160 |
| 1 ½-inch | 3 – 4 | \$655 | \$200 | \$2,565 - \$3,420 |
| 2-inch | 6 – 7 | \$760 | \$300 | \$6,360 - \$7,420 |
| 3-inch | 5 | \$155 | \$200 | \$1,775 |
| 4-inch | 8 | \$310 | \$300 | \$4,880 |
| 6-inch | 10 | \$155 | \$200 | \$3,550 |
| Total | 36-50 | | | \$20,394 - \$26,101 |

IMPLEMENTATION AND DATA ANALYSIS

If undertaken, York Water would propose that the residential testing begin in January 2027 and should continue for one to three years to ensure that periods of peak

use are experienced during testing. This study period could be extended depending on weather conditions during the summer months of the testing period. For example, if the summers are unusually wet, it is not likely that customer class peak demands will be captured. The commercial and industrial testing could begin in January of 2027 and continue through 2028.

Demand data would be gathered continuously and provided to the third-party consultant on a bi-monthly or monthly basis. A detailed analysis would be performed after sufficient data have been obtained. Such analyses will include the examination of observed peak consumption in relation to average consumption and the correlation of observed data based on the relationship of use during the observed period to use reported during periods of system peak usage. Written reports will be prepared and submitted with cost of service studies in rate cases. The reports will summarize the results of the observed and adjusted data, make recommendations as appropriate and set forth any conclusions that can be drawn from the data. The estimated consultant cost for the data analysis phase and reporting over a one to three-year period is \$50,000 - \$120,000.

In addition, there will be recurring software costs and labor costs for collecting the sampled customers' data. These costs will range from \$10,000 - \$15,000 for the duration of the study.

The total estimated cost for a one to three-year study of all classes including a 10% contingency is approximately \$88,000 to \$177,000.

SUMMARY AND CONCLUSIONS

A study of customer demands on the system of York Water could be conducted for all classifications of customers. The total expenditure for a study of all classes would approximate \$88,000 to \$177,000 and require one to three years to complete. The results of the demand study would then be presented to the Pennsylvania Public Utility Commission as part of its next base rate case.