

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

I&E Petition to Request the Commission	:	
Open a Section 529 Investigation into the	:	Docket Nos. P-2024-3051855
Acquisition of Conneaut Lake Park Water	:	I-2024-3051857
Corporation, Inc.	:	

**LIST OF EVIDENCE TO BE ADMITTED INTO THE EVIDENTIARY RECORD BY  
THE OFFICE OF CONSUMER ADVOCATE**

The Office of Consumer Advocate (OCA) intends to submit the following evidence into the evidentiary record in the above captioned proceedings at the evidentiary hearings scheduled for May 4, 2026, and May 5, 2026.

**OCA Direct Testimony**

OCA Statement 1: Direct Testimony of LeeAnn Wise with Verification, including:

- Exhibits LMW-1 through LMW-7

**Confidential** Direct Testimony of LeeAnn Wise with Verification, including:

- Exhibits LMW-1 through LMW-8

**OCA Rebuttal Testimony**

OCA Statement 1R: Rebuttal Testimony of LeeAnn Wise with Verification, including:

- Exhibit 1

**OCA Surrebuttal Testimony**

OCA Statement 1SR: Surrebuttal Testimony of LeeAnn Wise with Verification.

**OCA Additional Evidence**

OCA Hearing Exh. 1: List of Evidence to be Admitted into the Evidentiary Record by the Office of Consumer Advocate.

**OCA STATEMENT 1**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Conneaut Lake Park Water : Docket Nos. P-2024-3051855  
Capable Public Utility to Acquire the : I-2024-3051857  
Company Pursuant to 66 Pa. C.S. § 529 :

**DIRECT TESTIMONY**

**OF**

**LEEANN WISE**

**ON BEHALF OF**

**THE PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE**

**March 6, 2026**

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**INTRODUCTION**

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**Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND OCCUPATION.**

A. My name is LeeAnn Wise. My business address is 555 Walnut Street, Forum Place, 5<sup>th</sup> Floor, Harrisburg, Pennsylvania 17101. I am currently employed as a Regulatory Analyst by the Pennsylvania Office of Consumer Advocate (OCA).

**Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND QUALIFICATIONS TO PROVIDE TESTIMONY IN THIS CASE.**

A. I have a Master’s Degree in Business Administration from Shippensburg University and a Bachelor’s degree in Professional Accountancy from the University of Pennsylvania. I also attended Michigan State University’s Institute of Public Utilities online rate school program. I have attached my CV as LMW-1.

**Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?**

A. I am testifying on behalf of the Office of Consumer Advocate (OCA).

**Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION?**

A. Yes, a list of the cases that I have previously provided testimony for is listed in OCA Exhibit LMW-2.

**Q. ARE YOU SPONSORING ANY EXHIBITS IN THE PROCEEDING?**

A. Yes, Attached as follows: OCA Exhibit LMW-1 Qualifications, OCA Exhibit LMW-2 Case Testimony Provided, OCA Exhibit LMW-3 Tier 2 Notification, OCA Exhibit LMW-4 MCL notification, OCA Exhibit LMW-5 Aqua Water capital improvement cost estimate, OCA Exhibit LMW-6 Jaquay Letter, OCA Exhibit LMW-7 Grieser Letter,

1 [BEGIN CONFIDENTIAL] [REDACTED] [END  
2 CONFIDENTIAL]

3 **Q. PLEASE SUMMARIZE THE NATURE OF THIS CASE BEFORE THE  
4 COMMISSION.**

5 A. Due to issues uncovered during the 2023 rate case docketed at R-2023-3041575, on  
6 October 28, 2024, in accordance with a mediated settlement agreed to by all parties, the  
7 Commission's Bureau of Investigation and Enforcement (I&E) filed a petition requesting  
8 that the Commission open a Section 529 Investigation into whether a capable public  
9 utility should be ordered to acquire the Conneaut Lake Park Water Corporation, Inc.  
10 (CLPWC or Company) system. In its petition, I&E outlined CLPWC's history of  
11 violations and/or deficiencies under the Public Utility Code.

12 **PURPOSE OF DIRECT TESTIMONY**  
13

14 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS CASE?**

15 A. The purpose of my testimony in this case is to present the analysis, results, and  
16 conclusions of my review of the Conneaut Lake Park Water Company.

17 **SECTION 529 RULING**  
18

19 **Q. WHAT POWER IS THE COMMISSION GRANTED UNDER SECTION 529 OF  
20 THE PUBLIC UTILITY CODE?**

21 A. Section 529(a) of the Public Utility Code allows the Commission to order a capable  
22 public utility to acquire a small water or wastewater system if it determines the following:

23 (1) that the small water or sewer utility is in violation of statutory or regulatory  
24 standards, including, but not limited to, the act of June 22, 1937 (P.L.1987,  
25 No.394), known as The Clean Streams Law, the act of January 24, 1966 (1965

1 P.L.1535, No.537), known as the Pennsylvania Sewage Facilities Act, and the act  
2 of May 1, 1984 (P.L.206, No.43), known as the Pennsylvania Safe Drinking  
3 Water Act, and the regulations adopted thereunder, which affect the safety,  
4 adequacy, efficiency or reasonableness of the service provided by the small water  
5 or sewer utility;

6  
7 (2) that the small water or sewer utility has failed to comply, within a reasonable  
8 period of time, with any order of the Department of Environmental Resources or  
9 the commission concerning the safety, adequacy, efficiency or reasonableness of  
10 service, including, but not limited to, the availability of water, the potability of  
11 water, the palatability of water or the provision of water at adequate volume and  
12 pressure;

13  
14 (3) that the small water or sewer utility cannot reasonably be expected to furnish  
15 and maintain adequate, efficient, safe and reasonable service and facilities in the  
16 future.

17  
18 (4) that alternatives to acquisition have been considered in accordance with  
19 subsection (b) and have been determined by the commission to be impractical or  
20 not economically feasible.

21  
22 (5) that the acquiring capable public utility is financially, managerially and  
23 technically capable of acquiring and operating the small water or sewer utility in  
24 compliance with applicable statutory and regulatory standards; and

25  
26 (6) that the rates charged by the acquiring capable public utility to its  
27 preacquisition customers will not increase unreasonably because of the  
28 acquisition.<sup>1</sup>

29  
30  
31 **Q. WERE PUBLIC-INPUT HEARINGS HELD ON THIS MATTER?**

32 **A.** Yes, two public input hearings were held on January 21, 2026. The first was held at  
33 1:00PM at Conneaut Lake VFD Station #2 in Conneaut Lake, PA. The second meeting  
34 was virtual at 6:00PM. A total of 13 customers testified at the hearings, 10 at the 1pm  
35 hearing and 3 at the 6pm hearing.

36 **Q. WHAT CONCERNS WERE RAISED DURING THE PUBLIC INPUT**  
37 **HEARINGS?**

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<sup>1</sup> 66 Pa. C.S. § 529(a)(1)-(6).

1 A. There were several concerns raised during the two meetings, including poor water  
2 quality, lack of metering and identification of shut-off valves, lack of adherence to the  
3 rate case settlement provisions, and the use of a Facebook page for customer information.

4 **Q. PLEASE SUMMARIZE YOUR CONCLUSIONS AND RECOMMENDATIONS.**

5 A. Based on the record from CLPWC’s base rate case, discovery responses, supporting  
6 documentation, photographs, and input received during the public hearings, I recommend  
7 that the Commission order Aqua Pennsylvania Inc. (Aqua) to acquire CLPWC in  
8 accordance with Section 529 of the Public Utility Code. As I will explain in my  
9 testimony, CLPWC lacks financial, managerial, and technical fitness to comply with  
10 Section 1501 of the Public Utility Code which requires public utility companies to  
11 provide and maintain safe, reasonable service and facilities to their customers.

12 **CONNEAUT LAKE PARK WATER SYSTEM**  
13

14 **Q. PLEASE DESCRIBE THE CLPWC WATER SYSTEM.**

15 A. Conneaut Lake Park (Park), located in Crawford County PA, began as an amusement  
16 park nearly 120 years ago. Included as part of the park was a water system that has been  
17 providing services for over 95 years. The entire Park property was purchased in  
18 bankruptcy court for \$1.2 million by Todd Joseph in March 2021, the sole owner of  
19 CLPWC. Among the assets acquired was the CLPWC system, which includes a water  
20 delivery-system, water holding tank, conveyance system, purification system, rights to  
21 service customers, DEP Public Water Supply Operation No. 2009505-MA-1, and four  
22 associated public water supply permits (2084504-T3-MA-1, 2009505, 200905-MA-1,  
23 and 200845040).

24 In 2002, Conneaut Lake Park came under Commission jurisdiction when it

1 received a Certificate of Public Convenience to provide water service in portions of  
2 Summit and Sadsbury Township, Crawford County, Pennsylvania. Application of  
3 Trustees of Conneaut Lake Park, Inc., for approval to begin to offer, render, furnish, or  
4 supply water service to the public in portions of Summit and Sadsbury Townships,  
5 Crawford County, Docket No. A-210096 (Order entered Feb. 21, 2002).

6 **[BEGIN CONFIDENTIAL]** [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 **[END CONFIDENTIAL]** Most, if not all, records for the water system from prior years  
13 were destroyed in a fire that occurred on August 1, 2013. As a result of that fire, the  
14 historical files, including operational and maintenance records, were lost. To my  
15 knowledge, those records were not recoverable after the incident. CLPWC currently  
16 serves 162 residential customers, of which 68 are seasonal and 84 are year-round, along  
17 with 3 commercial customers.

18 **FINANCIAL FITNESS**

19  
20 **Q. IS CLPWC FINANCIALLY FIT TO RUN A PUBLIC UTILITY?**

21 **A.** No. Based on my review of the Company's filings, discovery responses, and financial  
22 records, the Company has not demonstrated the financial fitness to provide adequate,  
23 reliable services on a continuous basis.

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<sup>2</sup> Settlement Exhibit 6 (OCA Set I-27,29,41), see also [REDACTED]

1 The Company is presently suffering financial hardship, evidenced by their inability to  
2 make much-needed infrastructure repairs. The Company has no cash reserves, instead, it  
3 relies on customer revenues that do not cover operational expenses and its sole owner’s  
4 personal funds.<sup>3</sup> This forces CLPWC to depend on cash infusions from Mr. Joseph to  
5 continue system operations. The Company’s reliance on support from Mr. Joseph, rather  
6 than internally generated revenue, indicates that it is not financially self-sustaining.  
7 CLPWC also does not have a formal forecast given the uncertainties associated with the  
8 projected capital improvements. The Company projects that current revenues do not cover  
9 current expenses and negatively impacts cash flow. When operating expenses exceed  
10 revenue, the Company experiences negative operating cash flow. As these shortfalls are  
11 ongoing and necessitate continued external funding, the Company’s cash flow position is  
12 likely unsustainable in the absence of additional financing.

13 CLPWC essentially admits that it faces financial difficulties as a regulated public utility.  
14 During the Prehearing Conference that took place on October 17, 2025, CLPWC stated,  
15 “Having to litigate while at the same time trying to make improvements is nearly  
16 impossible just because of the costs that get incurred that frankly aren’t covered by the  
17 existing rates.”<sup>4</sup>

18 Without the ability to meet its current financial obligations from the revenue collected  
19 from its existing customers, the Company claims it will need to pursue annual base rate  
20 increases to maintain financial stability and recover its costs.<sup>5</sup>

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<sup>3</sup> Response to OCA 15-23.

<sup>4</sup> Prehearing Memo Tr 83 2-8.

<sup>5</sup> Response to OCA Set 16-3.

1 Furthermore, the Company's small customer base of 164 customers prevents it from  
2 realizing meaningful economies of scale. As a result, costs are spread over fewer  
3 customers, which will likely substantially increase the financial burden on each customer.  
4 Despite the Company's comments regarding revenue not covering expenses, it states it  
5 does not have any accounts payable or bad debt.<sup>6</sup> I find it difficult to reconcile the  
6 Company's assertion that it has no accounts payable and no bad debt with its  
7 simultaneous claim that its revenues are insufficient to cover its expenses.<sup>7</sup> Water utility  
8 providers normally incur regular operating expenses and vendor payments. The response  
9 that there are no accounts payable raises the question about how the Company manages  
10 its ongoing financial requirements.

11 The Company has stated that it has no bad debt; however, it has also acknowledged that  
12 certain customers have failed to remit payment for completed repair services. From my  
13 experience, it is not normal practice for a regulated water utility to have a capital  
14 structure with 100% equity solely controlled by one individual and no debt. Ratemaking  
15 recognizes a reasonable mix of debt to equity and reduces the overall cost of capital,  
16 promoting lower customer rates.

17 **Q. WHAT IS YOUR OVERALL IMPRESSION OF THE COMPANY'S FINANCIAL**  
18 **HEALTH?**

19 A. The Company's financial condition is unstable and raises concern with its ability to  
20 provide adequate and reasonable water service. CLPWC has previously demonstrated a  
21 history of delinquent electric bill payments over several months.<sup>8</sup> CLPWC acknowledged

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<sup>6</sup> Response to OCA Set 20-18-20.

<sup>7</sup> Response to OCA Set 15-22.

<sup>8</sup> Response to OCA Set 1-16.

1 that these delinquencies were a result of insufficient revenues to cover operating costs,  
2 and that the bills got paid when funds became available.<sup>9</sup> But, customer payments do not  
3 cover operational expenses, leaving the Company in an unstable deficit cycle. <sup>10</sup> The  
4 Company's response to not having accounts payable or bad debt raises questions about  
5 CLPWC's ability to maintain financial reporting. CLPWC has been unable to place itself  
6 on a sustainable financial footing or adequately address the infrastructure improvements  
7 required for reliable service. This has hindered the Company's ability to meet critical  
8 funding deadlines, including two missed application opportunities with PENNVEST.  
9 Ratepayers require safe, dependable water service and confidence in the utility's financial  
10 stability within a timeframe the current ownership has not demonstrated it can achieve.

11 **Q. DOES THE COMPANY ACKNOWLEDGE ANY FINANCIAL RISKS?**

12 A. Yes, the Company stated the litigation before the Commission placed a significant  
13 litigation cost burden on the Company that impacts its ability to fund water projects. In  
14 addition, according to the Company, continued complaints from residential customers  
15 place a financial burden as the Company must address the complaints. The Company  
16 stated, "A failure of the Commission's grant the level of rate increases necessary to fund  
17 the upgrades needed for the system and to cover the system's operation and maintenance  
18 costs."<sup>11</sup> However, it should be noted that CLPWC agreed to a mediated settlement in  
19 lieu of litigation, which included both an agreed-upon rate increase and the initiation of  
20 the instant proceeding.

21 **Q. DO YOU HAVE COMMENTS ON THE COMPANY'S FINANCIAL RISKS?**

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<sup>9</sup> Response to OCA Set 1-16.

<sup>10</sup> Response to OCA Set 19-19.

<sup>11</sup> Response to OCA Set 15-26.

1 A. Yes. It is concerning for a company to shift responsibility for its financial shortfall onto  
2 the Commission and its own customers. If these are used as explanations for failing to  
3 meet financial obligations, it indicates shortcomings in financial planning, management,  
4 or long-term strategy.

5 **Q. ARE THERE ALTERNATIVE FUNDS AVAILABLE TO CLPWC FOR**  
6 **CAPITAL IMPROVEMENTS?**

7 A. Yes. The Pennsylvania Infrastructure Investment Authority (commonly called  
8 PENNVEST) is a state agency that provides low-interest loans and grants to fund water,  
9 wastewater, stormwater, and nonpoint source pollution prevention projects across  
10 Pennsylvania. The Company has stated their intentions to pursue PENNVEST Small  
11 Project Funding Program.<sup>12</sup>

12 The Small Project Program offered by the PENNVEST is a streamlined funding option  
13 for smaller water companies with fewer than 12,000 customers. The program offers low-  
14 interest loans of up to \$500,000 (with total project cost not exceeding \$1million) using  
15 state revolving funds with an expedited review process, reduced regulatory requirements,  
16 and faster staff-level approval. It does not include grants, principal forgiveness, or  
17 extended-term bonds options.<sup>13</sup> The Company has not indicated that it is exploring or  
18 considering any type of grant funding.

19 However, this program requires a clear project description<sup>14</sup>, which CLPWC has yet to  
20 provide. It is also important to note that this program operates on a reimbursement basis.  
21 As such, any loan funds will be disbursed to the borrower on a reimbursement basis.

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<sup>12</sup> Response to OCA Set 18-2.  
<sup>13</sup> <https://www.pa.gov/agencies/pennvest/apply-online>  
<sup>14</sup> <https://www.pa.gov/agencies/pennvest/apply-online>

1 In response to discovery, CLPWC provided an estimated timeline to complete needed  
2 capital improvements with the first project to begin in the summer of 2026, the second in  
3 summer of 2027, and the third in summer 2028.<sup>15</sup>

4 This timeline is likely not realistic given the fact an engineering report was completed on  
5 February 24, 2026, leaving the company without a defined plan and shovels in the  
6 ground, a requirement to obtain PENNVEST funding. Upon completion, the Company  
7 will then be required to coordinate with the DEP to obtain formal approval for any  
8 proposed system improvements. This additional regulatory review process will require  
9 further time and will consequently delay customers from realizing any service  
10 improvements.

11 During the prehearing conference, it became apparent that the Company was not looking  
12 to begin working on improvements until sometime in 2028 with customers seeing  
13 improvements in service around 2029.<sup>16</sup> At the prehearing conference, the Company  
14 acknowledged that, if it remains under current ownership, customers will not expect to  
15 see system-wide improvement for at least four years.

16 Despite the Company's stating their intention to apply for PENNVEST funding, they  
17 confirmed in discovery that they missed the deadline to apply on October 29<sup>th</sup>, 2025, and  
18 again on February 4<sup>th</sup>, 2026.<sup>17</sup> The lack of a timely formal engineering report and the  
19 Company's failure to meet the timeframe for applying for PENNVEST funding further  
20 indicate deficiencies in financial planning and raise concerns regarding the Company's  
21 long-term financial status and their ability to provide adequate service.

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<sup>15</sup> Response to OCA Set 16-3.

<sup>16</sup> Tr. 71

<sup>17</sup> Response to OCA Set 18-2-3.

1 **Q. WHAT LIMITED LIABILITY CORPORATION DOES THE COMPANY RELY**  
2 **ON FOR ADDITIONAL FUNDING?**

3 A. After the purchase of CLPWC, the ownership of CLPWC was placed in a limited liability  
4 company created by Todd Joseph, named CLP Water Park, LLC (“CLP”), which was  
5 formed with the intent of using it as the corporate vehicle for the water system.<sup>18</sup> The  
6 Company relies on CLP Water Park, LLC for additional funding.  
7 CLPWC’s owner (Mr. Joseph) confirmed that he has had to provide cash infusions  
8 totaling over \$200,000 since May 2022 for non-legal expenses, and an additional  
9 \$130,000 for legal fees.<sup>19</sup> Dependence on cash infusions from CLPWC’s owner through  
10 an LLC reflects a financially unsustainable approach to the operation of a regulated  
11 public utility providing vital water service.

12 **Q. IS CLPWC IN COMPLIANCE WITH ALL COMMISSION FINANCIAL**  
13 **REGULATIONS?**

14 A. No. CLPWC is in violation of Pennsylvania Public Utility Commission (PA PUC)  
15 regulations, specifically Section 65.19(1), that requires public utilities (other than  
16 transportation) to file annual financial reports by April 30<sup>th</sup> of the following year. In  
17 discovery OCA Set 22-1, CLPWC confirmed that the Company has not filed annual  
18 reports with the Commission for 2023, 2024, and 2025, violating Section 65.19(1) of the  
19 Public Utility Code.<sup>20</sup>

20 **Q. DO YOU HAVE COMMENTS ON CLPWC’S NON-COMPLIANCE?**

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<sup>18</sup> Settlement Exhibit 3 (I&E-RE-8-D).

<sup>19</sup> CLPWC Response to OCA Set-21-3.

<sup>20</sup> 52 Pa Code § 65.19(1).

1 A. Yes. The delay in submitting the annual financial report to the PUC, in and of itself,  
2 demonstrates the Company’s inability to effectively manage and maintain a financially  
3 sound run regulated public utility. It also deprives the parties of important information  
4 regarding CLPWC’s system, including balance sheets, the utility’s plant in service,  
5 detailed financial information, PA DEP reports, contractual agreements, and the amount  
6 of Unaccounted for Water (UFW), among other important matters.

7

8 **COMPLIANCE WITH RATE CASE SETTLEMENT**

9

10 **Q. HAS CLPWC COMPLIED WITH THE REQUIREMENTS OF THE BASE RATE**  
11 **CASE SETTLEMENT?**

12 A. No, not entirely. In its Compliance Report submitted to the Commission on August 30,  
13 2024, CLPWC attested to full compliance with all obligations and timing requirements  
14 set forth in the 2023 rate case settlement.<sup>21</sup> However, as I will discuss in my testimony  
15 below, the Company has failed to meet several critical requirements.

16 **Q. WHAT REGULATORY RATE CASE SETTLEMENT REQUIREMENTS IS**  
17 **CLPWC CURRENTLY NOT IN COMPLIANCE WITH?**

18 A. The base rate case settlement required the Company to create a customer complaint log in  
19 accordance with 52 Pa. Code Section 65.3, create a phone number for the water company  
20 only, create a website or accessible virtual location for customers to view water company  
21 documents, and commit to holding one meeting with customers each year during the  
22 summer season, starting in 2024, and having CLPWC’s certified operator present at the  
23 meeting.

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<sup>21</sup> CLPWC Compliance Report.

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**CUSTOMER COMPLAINT LOGS**

**Q. DID THE SETTLEMENT OF THE PRIOR RATE CASE REQUIRE CLPWC TO CREATE A CUSTOMER COMPLAINT LOG?**

A. Yes. In fact, all Pennsylvania public utilities are required to maintain records on customer complaints and disputes in accordance with 52 Pa. Code Section 65.3.

**Q. WHAT REQUIREMENTS MUST BE CONTAINED IN THE CUSTOMER COMPLAINT RECORD?**

A. Public Utility Code, 52 Pa. Code Section 65.3 requires records to document the complainant’s name and address, date of complaint, nature of complaint, and the final disposition of the complaint. The code also requires prompt investigation along with the retention of records for five years.

**Q. HAS CLPWC COMPLIED WITH 52 PA. CODE SECTION 65.3 REGARDING COMPLAINT LOGS?**

A. Not entirely. While it is acknowledged that the Company maintains a handwritten complaint log, the documentation of complaint resolution lacks sufficient detail to demonstrate how issues are investigated or resolved. For instance, on July 25, 2024, a customer identified as O’Neil reported a leak on Henry Street. The log entry indicates that the issue was addressed by a return phone call from an individual identified as Todd, with the resolution recorded as “fixed.” The log does not include any description of the repair performed or corrective action taken.<sup>22</sup>

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<sup>22</sup>Response to OCA Set 15 Exhibit 1.

1 Similarly, on August 22, 2025, a customer identified as Koch reported an issue involving  
2 low water pressure. The log shows that the complaint was communicated to an individual  
3 named Matt but does not indicate what corrective action if any was taken, nor does it  
4 include a resolution date.<sup>23</sup>

5 In short, CLPWC's records do not provide adequate information regarding the nature of  
6 complaints or the actions taken to resolve them in accordance with 52 Pa. Code Section  
7 65.3.

8 CLPWC is unable to maintain adequate, efficient, safe, and reasonable services and  
9 facilities as is documented by the 19 customers who testified at the public input hearing  
10 regarding services issues and CLPWC's lack of documented responses.

11 **DESIGNATED PHONE NUMBER**  
12

13 **Q. DID THE SETTLEMENT OF THE PRIOR RATE CASE REQUIRE CLPWC TO**  
14 **CREATE A DESIGNATED PHONE NUMBER FOR WATER OPERATIONS?**

15 A. Yes. CLPWC also claims to have a dedicated phone number for customers to report  
16 water related issues. However, a Google search of the phone number listed in paragraph 5  
17 of the compliance report, 814-225-7985<sup>24</sup>, associates it with The Tiki Bar and Conneaut  
18 Hotel, as well as other facilities owned by Mr. Joseph. Furthermore, the number is  
19 connected to a Facebook account that primarily advertises events at the campground,  
20 rather than serving as a reliable channel for utility-related communications. During the  
21 public input hearings, Ms. Jaquay testified that phone number provided for the water

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<sup>23</sup> Response to OCA Set 15 Exhibit 1.

<sup>24</sup> Exhibit 1-Compliance Report of CLPWC with Exhibits.

1 company is a cellphone for the manager and not dedicated to the water company, which  
2 was part of the rate case settlement agreement.

3 Customers should reasonably expect their water company to maintain a designated  
4 contact number in case of emergency. The use of a shared phone line that also services  
5 both the Hotel and Tiki Bar does not reflect sound utility practice and undermines the  
6 Company's ability to respond promptly and effectively to emergencies.

7 **WEBSITE**

8  
9 **Q. DID THE SETTLEMENT OF THE PRIOR RATE CASE REQUIRE CLPWC TO**  
10 **ESTABLISH A WEBSITE?**

11 A. Yes, the settlement required CLPWC to establish a website or accessible virtual location  
12 for customers to view water company documents (i.e., tariffs, reports).<sup>25</sup>

13 **Q. DOES CLPWC HAVE A WEBSITE FOR CUSTOMER USE AS REQUIRED BY**  
14 **THE TERMS OF THE PRIOR RATE CASE SETTLEMENT?**

15 A. Yes, as noted by CLPWC in response to discovery CLPWC utilizes a Facebook  
16 page.<sup>26</sup>This page allows customers to find information about the system and receive  
17 important updates such as boil water alerts. I am unable to speak to the specifics of the  
18 information that is available to CLPWC customers on this Facebook page, however, as  
19 the OCA has not been given access to view the page from CLPWC. The Facebook page  
20 is set to private, and an administrator must allow members to join the group. The  
21 Company stated in discovery, OCA Set 19-13, Jaclyn McCoy oversees the Facebook  
22 page. When a request to join the page occurs, Ms. McCoy gets a notice and then decides

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<sup>25</sup> Recommended Decision Paragraph 35.

<sup>26</sup> Exhibit 1-Compliance Report paragraph 15.

1 whether to allow access. Access is granted if the requester has properly responded to the  
2 questions and is a customer of the Company. The OCA requested access on October 21,  
3 2025, November 14, 2025, and December 3, 2025. To date, the OCA has not received a  
4 response and access has not been granted. CLPWC also has an online billing portal where  
5 customers can pay their water bills.

6 **Q. DOES CLPWC’S USE OF A FACEBOOK PAGE TO PROVIDE WEB ACCESS**  
7 **TO CUSTOMERS RAISE ANY CONCERNS?**

8 A. Yes, CLPWC’s reliance exclusively on Facebook rather than a publicly accessible  
9 webpage raises several concerns for customer service. First, CLPWC’s sole use of a  
10 Facebook page presumes that all customers have and regularly use social media.  
11 However, this is not the case. Mr. Baldwin testified at the public input hearing that he did  
12 not have a Facebook account, and that he believed something better than Facebook  
13 should be set up.<sup>27</sup> Another concern raised by customers at the public input hearing is the  
14 accessibility of information via a Facebook page rather than a publicly accessible  
15 website. Mr. Tolbert testified at the public input hearing that the problem with Facebook  
16 is that information gets buried.<sup>28</sup> If he wanted to refer to something posted in October, it  
17 would require scrolling through pages and pages to try to find it. He further stated that a  
18 website could have a menu where information was more accessible.<sup>29</sup> Unlike most  
19 websites, Facebook does not always provide the most recent information first, nor does it  
20 provide a standardized page with menus, links, and easily accessible information. Ms.  
21 Anderson’s testimony sums up CLPWC’s use of a Facebook page as its main web

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<sup>27</sup> Tr. 210.

<sup>28</sup> Tr. 197.

<sup>29</sup> Tr. 197.

1 presence. She testified that “Facebook is a social media site. Websites are more  
2 professional... Facebook was developed for a completely different reason.”<sup>30</sup>

3 **Q. DOES THE PUBLIC UTILITY CODE REQUIRE CLPWC TO HAVE A**  
4 **PUBLICLY ACCESSIBLE WEBSITE?**

5 A. There is no specific requirement in the Public Utility Code or regulations to have a  
6 publicly accessible website. However, there are several utility regulations which  
7 necessitate the use of a publicly accessible website. Section 1330(c)(2) of the Public  
8 Utility Code, relating to alternative rate mechanisms requires that utilities provide notice  
9 through “customer bill inserts and posted on the utility’s publicly accessible website”.<sup>31</sup>  
10 Further, the regulations require that bills rendered by a public utility for metered  
11 residential public utility service must include a statement that “a rate schedule, an  
12 explanation of how to verify the accuracy of a bill and an explanation, in plain language  
13 of the various charges, if applicable, is available for inspection in the local business office  
14 of the public utility and on the public utility’s web site.”<sup>32</sup> Public utilities must establish  
15 written procedures for determining credit status of an applicant and for determining  
16 responsibility for unpaid balances, a copy of which shall be included on the public  
17 utility’s website.<sup>33</sup> Any changes made by the Commission as well as the rights and  
18 responsibilities of the public utility and its customers “shall be in writing, reproduced by  
19 the public utility, displayed prominently, available on the public utility’s web site if the  
20 public utility has one.”<sup>34</sup> In addition, 52 Pa. Code § 67.1 (e) states that all water utilities  
21 holding certificates of public convenience, “shall list in the local telephone directories of

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<sup>30</sup> Tr. 203-204.

<sup>31</sup> 66 PA. C.S. § 1330(c)(2).

<sup>32</sup> 52 Pa. Code § 56.15.

<sup>33</sup> 52 Pa. Code § 56.36.

<sup>34</sup> 52 Pa. Code § 56.201. *See also* 52 Pa. Code § 56.265; 52 Pa. Code § 56.286; 52 Pa. Code § 56.431.

1 their service areas, and on their web sites, a telephone number to be used during normal  
2 operating hours and an emergency telephone number to be used 24 hours in emergency  
3 service situations.” These sections of the code and regulations do not say that utilities  
4 post this information on their social media pages, they specifically state that they should  
5 be posted on a website. The CLPWC Facebook page is not the same thing as a publicly  
6 accessible website, if for no other reason than because it is not accessible to the entire  
7 CLPWC customer public, or the public at large.

8 Section 1502 of the Public Utility Code states that a public utility cannot “... subject any  
9 person, corporation, or municipal corporation to any unreasonable prejudice or  
10 disadvantage.” CLPWC is putting customers who choose not to have a social media  
11 presence at a disadvantage because they are not able to access the same information as  
12 their neighbors and must rely on other people to notify them of such basic things as boil  
13 water notices, as is the case with Mr. Baldwin.

14 Although the company does maintain a Facebook page where customers can review  
15 water system documents in accordance with the rate case settlement, relying on social  
16 media to distribute customer information is not an appropriate or comprehensive method  
17 of communication. It is assumed that all customers have access to social media. A more  
18 direct formal website with universally accessible notification would ensure all customers  
19 are adequately informed.

20 **Q. DOES CLPWC’S LACK OF PUBLICLY ACCESSIBLE WEBSITE CAUSE A**  
21 **QUALITY-OF-SERVICE ISSUE?**

22 **A.** Yes, customers who choose not to have a social medial account are not receiving the  
23 same service alerts or notices as those who do have social media accounts. Even those

1 customers with social media accounts are at a disadvantage because they are not  
2 receiving real time alerts.

3 Ms. Anderson testified that she happened to be checking Facebook and found a boil  
4 water notice. The lack of a publicly accessible website which does not require customers  
5 to have a social media account, gain access, and then scroll endlessly to find the  
6 information they need, is not providing adequate, efficient, safe and reasonable service to  
7 customers.

### 8 PUBLIC WATER MEETINGS

9

10 **Q. DID THE SETTLEMENT OF THE PRIOR RATE CASE REQUIRE CLPWC TO**  
11 **HOLD YEARLY PUBLIC WATER MEETINGS?**

12 A. Yes. The settlement stated that “CLPWC shall commit to holding one meeting with  
13 customers each year during the summer season, starting in 2024. CLPWC’s certified  
14 operator will be present at the meeting. The meeting shall include discussion of the status  
15 of the water system and current/planned improvement projects. CLPWC shall provide  
16 confirmation to the Commission and statutory advocates about when the meeting was  
17 held and shall include meeting minutes. CLPWC shall hold the meeting once a year  
18 during the summer months (June - August).”<sup>35</sup>

19 **Q. HAS CLPWC HELD PUBLIC MEETING?**

20 A. Yes. In 2024, the water meeting was held on August 29, 2024. For 2025, the water  
21 meeting was August 22, 2025, with a second water meeting September 19, 2025. The  
22 first water meeting was attended by Jaclyn McCoy; the second water meeting was

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<sup>35</sup> Recommended Decision Paragraph 36, pg. 20.

1 attended by Ms. McCoy, Todd Jospheh, Matt Elchert ,Matt McCarl (certified operator) and  
2 Mark Shaw (counsel to CLPWC).<sup>36</sup>

3 The Company is in violation of the settlement as it did not have a certified operator in  
4 attendance at the August 29, 2024, and the August 22, 2025, meeting.

5 The presence of a water operator at the annual customer meetings was an important  
6 obligation intended to provide customers with direct access to technical expertise and  
7 essential information about water operations.

8 **Q. WERE ANY ADDITIONAL SUGGESTION FOR IMPROVEMENTS IDENTIFIED**  
9 **DURING THE RATE CASE?**

10 A. Although CLPWC was not required to install fencing around the water tower as part of the  
11 settlement agreement, they were required to obtain an estimate to replace the fencing  
12 around the water tower. CLPWC obtained an estimate from G&J Fencing to install a six-  
13 foot-high fence around the water tower at a cost of \$1,100; however, the fencing has not  
14 been replaced and remains in poor condition as of the date of this testimony. While the  
15 settlement from the 2023 rate case only required a quote for fencing to obtain a rate  
16 increase, the continued lack of any fencing installation or follow-up years later is  
17 concerning.

18 Instead, CLPWC noted that it “paid for Bengel Excavating to clear all brush, remove all  
19 stumps, and brush hog the entire hill around the tower and electrical lines feeding the  
20 water, actions that do not provide lasting security. This raises concerns about the  
21 Company’s commitment to customer safety. The Company installed “construction  
22 fence”<sup>37</sup> around the tower as a temporary measure, pending the completion of any work

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<sup>36</sup> Response to OCA 15-8.

<sup>37</sup> Response to OCA Set 15-9.

1 needed on the water tower. The Company claims permanent fencing will be installed as  
2 part of any Tower repair, which the Company plans to fund using the PENNVEST Small  
3 Project Program. The failure to install adequate fencing around CLPWC's water tower  
4 reflects deficiencies in CLPWC's management of system facilities and raises concerns  
5 regarding the ability to provide safe and adequate services for customers.

6 During the public input hearings, customers also expressed their concerns and frustration  
7 regarding the progress of the rate case settlement terms. CLPWC customers Jaquay<sup>38</sup> and  
8 Grieser<sup>39</sup> submitted written correspondence to Administrative Law Judge Vero regarding  
9 this issue, which I attach as an Exhibits to this testimony. In their letters, both customers  
10 expressed ongoing frustration with the continued poor operation and administration of  
11 CLPWC. Their concerns focus particularly on the Company's lack of progress and  
12 insufficient communication regarding the timeline of system improvements outlined in the  
13 2023 rate case. In Mr. Grieser's letter to Administrative Law Judge Vero, he wrote, the  
14 "reality is this: very little has changed since the rate agreement was put in place. The same  
15 lack of transparency, accountability, and basic operational competence continues to define  
16 the Authority's administration. In my view, this ongoing failure demonstrates an unfitness  
17 to manage and operate such a critical public service".<sup>40</sup>

18 Ms. Jaquay testified at the Section 529 public input hearing, reiterating her concerns  
19 around the slow response to implementing the requirements outlined in the rate case  
20 settlement.<sup>41</sup>

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<sup>38</sup> Jaquay Letter to Judge Vero.

<sup>39</sup> Grieser Letter to Judge Vero.

<sup>40</sup> Grieser Letter to Judge Vero.

<sup>41</sup> Tr. 157-158.

1 A properly managed utility has strong financial management practices, employs a  
2 certified water operator to address customer questions, maintains a dedicated and  
3 dependable customer service phone line, and operates an official website for formal  
4 communications rather than relying exclusively on social media. It also provides timely,  
5 proactive notice to customers regarding any conditions or events that could impact  
6 service. These essential elements appear to be absent from the Company’s operations.

7 **QUALITY OF SERVICE**

8  
9  
10 **Q. PLEASE STATE WHETHER CLPWC CAN “REASONABLY BE EXPECTED**  
11 **TO FURNISH AND MAINTAIN ADEQUATE, EFFICIENT, SAFE AND**  
12 **REASONABLE SERVICE AND FACILITIES IN THE FUTURE”.**

13 **A.** Section 1501 requires every public utility to furnish and maintain adequate, efficient,  
14 safe, and reasonable services and facilities, and to do so without unreasonable  
15 discrimination or preference.<sup>42</sup>

16 It is my review CLPWC has failed to furnish and maintain services and facilities that are  
17 adequate, efficient, safe, and reasonable. This conclusion is supported, in part, by the  
18 volume of customer complaints regarding service issues and CLPWC’s lack of  
19 documentation demonstrating whether those complaints were resolved or, if resolved, the  
20 actions taken to address them.

21 Based on my review of the Company’s customer complaint log, between May 2024 and  
22 August 2025, CLPWC recorded twenty-seven service-related customer complaints. These  
23 complaints consisted of 2 reports of no water, 11 reports concerning leaks, 3 reports

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<sup>42</sup> 66 Pa. C.S. § 1501.

1 involving discoloration or odor, 9 reports of low water pressure, and 2 reports related to  
2 service shutoffs.<sup>43</sup>

3 From the time of the Company's base rate case filing through the current Section 529  
4 process, there have been 54 complaints filed by CLPWC's customers. This level of  
5 customer complaints represents approximately 33% of the Company's total customer  
6 base.<sup>44</sup>

7 A portion of these complaints were directly related to the proposed large rate increase  
8 along with complaints about the quality of water, customer service, and communication.  
9 CLPWC's continued water quality issues and numerous customer complaints displays a  
10 continued failure by CLPWC to meet the Company's obligation to provide safe,  
11 adequate, and reasonable service.

12 **Q. WHAT HAS THE QUALITY OF SERVICE BEEN TO CLPWC'S CUSTOMERS**  
13 **UNDER ITS CURRENT OPERATIONS?**

14 A. CLPWC's quality of water service to its customers has fallen well below what is  
15 adequate and reasonable for several reasons. Since May of 2024, there have been twenty-  
16 seven formal and informal complaints from customers specific to quality of service,  
17 which represent 16% of the customer base.<sup>45</sup> Formal complaints were filed with the  
18 Commission about the water quality being so poor that customers do not drink the water,  
19 use the water to wash their clothes, or use the water for cooking. CLPWC's customers  
20 testified that water is discolored and there are particulates in the water. Residents testified  
21 during public input hearings and have been reaching out to CLPWC to report issues with

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<sup>43</sup> Response to OCA Set 15 Exhibit 1.

<sup>44</sup> 162/54=33.33%.

<sup>45</sup> Response to OCA Set 15 Exhibit 1.

1           discolored water, a chlorine smell, and concerns over the level of arsenic present in the  
2           system.

3           During the recent public input hearings, Ms. Hartung testified that “the chlorine smell is  
4           enough to kill you; it smells worse than my swimming pool. I have a fortune in bottled  
5           water.”<sup>46</sup> Ms. Jaquay testified that “a lot of times it’ll have a yellow tinge to it. They tell  
6           you to let it run for 20 minutes. You can leave it run for 20 minutes and still you’re going  
7           to get that yuck yellow. Some people that are closer to the water company have a bleach  
8           smell that’s really bad. But for me it’s yellow.”<sup>47</sup>

9           Mr. Bradburn testified that his wife had gone to fill the bathtub and she started  
10          screaming. The bathtub was totally yellow.<sup>48</sup> Ms. Anderson testified that when she fills a  
11          water pitcher from her faucet, it is yellow. She further testified to an instance when she  
12          went onto the lake with an empty water bottle, dunked it in the lake, and the water was  
13          clear, but the water coming into her home is yellow.<sup>49</sup>

14          Customers also had concerns about the poor water pressure. Ms. Hartung testified that  
15          “the pressure goes up and down, it is never consistent.”<sup>50</sup> Witness Eiler testified that “in  
16          November of 2024, my water pressure dropped to zero, lasting for approximately four  
17          weeks.”<sup>51</sup> Witness Eiler testified that “it took approximately five hours during the day to  
18          fix the problem, requiring the entire water system to be shut down leaving all customers  
19          without water.”<sup>52</sup>

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<sup>46</sup> Tr. 222.

<sup>47</sup> Tr. 170.

<sup>48</sup> Tr. 227.

<sup>49</sup> Tr. 202.

<sup>50</sup> Tr. 223-224.

<sup>51</sup> Tr. 277.

<sup>52</sup> Tr. 280-281.

1 Witness Anderson testified that “most of us have a filtration system on because of the rust  
2 and the discoloration and the odor. So that’s already an added expense to the customers  
3 that we must like, doubly or triply protect ourselves from the main source of the water.”<sup>53</sup>

4 Witness Arrigo testified that he has spent \$6,000 putting a filtration system in his home to  
5 remove heavy metal, arsenic, chlorine and a general filter.<sup>54</sup> Witness Eiler testified “there  
6 is a hydrant outside of my house that is never flushed...And all that rust water comes into  
7 my house and it’s unfit to drink and it smells. That has been addressed a few times, but  
8 there's been no action.”<sup>55</sup>

9 Mr. Mathew testified that, “we have had numerous breaks on the main line that goes [to]  
10 the main tank from the pump station. One time it was leaking for about three months.”<sup>56</sup>

11 Ms. Hartung testified that her cousin is a civil engineer who does water municipality work  
12 for a living. When he visited her, he commented that “I can’t believe we’re getting water  
13 from that big tower...It is rusty and old and looks like it has never been repaired or taken  
14 care of.”<sup>57</sup>

15 On January 21, 2026, the OCA and I&E conducted a site visit of the water system and  
16 documented its condition with photographs, including images of the water tower. Based  
17 on my review of those photographs provided from the OCA’s site visit, it is my  
18 observation that the system does not appear to have undergone any updates or  
19 improvements since the filing of CLPWC’s rate case. The water tower is in visible need of  
20 repainting, and the ladder providing access to the top of the tower appears to be in  
21 significant disrepair and, in its current condition, unusable.

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<sup>53</sup> Tr. 202.

<sup>54</sup> Tr. 217.

<sup>55</sup> Tr. 210.

<sup>56</sup> Tr. 176-177.

<sup>57</sup> Tr. 222.

1 While the issues with the quality of the water and the system itself raise concerns about  
2 CLWPC providing adequate, efficient, safe, and reasonable services and facilities, the  
3 Company has also had numerous issues with customer service.  
4 CLPWC's owner has sent threatening messages to customers stating, "enjoy no water"  
5 and "having a lawyer fight an increase in free water....is just priceless."<sup>58</sup> Mr. Joseph has  
6 also used his control over residents by asking "so what are u going to do for water?"  
7 "Have any of u thought about that?"<sup>59</sup> Mr. Bradburn testified at the most recent public  
8 input hearing that Mr. Joseph has banned 90% of the customers from going onto his  
9 property. He further testified that customers are not permitted to enter Mr. Josph's hotel.  
10 Mr. Bradburn summed up his thoughts with stating, "Is this the level of management and  
11 oversight that customers should expect from a provider of an essential water service?"<sup>60</sup>  
12 A CLPWC customer also testified that CLPWC's owner informed customers they would  
13 be responsible for 75% of any upgrades made to the water system.<sup>61</sup> To my knowledge,  
14 there is no basis for the idea that 75% of upgrades would be paid for by customers.  
15 Communicating as such to CLPWC's customers goes beyond a lack of transparency and is  
16 a misleading statement for an owner of a public utility to make to its customers.

17 **Q. DOES THE COMPANY POSSESS THE NECESSARY STAFFING,**  
18 **INFRASTRUCTURE, AND PROCEDURES TO CONSISTENTLY DELIVER**  
19 **QUALITY CUSTOMER SERVICE?**

20 A. Although the Company maintains staff sufficient to operate its business, they have been  
21 slow to provide timely notifications and access to necessary information. For example,

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<sup>58</sup> 10.13.23 Formal Complaint and Public Statement.

<sup>59</sup> 10.13.23 Formal Complaint and Public Statement.

<sup>60</sup> Tr. 229-230.

<sup>61</sup> Tr. 162.

1 the Company changed its certified water operator without providing timely notice to  
2 customers, despite the significant role the operator plays in maintaining the water  
3 system's reliability and compliance with DEP.

4 **TECHNICAL KNOWLEDGE**  
5

6 **Q. DOES CLPWC POSSESS THE NECESSARY TECHNICAL SKILL TO**  
7 **EFFECTIVELY OPERATE A WATER UTILITY?**

8 **A.** No. My review of discovery materials reveals numerous deficiencies affecting the  
9 operations of CLPWC.

10 **Q. WHAT DEFICIENCIES DOES CLPWC FACE?**

11 **A.** Based on information available the Company's system mapping appears to be  
12 incomplete and does not contain documentation identifying the location and condition of  
13 valves. The valves are important to isolate sections of the system and assist  
14 improvements such as individual metering.

15 The Company has no knowledge of the average residential usage due to lack of individual  
16 metering.<sup>62</sup> An alarming issue is the Company also has no knowledge of unaccounted for  
17 lost water.<sup>63</sup> It is essential for a water utility to accurately quantify its unaccounted for  
18 water as it affects system operations, fiscal soundness, regulatory adherence, and the  
19 protection of public health and safety.

20 The Company has also not been unable to locate all customers' shut-off valves. The  
21 Company has only been able to locate 75% of their customers' shut-off valves.<sup>64</sup> Mr.

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<sup>62</sup> Response to OCA Set 3-9.

<sup>63</sup> Response to OCA Set 3-13.

<sup>64</sup> Response to I&E-II-1 Exhibit 1A.

1 Arrigo testified that “his neighbors shut off value is marked, but his is not despite it being  
2 clear as day. I made sure it was open to be found in the case of an emergency.”<sup>65</sup> [BEGIN

3 **CONFIDENTIAL]** [REDACTED]

4 [REDACTED]  
5 [REDACTED] [END CONFIDENTIAL] When the  
6 company does not know the location of customers shut off valves, response times during  
7 water line breaks are delayed. This can prolong service disruptions, increase water loss,  
8 and extend the time customers are without water. Accurate records of shutoff locations are  
9 essential for a timely and efficient response.<sup>66</sup>

10 Mr. Eiler testified that “there’s no meters, there’s no shutoffs. If we get a leak on this side  
11 of the park, they have got to shut the whole system down to address our leaks”.<sup>67</sup>

12 As recently as January 21, 2026, public input hearings, CLWPC’s customers testified as  
13 to the discoloration and odor of the water. Customers also complained about the  
14 inconsistency of the water pressure.<sup>68</sup>

15 The Company’s practice on responding to low pressure is upon receipt of low-pressure  
16 complaints, the Company investigates to determine whether there is a leak somewhere in  
17 the system<sup>69</sup>. In addition, the Company checks with the operator for any unusual water  
18 demands that would be indicative of a leak. From the operator’s perspective, there is very  
19 little the operator can do in this system regarding a low-pressure complaint. “The pressure  
20 is driven from the static level in the water tower, and its level is automatically controlled  
21 by the PLC in the treatment building. This PLC receives the signal from the tower level

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<sup>65</sup> Tr. 218.

<sup>66</sup> <https://www.specialtypipelineservices.com/additionalServices>

<sup>67</sup> Tr. 278 17-19.

<sup>68</sup> Tr. 170-171.

<sup>69</sup> Response to OCA Set 16-12.

1 instrument via a physical telecom cable.”<sup>70</sup>. Since system pressure is determined by the  
2 tank level and largely automatic, leaks may go undetected, contributing to unaccounted-  
3 for water.

4 The water tank is in deteriorated condition, exhibits corrosion, and requires repair. The  
5 ongoing pressure issues emphasize the need for infrastructure improvements, including  
6 repairs to the water tower. At a minimum, the tower’s condition raises concerns about  
7 whether it can continue to support the CLPWC community.

8 CLPWC does not have a precise inventory of its system, or an accurate map of its  
9 distribution main, service lines, isolation valves, or customer curb stops or shut offs.<sup>71</sup>

10 The Company describes their interim plans for service quality improvements as  
11 “maintaining vigilance in ensuring the continued operation of the system until  
12 improvements are made.”<sup>72</sup> This response indicates a reactive approach and a current lack  
13 of improvements even though CLPWC has owned this system for five years. CLWPC has  
14 not identified any corrective actions or service improvements prior to obtaining  
15 PENNVEST funding, which they have yet to apply for.

16 Customers testified to strong chlorine odors in the water system. The system operator  
17 reviewed the chlorine logs and determined that chlorine was being fed into the system in  
18 accordance with “standard operating procedures.”<sup>73</sup> Compliance with standard operating  
19 procedures alone does not address the underlying cause of the condition. A utility is  
20 responsible for taking appropriate steps to ensure that water is suitable for all household  
21 purposes.

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<sup>70</sup> Response to OCA Set 16-12.

<sup>71</sup> Settlement Exhibit 6 (OCA Set I-27,29,41).

<sup>72</sup> Response to OCA Set 16-9.

<sup>73</sup> Response to OCA Set 16-11.

**ENGINEER'S REVIEW OF SYSTEM**

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**Q. HAS A CERTIFIED ENGINEERING REVIEW BEEN COMPLETED ON CLPWC WATER SYSTEM?**

A. Yes. A certified engineering review of CLPWC system was completed on February 28, 2026, by Deiss & Halmi Engineering, Inc. A review of the water tank was also completed on January 28, 2026, by Preferred Tank & Tower Maintenance Division, Inc. [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL]

**Q. PLEASE SUMMARIZE THE FINDINGS OF BOTH REVIEWS.**

A. [BEGIN CONFIDENTIAL] [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] [END CONFIDENTIAL]

**Q. DID THE ENGINEER MAKE RECOMMENDATIONS FOR REPAIRS TO WELLS AND WELL PUMPS OF CLPWC SYSTEM?**

A. [BEGIN CONFIDENTIAL] [REDACTED]  
[REDACTED]  
[REDACTED]

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[REDACTED]

1 [REDACTED]  
2 [REDACTED]  
3 [REDACTED]  
4 [REDACTED]  
5 [REDACTED]  
6 [REDACTED]  
7 [REDACTED] [END CONFIDENTIAL]

8 **Q. DID THE ENGINEER MAKE RECOMMENDATIONS FOR REPAIRS TO**  
9 **TREATMENT SYSTEM?**

10 A. [BEGIN CONFIDENTIAL] [REDACTED]  
11 [REDACTED]  
12 [REDACTED]  
13 [REDACTED]  
14 [REDACTED]  
15 [REDACTED]  
16 [REDACTED] [END CONFIDENTIAL]

17 **Q. DID THE ENGINEER HAVE CONCERNS/RECOMMENDATIONS WITH THE**  
18 **DISINFECTION PROCESS?**

19 A. [BEGIN CONFIDENTIAL] [REDACTED]  
20 [REDACTED]  
21 [REDACTED]

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[REDACTED]

1 [REDACTED]  
2 [REDACTED] [END CONFIDENTIAL]

3 **Q. DID THE ENGINEER REVIEW CONTAIN COMMENTS ON ARSENIC**  
4 **LEVELS?**

5 A. [BEGIN CONFIDENTIAL] [REDACTED]  
6 [REDACTED]  
7 [REDACTED]  
8 [REDACTED]  
9 [REDACTED]  
10 [REDACTED]  
11 [REDACTED]  
12 [REDACTED]  
13 [REDACTED]  
14 [REDACTED]  
15 [REDACTED]  
16 [REDACTED] [END

17 CONFIDENTIAL]  
18 **Q. WHAT RECOMMENDATIONS DID THE ENGINEER MAKE REGARDING THE**  
19 **TREATMENT BUILDING?**

20 A. [BEGIN CONFIDENTIAL] [REDACTED]  
21 [REDACTED]



1 [REDACTED]

2 [REDACTED]

3 [REDACTED] [END

4 CONFIDENTIAL]

5 Q. WHAT CONCERNS/RECOMMENDATIONS WERE PROVIDED ON THE  
6 DISTRIBUTION SYSTEM?

7 A. [BEGIN CONFIDENTIAL] [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]



1 [REDACTED]  
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3 [REDACTED]  
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6 [REDACTED]  
7 [REDACTED]  
8 [REDACTED]  
9 [REDACTED]  
10 [REDACTED]  
11 [REDACTED]  
12 [REDACTED]  
13 [REDACTED] [END CONFIDENTIAL]

14 **Q. WHAT CONCERNS/RECOMMENDATIONS WERE PROVIDED ON THE**  
15 **WATER TANK?**

16 **A. [BEGIN CONFIDENTIAL]** [REDACTED]  
17 [REDACTED]  
18 [REDACTED]  
19 [REDACTED]  
20 [REDACTED]  
21 [REDACTED]

[REDACTED]

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- 2 [REDACTED]
- 3 [REDACTED]
- 4 [REDACTED]
- 5 [REDACTED]
- 6 [REDACTED]
- 7 [REDACTED]
- 8 [REDACTED]
- 9 [REDACTED]
- 10 [REDACTED]
- 11 [REDACTED]
- 12 [REDACTED]
- 13 [REDACTED]
- 14 [REDACTED]
- 15 [REDACTED]
- 16 [REDACTED]
- 17 [REDACTED]
- 18 [REDACTED]
- 19 [REDACTED]
- 20 [REDACTED]
- 21 [REDACTED]

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[REDACTED]

1 [REDACTED]  
2 [REDACTED]  
3 [REDACTED]  
4 [REDACTED]  
5 [REDACTED] [END  
6 CONFIDENTIAL]

7 SYSTEM UPGRADES

8  
9 Q. DID THE ENGINEER’S REPORT INCLUDE AN ESTIMATE OF COST TO  
10 REPAIR THESE ITEMS?

11 A. [BEGIN CONFIDENTIAL] [REDACTED]  
12 [REDACTED] [END  
13 CONFIDENTIAL]

14 Q. WHAT STEPS HAS CLPWC PLANNED OR UNDERTAKEN TO ADDRESS THE  
15 NEED FOR SIGNIFICANT REPAIRS AND UPGRADES TO THE WATER  
16 SYSTEM?

17 A. To date CLPWC has not taken any meaningful steps to plan, prioritize, or make any  
18 significant repairs or upgrades necessary to ensure adequate, safe, and reliable water  
19 service. The Company received the engineering study on February 24, 2026, and must  
20 now develop a capital improvement plan outlining targeted projects and corresponding  
21 timelines. As mentioned previously, [BEGIN CONFIDENTIAL] [REDACTED]  
22 [REDACTED]  
23 [REDACTED]  
24 [REDACTED]

1 [REDACTED]

2 [REDACTED] [END

3 **CONFIDENTIAL]**

4 At the public input hearing, Ms. Jaquay stated at the last water company meeting,  
5 “customers were told there is not going to be any repairs made or anything done to the  
6 water system if it is not going to stay in Mr. Joseph’s hands.”<sup>86</sup>

7 In discovery, CLPWC provided an anticipated list of projects including, water tank repairs,  
8 improvements to the treatment building, replacement of one of the water well pumps,  
9 various main replacements, and installation of meters.<sup>87</sup> According to CLPWC, the  
10 estimated cost of these projects is \$2 million dollars and will be spread over a four-year  
11 period, with the first project starting the summer of 2026.<sup>88</sup> The finalized engineering report  
12 estimates at a minimum [BEGIN CONFIDENTIAL] [REDACTED] [END

13 **CONFIDENTIAL]** to upgrade the water system.

14 **Q. WHAT IS YOUR OVERALL REVIEW OF CLPWC’S ABILITY TO PROVIDE**  
15 **SAFE AND ADEQUATE WATER SERVICE?**

16 A. In summary, the Company currently lacks a defined plan. The absence of planning is  
17 consistent with CLPWC’s historical approach and reinforces the conclusion that it is not  
18 equipped to undertake the significant capital and operational repairs needed to upgrade  
19 the water system. From my review, it appears that CLPWC has consistently taken a  
20 reactive approach when it comes to addressing water system issues. Instead of  
21 implementing a long-term capital improvement program, they appear to apply temporary

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<sup>86</sup> Tr. 161-162.

<sup>87</sup> Response to OCA Set 16-3.

<sup>88</sup> Response to OCA Set 16-3.

1 fixes to the infrastructure that is old and in need of significant upgrades. Given the  
2 Company's track record over the years of ownership of providing no proactive system  
3 improvements, I have little confidence that the Company will complete the upgrades in a  
4 timely manner.

5 **Q. IF CLPWC WERE TO ADDRESS THE NECESSARY UPGRADES TO THE**  
6 **WATER SYSTEM, WOULD THERE BE A FINANCIAL IMPACT ON**  
7 **CURRENT CUSTOMERS?**

8 **A.** Potentially yes, but more information is needed. CLPWC indicated intentions to file for  
9 PENNVEST loans to address the need for upgrades costing an estimated \$2 million  
10 dollars. CLPWC stated it will seek annual rate increases to cover the cost of the  
11 PENNVEST funding.<sup>89</sup>

12 As part of the settlement agreement of CLPWC's base rate case at Docket No. R-2023-  
13 3041575 finalized on May 17, 2024, CLPWC is required to install individual meters for  
14 residential customers within five years. CLPWC estimated that it would cost between  
15 \$100,000 to \$400,000 to provide metering for current residential customers.<sup>90</sup> Based on  
16 CLPWC's estimate, using an average of \$250,000 spread over roughly 162 customers,  
17 the cost per customer would be \$1,543.

18 While the customer may not be expected to pay the entirety of the cost to install meters  
19 given the availability of PENNVEST grants and loans, this only addresses one item of the  
20 deteriorating water system. This mathematical exercise illustrates that there is very little  
21 ability to spread this increase throughout the system based on economies of scale, solely  
22 for meters, over a large customer base given CLPWC's service territory.

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<sup>89</sup> Response to OCA Set 16-3.

<sup>90</sup> CLPWC Response to OCA Set 1.

1 In addition, if CLPWC can secure PENNVEST loans in the amount of \$2M over the next  
2 four years, as stated previously, CLPWC has confirmed they will be seeking a rate  
3 increase every year. Assuming four \$500,000 loans, the residential rate increase for the  
4 improvements will range from \$40-\$45 to \$50-\$55 a month at the end of the  
5 improvement period.<sup>91</sup> On a yearly basis a resident could expect to see an increase of  
6 \$10-\$11 a year from 2026-2029 for these projects. This would be exclusive to any other  
7 potential need for additional rate increases due to increasing operational and management  
8 costs.<sup>92</sup>

9 CLPWC underestimates the yearly rate increase customers would receive assuming four  
10 installments of \$500,000 in PENNVEST loans are secured. If CLPWC secures a total of  
11 \$2M in PENNVEST funding spread over a four-year period, the customer base of  
12 approximately 162 customers would see a yearly total increase of \$17.03 per year for the  
13 first five years, increasing to \$17.99 in years six through twenty

14 The financial impact on customers comes down to economies of scale. If Aqua were to  
15 acquire CLPWC, as I recommend, the estimated capital expense would be spread over a  
16 larger customer base, supporting rate stability as customers would be less likely to  
17 experience sharp increases in their yearly rates.

18 A company that needs to file yearly rate increases to cover the cost of capital  
19 improvements will also require an increase in legal expenses, and those costs ultimately  
20 are passed onto ratepayers. In addition, customers are likely to respond unfavorably to  
21 receiving annual rate increases, as is currently planned by CLPWC.

22 **Q. WHAT WAS THE RESULT OF THE COMPANY'S LAST BASE RATE CASE?**

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<sup>91</sup> Response to OCA Set 16-4.

<sup>92</sup> Response to OCA Set 16-4.

1 A. The Company had requested a 970.8% or \$257,797 increase in operating revenue. Residential  
2 flat rate customer bills were proposed to increase from \$172.68 to \$1,467.60 annually  
3 (approximately 750%) for year-round customers and from \$86.40 to \$1,467.60 annually  
4 (approximately 1,600%) for seasonal customers. Within the general rate increase filing,  
5 CLPWC also proposed a public fire protection, the charge was to be \$ 100.00 per hydrant per  
6 year.

7 The rate case, docketed at R-2023-3041575, concluded with a unanimous mediated  
8 settlement. Under the agreement, customer rates increased 169%, rising from \$14.39 to  
9 \$38.71 per month. This generated an additional \$75,000 in rate revenue, the tax-like  
10 income the local authority collects from charges applied to customers, and brought  
11 CLPWC's total revenue to \$102,757, which reflects all income from selling its water  
12 service. The agreement of all parties through a mediated settlement.<sup>93</sup> CLPWC did not  
13 have specific plans to make such improvements at the time of filing and in response to  
14 discovery.<sup>94</sup>

15 **Q. HAS CLPWC PROVIDED AN ANTICIPATED ESTIMATE OF THE CAPITAL**  
16 **COST OF IMPROVEMENT PROJECTS TO THE SYSTEM INCLUDING**  
17 **INSTALLING METERS FOR RESIDENTIAL CUSTOMERS?**

18 A. Yes, CLPWC estimated costs to repair the following at \$2 million dollars:<sup>95</sup>

19 A. Water Tank Repairs.

20 B. Improvements to the treatment building (sand filter replacement, misc.)

21 C. Replacement of one of the water well pumps.

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<sup>93</sup> Order approving RD (Aug. 1, 2024).

<sup>94</sup> Exhibit 9,11 (I&E RB-1, 2; OCA-II-9).

<sup>95</sup> OCA Set 16-3.

1 D. Replacement of various water mains.

2 E. Installation of water meters.

3 CLPWC estimated the improvements would be implemented over a period of four years  
4 and that the work would be funded through PENNVEST loans.<sup>96</sup> It is important to note  
5 that the costs were estimates made by CLPWC before the finalization of the Engineer's  
6 review of the system.

7 **ENVIRONMENTAL REGULATION VIOLATIONS**  
8

9 **Q. HAS CLPWC RECEIVED VIOLATIONS FROM THE PENNSYLVANIA**  
10 **DEPARTMENT OF ENVIRONMENTAL PROTECTION (DEP) IN THE LAST**  
11 **TWO YEARS?**

12 A. Yes. On January 4, 2024, CLPWC received a Notice of Violation (NOV) from DEP. This  
13 NOV noted failure to obtain a public water supply permit for a treatment process, failure  
14 to obtain a permit prior to adding modifying, and/or removing sources and/or facilities  
15 since the last sanitary survey, and violations DEP deemed as significant deficiencies  
16 relating to the treatment plant or treatment process. In addition to the above significant  
17 deficiencies, DEP noted 13 other violations. Due to analytical sample results taken on  
18 September 3, 2025, CLPWC notified DEP by phone on September 29, 2025, of an  
19 increase in arsenic found in the system. DEP suggested a checkback. Based on the results  
20 of the checkback suggested by DEP, CLPWC issued a Teir 2 Notice for Maximum  
21 Contaminate Level Exceedance of arsenic on October 14, 2025. Both the NOV and the  
22 Teir 2 Notice have been included as Exhibits LMW-3 and LMW-4. The increase in

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<sup>96</sup> Response to OCA Set 16-3.

1 arsenic resulted from aging filtration media, which required more frequent backwashing.  
2 Manual backwashing and ongoing monitoring were implemented. A follow-up sample  
3 collected on October 27, 2025, confirmed arsenic levels were within DEP standards.  
4 Finding out their drinking water contains a dangerous contaminant can create fear and  
5 distrust towards the system operator. While this may not constitute a violation under DEP  
6 regulations—since arsenic MCL compliance is determined by a running annual average  
7 of samples collected at each entry point—customers are understandably concerned when  
8 a report indicates elevated levels of a known toxin. While the levels may have met  
9 compliance requirements, the lack of timely communication left many customers  
10 unaware of the situation and unable to make fully informed decisions about their water  
11 quality and safety.

12 The concerns over arsenic were expressed at the public input hearings. Mr. Tolbert  
13 testified that “it is surprising that we did not pass the arsenic level when it was  
14 specifically being treated for it.”<sup>97</sup> Mr. Arrigo also testified that, “we had a letter, I think  
15 it was on the 13th of October, and they were supposed to retest and do more back  
16 flushing to – but in the letter that they were doing more back flushing to help with the  
17 arsenic issue. I have not gotten any information through any test, email of what the  
18 results were at that point or what they are now.”<sup>98</sup> Customers also experience issues with  
19 quality of service, like Mr. Baldwin, who testified that “I had to inform CLPWC of the  
20 law in Pennsylvania that requires a boil water notice anytime there is a broken pipe.” He  
21 went on to say he has never received notifications.  
22

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<sup>97</sup> Tr. 198.

<sup>98</sup> Tr. 218.

1                                    **CAPABILITY OF ACQUIRING A PUBLIC UTILITY COMPANY**  
2  
3

4    **Q.    HAS THE OCA IDENTIFIED A CAPABLE PUBLIC UTILITY AS A POSSIBLE**  
5                    **AQUIRER OF ITS SYSTEM?**

6    A.    Yes. After sending requests to eight water companies located near CLPWC, the OCA has  
7                    identified Aqua Pennsylvania as a viable acquirer of the system.

8    **Q.    IS AQUA FINANCIALLY, MANAGERIALLY, AND TECHNICALLY CAPABLE**  
9                    **OF ACQUIRING AND OPERATING A SMALL WATER OR SEWER UTILITY**  
10                   **IN COMPLIANCE WITH APPLICABLE STATUTORY AND REGULATORY**  
11                   **STANDARDS?**

12   A.    Yes. Aqua provides water service in thirty-two counties throughout Pennsylvania and  
13                   serves 434,264 water customers. The distance between Aqua’s Crawford System is less  
14                   than one mile from CLPWC current water system.<sup>99</sup> If acquired by Aqua, CLPWC would  
15                   likely be incorporated into Aqua’s existing tariff as a separate division and would be  
16                   consolidated with other existing rate zones over one or more base rate cases.<sup>100</sup>

17                   Aqua anticipates that they would be able to manage operational costs through utilizing  
18                   their own staff and leveraging Aqua’s corporate purchasing agreements for expenses such  
19                   as chemicals and construction materials. If Aqua were directed to acquire CLPWC,  
20                   existing expenses would increase due to, among other things, additional labor, electrical,  
21                   chemical, bad debt, transportation, lab/testing, and non-capitalized repair demands.<sup>101</sup> In  
22                   addition, Aqua would incur all the other normal capital and operating expenses associated

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<sup>99</sup> Aqua response too OCA Set 1-11.

<sup>100</sup> Aqua response too OCA Set 1-3.

<sup>101</sup> Aqua response to OCA Set 1-1.

1 with owning and operating a utility system, including depreciation, interest, income  
2 taxes, and other taxes.<sup>102</sup>

3 LMW-Exhibit 5 outlines a \$4 million, ten-year capital investment plan by Aqua to  
4 upgrade the CLPWC system.<sup>103</sup> Aqua has estimated that system upgrades will cost  
5 approximately \$2 million within the first four years, with total projected investments  
6 reaching \$4 million over a ten-year period. The initial four-year estimate aligns with the  
7 Company's proposed costs for the same timeframe.

8 However, if Aqua were to acquire CLPWC the total costs would be allocated across a  
9 much larger customer base, likely to result in lower rate increase for the CLPWC  
10 customers.

11 **Q. HAS AQUA WATER ACQUIRED OTHER WATER SYSTEMS?**

12 A. Yes, Aqua Water acquired James Black Water Service Company-Belle Aire Acres  
13 Docket M-2019-3012563 on May 2, 2024, with a Capital Expense of \$9,500 as of July  
14 2024. They also purchased Municipal Authority of the Borough of Shenandoah Docket  
15 A-2022-303413 on July 24, 2023, with a Capital Expense of \$1.46M.

17 **ALTERNATIVES TO ACQUISITION**

18  
19 **Q. HAS CLPWC OFFERED TO SELL THE WATER SYSTEM?**

20 A. With respect to the Conneaut Lake Joint Municipal Authority (Authority), CLPWC had

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<sup>102</sup> Aqua response to OCA Set 1-4.

<sup>103</sup> Aqua 's Response too I&E-II2 Attachment 1.

1 discussions with the Authority prior to receiving the Certificate of Public Convenience.<sup>104</sup>  
2 It discussed the matter with one of the members, Brian Lewis, and then met with several  
3 Board members on November 23, 2021, to discuss the possible sale of the water system  
4 to the Authority.<sup>105</sup> The discussions involved advising the Authority about the system, its  
5 history and condition.<sup>106</sup> There were also discussions via email with the Authority's  
6 counsel, Alan Shaddinger, during that time frame setting up the meetings and inquiring as  
7 to the status.<sup>107</sup> At the time, CLPWC was willing to hand over the water system to the  
8 Authority with CLPWC managing the system and not being charged tap fees for sewer  
9 and water on its future development.<sup>108</sup> Ultimately, the Authority indicated it was not  
10 interested in the water system. CLPWC does not know why the Authority chose not to  
11 proceed.<sup>109</sup>

12 With respect to Aqua, CLPWC has had brief discussions over time with Aqua expressing  
13 CLPWC's interest in selling the water system.<sup>110</sup> CLPWC approached Aqua as it  
14 currently provides water service in a nearby community across the lake from CLPWC.  
15 Aqua advised it was not interested in buying the system.<sup>111</sup>  
16 CLPWC did not approach any other systems as it was not aware of any other entity in the  
17 area that already served the existing water customers or that provided public water  
18 service.<sup>112</sup> Only one municipally owned system responded, and their responses indicated  
19 that it was not interested in CLPWC's system.

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<sup>104</sup> Response to OCA Set 13-3.

<sup>105</sup> Id.

<sup>106</sup> Id.

<sup>107</sup> Id.

<sup>108</sup> Response to OCA Set 13-3.

<sup>109</sup> Id.

<sup>110</sup> Response to OCA Set 13-3.

<sup>111</sup> Response to OCA Set 13-3.

<sup>112</sup> Response to OCA Set 13-3.

1 **Q. ARE THERE ANY REASONABLE ALTERNATIVES TO AQUA ACQUIRING**  
2 **THE SYSTEM?**

3 A. No. Section 529(b) of the Public Utility Code lists five alternatives which should be  
4 considered prior to the Commission ordering an acquisition of the small sewer utility.

5 These five alternatives are as follows:

6 (1) The reorganization of the small water or sewer utility under new management.

7

8 (2) The entering of a contract with another public utility or a management or  
9 service company to operate the small water or sewer utility.

10

11 (3) The appointment of a receiver to assure the provision of adequate, efficient,  
12 safe and reasonable service and facilities to the public.

13

14 (4) The merger of the small water or sewer utility with one or more other public  
15 utilities.

16

17 (5) The acquisition of the small water or sewer utility by a municipality, a  
18 municipal authority or a cooperative.<sup>113</sup>

19

20 The first alternative, which would require the reorganization of the small water utility

21 under new management, is reasonable. However, CLPWC noted that “CLPWC shares are

22 held solely by CLP Water, LLC, whose only member is Mr. Todd Joseph. Given that the

23 sole shareholder is ultimately a single member LLC, a reorganization without some sort

24 of sale is not possible and would be impractical and not economically feasible.”<sup>114</sup>

25 The second alternative, which would require CLPWC to enter a contract with another

26 public utility or a service company to operate CLPWC, is also reasonable. However,

27 CLPWC noted in response to discovery that “CLPWC already has a contract with a 3<sup>rd</sup>

28 party certified operator to operate and maintain the water system.”<sup>115</sup>

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<sup>113</sup> 66 Pa. C.S. § 529(b).

<sup>114</sup> CLPWC Response to I&E-I-1.

<sup>115</sup> CLPWC Response to I&E-I-2.

1 Given the ongoing issues with the system, including both customer service and service  
2 quality complaints, merely requiring a new operator is insufficient to address the issues  
3 with the CLPWC system. Moreover, CLPWC has recently changed its water operator,  
4 but the system remains troubled.<sup>116</sup>

5 The third alternative, which would require the appointment of a receiver to assure the  
6 provision of adequate, efficient, safe and reasonable service and facilities to the public is  
7 another reasonable alternative. However, CLPWC claimed in discovery that “[t]he  
8 problems experienced with this system are not the day-to-day operation of the system but  
9 relate to the long-term investments needed to improve the aged infrastructure of the  
10 system, namely the water distribution lines and water tank. The appointment of a receiver  
11 would not solve these issues.” This further illustrates CLPWC’s lack of financial and  
12 managerial fitness as no notable repairs and maintenance to the water mains and water  
13 tank have been made for years and there is no capital improvement plan for CLPWC’s  
14 system.

15 **Q. WHAT ARE YOUR THOUGHTS ON THE REMAINING ALTERNATIVES**  
16 **AVAILABLE UNDER SECTION 529 FOR THE CLPWC?**

17 A. Another alternative is a merger with another public utility, which would also be  
18 reasonable. However, CLPWC claims in discovery that “a merger of the single member  
19 LLC who is the sole shareholder of CLPWC is impractical and not economically  
20 feasible.”<sup>117</sup>

21 A final alternative is acquisition by a municipal or cooperative system. There have not  
22 been any municipal systems in proximity to CLPWC who have expressed interest in

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<sup>116</sup> Response to OCA Set 16-1.

<sup>117</sup> CLPWC Response to I&E-1-4.

1 acquiring CLPWC. As I stated above, the Conneaut Lake Joint Municipal Authority has  
2 declined to enter into an agreement to purchase CLPWC.

3 **Q. HAS THE OCA PURSUED MUNICIPAL OR COOPERATIVE OWNERSHIP AS**  
4 **AN ALTERNATIVE?**

5 A. Yes. The OCA sent interrogatories to Linesville Municipal Water Authority, Reynolds  
6 Water Company, Greenville Water Company, Jamestown Municipal Water and Sewer  
7 Authority, Vernon Township Water Authority, Meadville Area Water Authority, and  
8 Aqua Water Company, asking if any preliminary analysis of the scope of improvement  
9 were done, impact on rates, previous purchase offers, or whether they have been  
10 approached by CLPWC to acquire the system. Apart from Aqua Water Company, all  
11 others declined to respond.

12 **EFFECT ON PRE-ACQUISITION CUSTOMERS OF THE**  
13 **CAPABLE PUBLIC UTILITY**

14  
15  
16 **Q. WHAT IS THE REQUIREMENT OF SECTION 529 OF THE PUBLIC UTILITY**  
17 **CODE REGARDING PRE ACQUISITION CUSTOMERS?**

18 A. The sixth requirement of Section 529 provides as follows: that the rates charged by the  
19 acquiring capable of utility to its preacquisition customers will not increase unreasonably  
20 because of the acquisition.<sup>118</sup>

21 **Q. WILL THE RATES CHARGED TO AQUA'S PRE ACQUISITION CUSTOMERS**  
22 **INCREASE UNREASONABLY IF AQUA ACQUIRES CLPWC?**

23 A. There would be no immediate effect on the rates of current Aqua customers if the  
24 existing rates of CLPWC were implemented and brought into the Company's tariff under

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<sup>118</sup> <https://www.legis.state.pa.us>

1 a separate rate zone.<sup>119</sup> According to Aqua, if Aqua acquired CLPWC, that system  
2 would be incorporated into Aqua’s existing tariff as a separate division and would be  
3 consolidated with other existing rate zones over one or more base rate cases.<sup>120</sup>  
4 CLPWC only has 165 customers, including commercial customers, to spread the costs of  
5 any necessary improvements, Aqua serves approximately 455,000 water customers as of  
6 the end of 2025.<sup>121</sup> Economies of scale are often realized in an acquisition, due to the  
7 ability to eliminate duplicative overhead costs. At this point, it is not known what the net  
8 impact of any possible economies of scale would be against the capital cost of  
9 improvements needed in CLPWC’s system. Given the relative sizes of CLPWC and  
10 Aqua, it is unlikely that additional costs Aqua would incur because of acquiring CLPWC  
11 would cause the rates to Aqua Water’s existing customers to increase unreasonably.  
12

### 13 CONCLUSION

14  
15 **Q. PLEASE SUMMARIZE THE OCA’S RECOMMENDATION IN THIS PROCEEDING.**

16 A. CLPWC lacks the financial capacity, management, and technical resources necessary to  
17 independently correct the many issues the water system currently faces.

18 Aqua poses operational expertise, financial strength, and regulatory compliance, and  
19 capital investments needed to provide safe, adequate, and reliable service to customers.

20 Approval of the transaction will deliver affirmative public benefits, including improved  
21 customer service quality, enhanced regulatory compliance, and long-term system  
22 sustainability.

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<sup>119</sup> Response to OCA Set I-7.

<sup>120</sup> Response to OCA-I-3.

<sup>121</sup> <https://www.puc.pa.gov/press-release/2024>

1 I therefore recommend that the Commission order Aqua to acquire the CLPWC water  
2 system pursuant to Section 529 of the Public Utility Code.

3

4 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

5 A. Yes.

6

7

8

## QUALIFICATIONS OF

**LeeAnn Wise**

### **Education:**

2008 Masters of Business Administration, Shippensburg University 1989 B.S. Professional Accountancy, Pennsylvania State University

### **Relevant Positions:**

March 2025 Regulatory Analyst, Pennsylvania Office of Consumer Advocate

### **Role Description:**

I am currently employed by the Pennsylvania Office of Attorney General, Office of Consumer Advocate (OCA) as a Regulatory Analyst. In this position, my responsibilities include reviewing utility company filings with the Pennsylvania Public Utility Commission (Commission) and analyzing the financial, economic, rate of return, and policy issues that are relevant to the filings. Additionally, I am tasked with preparing recommendations for the OCA's involvement in utility filings with the PA PUC, writing testimony and presenting oral testimony on behalf of the OCA. As part of my role, I also assist in the policy matters regarding low-income issues and customer service subjects.

**Relevant Training:** I have over fifteen years of experience overseeing and evaluating customer service operations of utility-affiliated and third-party call centers. This includes time at Comcast as Senior Finance Manager, where I provided oversight of performance metrics, evaluating disputes and time to resolve, call-handle times, average speed of answer, and ensuring customer interactions align to policy standards. My training includes a sound understanding of the best

practices in customer service delivery, call tracking protocols, and the importance of consistent documentation to support customer communication and reliability.

**Provided Case Testimony:**

Wellsboro Electric, Docket No. R-2025-3054392  
Citizens' Electric, Docket No. R-2025-3054394  
Valley Energy, Docket No. R-2025-3054393  
Pittsburgh Water, Docket No. R-2025-3055010, R-2025-3055011, R-2025-3055012  
PA American Acquisition of CUPA A-2025-3055551  
York Water Company Docket No. R-2025-3053442, R-2025-3053573  
Conneaut Lake Park Water Docket No. P-2024-3051855, I-204-3051857  
City of Lancaster-Water Department Docket No. R-2025-3057237  
PPL Electric Utilities Corporation Docket No. R-2025-30557165



COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION  
BUREAU OF SAFE DRINKING WATER

Tier 2 Public Notice  
**CHEMICAL OR RADIOLOGICAL MAXIMUM CONTAMINANT LEVEL (MCL) EXCEEDANCE**

Violation of the MCL for a chemical or radiological contaminant requires a Tier 2 notice. Tier 2 notices should answer the most common questions people will have about the violation.

These instructions can be used to complete the accompanying public notice template. When you place your cursor in the blank form fields in the following template, look at the bottom left corner of your computer (just above the START button) for instructions on the information you should enter in that field. For example, if you place your cursor over the first blank form field in the template, the instructions will read "Insert system name."

**Community Delivery Requirements**

**Community water suppliers** must provide within 30 days, a Tier 2 PN to **each customer** using one or more of the following forms of **direct delivery**:

- Hand delivery
- Postal mail
- Electronic mail

Additional forms of delivery should be used to reach other persons regularly served by the system if they can't be reached by one of the methods above. For example, in addition to sending a notice directly to bill payers, a water supplier may publish the notice in a local newspaper, or post it in public places served by the system or on the Internet. If you sell or provide water to another public water system, the notice must also be delivered to the owner or operator of that system.

**Noncommunity Delivery Requirements**

**Noncommunity water suppliers** must provide a Tier 2 PN within 30 days to consumers using one of the following methods:

- Posting in conspicuous locations
- Hand delivery
- Postal mail
- Electronic mail
- Another method reasonably designed to reach other persons served by the system if they can't be reached by the above-bulleted methods

**Multilingual Requirements**

To meet the multilingual requirements, you must include, at a minimum, information in Spanish regarding the importance of the notice. The Department will notify you if, and when, you need to include information in any other language. The required sentences in Spanish are provided for you in this template.

**Mandatory Language**

Mandatory language on health effects and special notice language must be included in this notice in italics. The mandatory health effects language for the contaminant for which this notice is being issued can be found in **Appendix B** of the Environmental Protection Agency's *PN Handbook*, which can be obtained at: <https://nepis.epa.gov/Exe/ZyPDF.cgi?Dockey=P1006ROA.txt>

The mandatory health effects language should be inserted under the "What does this mean?" section of the template in the form field after the word "However".



COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION  
BUREAU OF SAFE DRINKING WATER

**IMPORTANT INFORMATION ABOUT YOUR DRINKING WATER**

**CHEMICAL OR RADIOLOGICAL MAXIMUM CONTAMINANT LEVEL (MCL) EXCEEDANCE**

ESTE INFORME CONTIENE INFORMACIÓN IMPORTANTE ACERCA DE SU AGUA POTABLE. HAGA QUE ALGUIEN LO TRADUZCA PARA USTED, O HABLE CON ALGUIEN QUE LO ENTIENDA.

**Conneaut Lake Park Water System Has Levels of Arsenic Above Drinking Water Standards**

Our water system recently violated a drinking water standard. Although this incident was not an emergency, as our customers, you have a right to know what happened and what we did to correct this situation.

We routinely monitor for drinking water contaminants. Testing results we received on 10/14/2025 show that our system exceeds the standard, or maximum contaminant level (MCL), for arsenic. The standard for arsenic is 0.010 mg / l. Arsenic was found at a level of 0.012 mg / l in your drinking water.

**What should I do?**

- There is nothing you need to do. You do not need to boil your water or take other corrective actions. However, if you have specific health concerns, consult your doctor.
- If you have a severely compromised immune system, have an infant, are pregnant, or are elderly, you may be at increased risk and should seek advice from your health care providers about drinking this water.

**You do not need to use an alternative (e.g., bottled) water supply.** However, if you have specific health concerns, consult your doctor.

**What does this mean?**

This is not an immediate risk. If it had been, you would have been notified immediately. However, n/a.

**What happened? What was done?** The arsenic filtration system media is aged and requires increased backwash frequency. Manual backwashing was completed and will continue as we monitor the arsenic levels quarterly.

We anticipate resolving the problem within Our next arsenic sample will be taken by the end of October 2025 to evaluate the outcome of increased backwashing.

For more information, please contact Jacklyn McCoy at \_\_\_\_\_.

*Please share this information with all the other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.*

This notice is being sent to you by the Conneaut Lake Park water system.

PWS ID#: 6200018

Date distributed: \_\_\_\_\_

Exhibit 5-LWM

Aqua Water Estimated Capital Improvement for CLPWC

System Component	Description	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Total
1 Well Station	Misc Repairs	\$ 50,000	\$ 25,000									\$ 75,000
2 Well Station	Install HVAC	\$ 10,000	\$ 75,000									\$ 85,000
3 Well Station	Sanitary Sewer Service Install					\$ 5,000	\$ 25,000					\$ 30,000
4 Well Station	SCADA	\$ 10,000	\$ 65,000									\$ 75,000
5 Well Station	Media Replacement	\$ 75,000										\$ 75,000
6 Well Station	Well Monitoring	\$ 25,000										\$ 25,000
7 Well Station	Corrosion Control Permitting	\$ 10,000	\$ 10,000									\$ 20,000
8 Distribution	Main Breaks	\$ 20,000	\$ 20,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 80,000
9 Distribution	Main Replacements			\$ 250,000	\$ 800,000		\$ 50,000	\$ 800,000		\$ 50,000	\$ 800,000	\$ 2,750,000
10 Distribution	Service Replacements				\$ 120,000			\$ 120,000			\$ 120,000	\$ 360,000
11 Distribution	Lead Service Lines			\$ 25,000								\$ 25,000
12 Water Storage	Tank Rehabilitation	\$ 75,000	\$ 500,000									\$ 575,000
	<b>Totals</b>	<b>\$275,000</b>	<b>\$695,000</b>	<b>\$ 280,000</b>	<b>\$ 925,000</b>	<b>\$ 10,000</b>	<b>\$ 80,000</b>	<b>\$ 925,000</b>	<b>\$ 5,000</b>	<b>\$ 55,000</b>	<b>\$ 925,000</b>	<b>\$4,175,000</b>
	<b>Rolling Totals</b>	<b>\$275,000</b>	<b>\$970,000</b>	<b>\$1,250,000</b>	<b>\$2,175,000</b>	<b>\$2,185,000</b>	<b>\$2,265,000</b>	<b>\$3,190,000</b>	<b>\$3,195,000</b>	<b>\$3,250,000</b>	<b>\$4,175,000</b>	

08/26/2025

Exhibit 6-LMW

To Judge [evero@pa.gov](mailto:evero@pa.gov),

Docket number P-2024-3051855

I am writing this letter to hopefully get answers and validation to the questions pertaining to the final agreement entered on by the Conneaut Lake Objectors Group and the Conneaut Lake Water Corporation. I would like this information to be shared with you as it should be included in the Section 529 proceedings since parts of the agreement have not been completed, addressed, and further infractions have continued to occur with current water customers. It is regarding docket number P-2024-3051855.

A CLP Water Corp meeting was held on August 22<sup>nd</sup> at 5 pm in the Convention Center building at 5:00 PM. The only entity that was a representative of the Conneaut Lake Park water corporation at the meeting was Jacquyn McCoy. When customers in attendance inquired as to where the Certified Water Operator was as per the agreement was supposed to be there, we were informed there had been a change to water operators that the customers were not informed about until they asked about at this meeting. The first meeting prior to this meeting was also void of a Certified Water Operator.

The water customers in attendance asked that another meeting be scheduled as the meeting we attended was not a valid meeting. There was not a Certified Operator from CLP Water Corp there and Jacquyn was ill equipped to answer any of the questions presented as she admitted to having no knowledge of the PUC agreement specifics or could not answer any water quality issues or questions. The only thing that came out of the meeting was to tell water customers Aqua Water did not want CLP Water Corp and that each customer would be responsible for paying a very large amount of money for metering, and water upgrades if Aqua Water took over. It was more of a fear factor meeting to encourage current customers to be against the 529 process. I also questioned Jacquyn, regarding why she was approving posts on the Facebook CLP Water Corp page from a water customer Nate Boyle, that had the same exact verbiage she was reading at the meeting almost a month prior to the meeting.

Many questions were unable to be answered, especially regarding things agreed to that would have to be done regarding the agreement between the PUC, water litigation customers, and CLP Water Corporation. Here are some of the agreed items that have yet to be completed, and it appears to me that all have not been adhered to. We were led to believe the items that were to be completed with time limits would be enforced per the finalized agreement.

The following items were to be addressed within the specified time limits:

1. Commercial meters would be read, recorded, and billed monthly or quarterly upon execution of the agreement.
2. A dedicated company phone would be provided for water customers, someone would be designated other than Todd Joseph to deal with customer calls, and the most recent

Consumer Confidence Report (CCR) would be sent to all customers within 5 days of the settlement agreement. Collaboration with OCA on postcard messaging was also to be completed within 5 days of the settlement agreement.

3. A first round of water sampling/testing for arsenic, iron, and magnesium at 8 sites would be completed within 15 days from the settlement agreement.
4. A second round of sampling/testing would be completed at the same 8 sites, and quotes would be obtained for fencing/security around the water tank within 30 days after the settlement agreement was reached.
5. An investigation would be conducted if iron, manganese into if iron/manganese continued for the second round of testing within 45 days of the settlement agreement.
6. A Professional Engineer would be hired to complete a feasibility study if the Section 529 process was not completed in 9 months within 60 days of the settlement agreement.
7. A customer complaint log per 52 Pa. Code § 65.3 would be created, maintained, and submitted quarterly through 2025, a customer complaint process report would be filed to the Commission & statutory utility revenues, expenses, and property from non-utility businesses would establish system of accounts, within 3 months from the settlement agreement. Ensured termination procedures would comply with Chapter 56: preserve dispute/complaint records, ensured that only tariff-approved rates are charged: no tapping fees, Bureau of I & E to initiate Section 529 proceeding within 3 months of the settlement agreement.
8. A third round of testing if required by second round exceedances within 5 months from the settlement agreement.
9. A plan with timeline to perform repairs and replacements recommendations by the Engineer's report within 6 months of the settlement agreement if required.
10. Service lines and shut-off valves should be identified and if customers do not cooperate it will be extended to 3 additional months. This was to be completed within 9 to 10 months after the settlement agreement.
11. If Section 529 were not completed, an Engineers feasibility must be completed within 10 months of hiring, The Commission/advocate review should have received a submitted report from CLP Water Corp, Project priorities should be negotiated for 5- to 10- year implementation within a 9-to-10-month timeline from the finalization of the settlement agreement.
12. Billing for Residential and Commercial must be on the same schedule (quarterly until notice of monthly), Valve maintenance: Exercise and record isolation valves, CCR Distribution: Annual mailing to each ratepayer plus posting on Facebook website, Customer website/portal that would maintain tariffs/CCR/Reports, Customer meeting each summer with a Certified Operator present; minutes from meeting to be submitted to the Commission, PennVEST, and Federal Funding was to applied for prior to private financing being used, Lead Plan: Continue sodium silicate treatment (Pa. DEP approval required), Water levels: Continue static/pumping water measurements, Instrument

Calibration: Maintain records of calibration. All the above was agreed on to be ongoing and recurring following the finalization of the settlement agreement.

13. Meters would be installed for all residential customers within 5 years from the final settlement agreement.

After the final agreement, customers were still being charged tap in fees after the CLP Water Corp, owner was notified it was illegal to do this. There is a case that proves this that a judgement was handed down and the water customer won his case with the PUC. His name was Ken Miller.

There was also a water cap taken from the property of Tammy Claypoole in Conneaut Lake, Pa and it was also reported to the PUC, and this also occurred after the water litigation agreement. There are still existing issues such as low-pressure water issues, reports at the meeting of a strong bleach chlorine smell of the water, etc. that were brought up at the meeting by several water customers.

Camperland is continuing to grow with additional RVs being added that uses the water source to an already strained outdated water system with current water customer issues.

No one has come around to our homes or homeowners regarding identifying the service line and shut-off valves for all customers.

A customer website/portal has not been created that is maintained with tariffs, CCR, and reports. I inquired about it and was told by Jacqlyn McCoy that as far as she knows the Facebook website is acceptable.

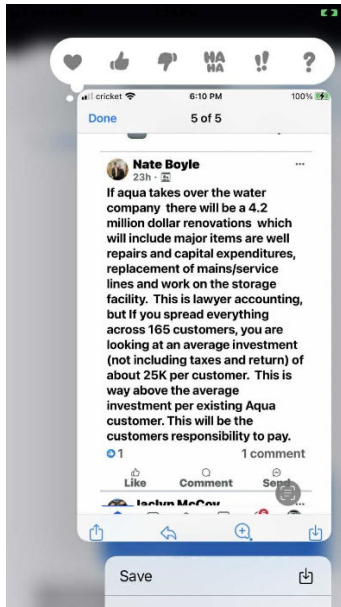
We received water reports for 2024 and haven't received them for 2025 yet.

Checking in to make sure the utility revenues, expenses, and property from non-utility businesses have been segregated and did they establish a system of accounts.

Not sure if a customer complaint report has been received by the Commission and statutory advocates for the year 2025 so far.

There is still no fencing or secure area around the water tower which is unsafe.

My concerns have been enclosed with this letter, and I also wanted to update you on what has been going on. I have also attached a copy of the post that was approved to be posted on the Facebook CLP Water Corp group page as this is the same information Jacqlyn McCoy gave to the water customers at the Water Corp meeting that is being rescheduled. I own properties at 10807 Woodland Avenue, Conneaut Lake, Pa. 16316 and 12273 Comstock Street, Conneaut Lake, Pa.16316 that currently receive water from the CLP Water Corp.



Thank you and if you need to ask any additional questions, please feel free to contact me. I will do my best to answer any questions that you have. Thanks again and I look forward to hearing from you!

Sincerely,  
Rhonda L. Jaquay  
[Jaquayr@gmail.com](mailto:Jaquayr@gmail.com)  
(412)-853-4670  
705 Eastman Street,  
West Mifflin, Pa. 15122

Judge Vero,

As a resident served by the Conneaut Lake Water Authority, I must express my grave concerns about the continued poor operation and administration of this utility.

We are still experiencing ongoing issues with low water pressure as well as a persistent, strong chlorine odor in our water supply. These problems have not been resolved despite the rate increase and promises of improvements.

When the rate increase was approved, it came with a clear agreement: a specific list of improvements with defined timelines for completion. To date, it is unclear what progress—if any—has been made. While I assume that basic obligations such as paying electric bills and establishing an alternative contact beyond Mr. Todd Joseph have been addressed, the more pressing issues remain unanswered.

At the mandated public meeting, neither the licensed operator nor any other authority figure was present to provide accountability. This left the majority of our community's questions unresolved. Although our park representative, Jaclyn McCoy, copied the required task list and promised to follow up, no date for a follow-up meeting has been set, and no answers have been provided.

For the record, a detailed summary of the mandated action items is provided on the following page for reference and accountability.

The reality is this: very little has changed since the rate agreement was put in place. The same lack of transparency, accountability, and basic operational competence continues to define the Authority's administration. In my view, this ongoing failure demonstrates an unfitness to manage and operate such a critical public service.

Respectfully,



Edward Grieser  
12564 N Lakefront Road  
Conneaut Lake, PA 16316

Immediate (Upon Execution of Settlement Agreement)

- Begin reading, recording, and billing all commercial meters monthly (may bill quarterly).
- Commit to keeping electric bills current.

Within 5 Days

- Create a dedicated company phone number for water customers.
- Designate/hire someone other than Todd Joseph to field customer calls.

- Mail most recent Consumer Confidence Report (CCR) to all customers (if not already sent).
- Start collaboration with OCA on postcard messaging.

#### Within 15 Days

- Conduct first round of water sampling/testing (arsenic, iron, manganese) at 8 sites.

#### Within 30 Days

- Conduct second round of sampling/testing at same 8 sites.
- Obtain quotes for fencing/security around water tank.

#### Within 45 Days (conditional)

- If iron/manganese exceedances continue for two rounds → initiate investigation into sources.

#### Within 60 Days (conditional)

- If Section 529 process not completed in 9 months → hire Professional Engineer to conduct feasibility study.

#### Within 3 Months

- Create and maintain a customer complaint log (per 52 Pa. Code § 65.3); submit quarterly through 2025.
- File a customer complaint process report to Commission and statutory advocates.
- Segregate utility revenues, expenses, and property from non-utility businesses; establish system of accounts.
- Ensure termination procedures comply with Chapter 56; preserve dispute/complaint records.
- Ensure only tariff-approved rates are charged; no tapping fees.
- Bureau of I&E to initiate Section 529 proceeding (not a company action but critical timeline).

#### Within 5 Months (approximate)

- Conduct third round of testing (if required by second-round exceedances).

#### Within 6 Months (after engineer report approval, if required)

- Develop and submit a plan with timeline to perform repairs and replacements recommended by engineer's report.

#### Within 8 Months

- Identify service line and shut-off valve for every customer.
- If customer does not cooperate, extend by up to 3 months (one-time).

Within 9–10 Months (conditional)

- If Section 529 process not completed:
- Engineer's feasibility report must be completed within 10 months of hiring.
- Submit report for Commission/advocate review.
- Negotiate project priorities for 5–10 year implementation.

Ongoing & Recurring

- Billing: Commercial and residential must be on the same schedule (quarterly until notice of monthly).
- Valve maintenance: Exercise and record isolation valves.
- CCR distribution: Annual mailing to each ratepayer + posting on website/Facebook.
- Customer website/portal: Maintain with tariffs, CCR, and reports.
- Customer meeting: Hold one meeting each summer (June–Aug) with certified operator present; submit minutes to Commission.
- Funding applications: Apply for PennVEST and federal funding before private financing.
- Lead plan: Continue sodium silicate treatment (PaDEP approval required).
- Water levels: Continue static/pumping water measurements.
- Instrument calibration: Maintain records of calibration.

Within 5 Years

- Install meters for all residential customers.

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

I&E Petition to Request the Commission	:	
Open a Section 529 Investigation into the	:	
Acquisition of Conneaut Lake Park Water	:	Docket Nos. P-2024-3051855
Corporation, Inc.	:	I-2024-3051857
	:	

VERIFICATION

I, LeeAnn M. Wise, hereby state that the facts above set forth in my Direct Testimony, OCA Statement 1, are true and correct to the best of my knowledge, information, 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).

DATED: March 6, 2026

Signature: /s/ LeeAnn M. Wise  
LeeAnn M. Wise

Address: 555 Walnut St.,  
Harrisburg, PA 17101

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission,  
Bureau of Investigation and Enforcement

Docket No.: P-2024-3051855  
I-2024-3051857

v.

Conneaut Lake Park Water Corporation, Inc.

REBUTTAL TESTIMONY

OF

LeeAnn Wise

On behalf of the

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

Date Served: 03/30/2026

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**Rebuttal to Mr. Clark-Aqua Water.....16**

1 **1. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is LeeAnn Wise, my business address is 555 Walnut Street, 5<sup>th</sup> Floor, Forum  
4 Place, Harrisburg, PA 17101.

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am employed by the Office of Consumer Advocate (OCA) as a Senior Regulatory  
7 Analyst.

8 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

9 The purpose of my rebuttal testimony is to respond to the direct testimony of Company  
10 witness Mr. Todd Joseph and Mr. Steven Halmi P.E. I also respond to Mr. William C.  
11 Packer and Mr. Stephen Clark who testified on behalf of Aqua Pennsylvania, Inc.

12  
13 **2. REBUTTAL OF MR. JOSEPH**

14  
15 **Q. DID MR. JOSEPH ACKNOWLEDGE THE POOR CONDITIONS OF CLPWC**  
16 **WATER SYSTEM?**

17 Yes. Mr. Joseph acknowledged when he purchased Conneaut Lake Park, Inc. (CLPWC)  
18 in March of 2021 that “the condition of the water system was not very good; it is  
19 operable, but it needed what appeared to be a substantial amount of work.”<sup>1</sup>

20 **Q. IS MR. JOSEPH INVOLVED IN THE DAILY OPERATIONS OF THE UTILITY?**

21 A. Mr. Joseph stated “I leave all operational decisions up to the operators who are the  
22 experts. I only get involved in the water system when there is a line break and I need to

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<sup>1</sup> Direct Testimony of Mr. Joseph p.3, ln. 13-14.

1 authorize the expenditures to fix the line, which usually are paid for directly by me. I  
2 have transferred all day-to-day administrative responsibility to my general manager,  
3 Jaclyn McCoy. She handles calls, complaints, bills, payments and things along those  
4 lines.”<sup>2</sup>

5 **Q. DO YOU HAVE ANY COMMENTS?**

6 A. Yes. Mr. Joseph’s response reflects that of a passive owner who is not involved in the  
7 day-to-day operations of the system. As a result, accountability for the routine operational  
8 decisions appears to rest with on-site personnel rather than Mr. Joseph according to Mr.  
9 Joseph’s testimony. However, ownership of a regulated utility carries responsibility for  
10 ensuring the utility complies with all regulatory requirements and maintains adequate  
11 service for its customers. Whether the system’s technical functions are performed directly  
12 by the owner or through a licensed contractor does not change the Company’s obligations  
13 to properly maintain and manage the system.

14 When Mr. Joseph purchased Conneaut Lake Park Inc. in March of 2021, which included  
15 the water system, he did so with knowledge that the system was in poor condition and  
16 would require significant maintenance and upgrades. The purchase of the water system  
17 also was known to have had most if not all prior records destroyed in an August 1, 2013,  
18 fire. As the owner, he has a responsibility to evaluate the condition of the infrastructure,  
19 plan for improvements, and reasonably anticipate the level of investment necessary to  
20 properly operate and improve the system.

21 Mr. Joseph has yet to develop or present a finalized improvement plan for the water  
22 system. While I note that a plan with a rough timeline was included in CLPWC’s

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<sup>2</sup> Direct Testimony Mr. Joseph p. 5, ln. 14-18.

1 prehearing memorandum, no plan was presented in his testimony. The need for repairs  
2 and system upgrades has been known for approximately five years. Despite this  
3 knowledge, there has been no clear indication that a structured plan, timeline, or capital  
4 investment strategy has been established to address these issues. These are managerial  
5 responsibilities, not the responsibilities of the system operator. Mr. Joseph has just  
6 recently requested a quote, dated March 18, 2026, for work on the water tower. This  
7 includes painting the tower, repairing multiple welds, and properly fixing the ladder and  
8 hatch door. The total cost of the project is \$285,000.<sup>3</sup>

9 Given the known and unknown deficiencies when Mr. Joseph purchased the property, it  
10 would have been reasonable to expect that maintaining and upgrading the water system  
11 would require securing additional capital through financing, outside funding, or personal  
12 investment. While customer rate increases may provide some additional revenue, they  
13 alone would not reasonably be expected to generate the funds necessary to fully repair or  
14 upgrade the system up-front. Therefore, relying primarily on rate increases would not be  
15 a sufficient long-term strategy to address the system's known needs.

16 **Q. DOES MR. JOSEPH CLAIM THE AGREED RATES FROM THE 2023 RATE**  
17 **CASE WERE INSUFFICIENT TO COVER SYSTEM REPAIRS?**

18 A. Yes. Under regulatory practice a utility is responsible for making investments necessary to  
19 provide safe and reliable service. The utility may then seek recovery of those reasonable  
20 costs through a rate proceeding, including a reasonable rate of return on the Company's  
21 rate base, where the Commission evaluates whether the investments are prudent and used  
22 and useful in providing services.

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<sup>3</sup> Response to OCA Set 16-3.

1 It is also the utility's responsibility to demonstrate that the rates it proposes are just and  
2 reasonable. The regulations allow the Commission to review investments after they are  
3 made and determine whether those costs should be reflected in rates.

4 Mr. Joseph stated "I have invested over \$300,000 to keep the water system running since  
5 March of 2021. Those costs continue to rise as this litigation continues and as I continue to  
6 put band aid on the system until I have financial certainty that I will continue to own and  
7 operate the system, and that the Company can charge the rates needed to fund the  
8 improvements needed. The Company is unable to get any financing for the projects this  
9 system needs with this cloud hanging over the Company that threatens to take the water  
10 system away from the Company, and without obtaining a rate increase that would cover  
11 the water system's basic operating costs as well and the costs of financing the needed  
12 improvements."<sup>4</sup> The Company has provided no evidence demonstrating that it was  
13 denied financing due to the instant proceeding.

14 **Q. DO YOU HAVE ANY COMMENTS?**

15 A. Yes. Mr. Joseph acknowledged addressing system needs on a reactive basis, with repairs  
16 and improvements occurring as issues arise rather than through a planned capital  
17 improvement plan. Water systems typically benefit from advanced planning that  
18 identifies infrastructure needs, prioritize projects, and seek available financing before  
19 system repairs can begin. Mr. Joseph also states that the pending 529 proceeding and  
20 associated legal cost have limited the Company's ability to obtain low-interest financing  
21 for capital improvements. The existence of legal fees does not disqualify the Company

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<sup>4</sup> Direct Testimony Mr. Todd Joseph p.4, ln. 22.

1 from seeking funding through the PENNVEST program or other available grant  
2 opportunities.

3 However, in discovery the Company admitted to missing the deadlines to apply for  
4 PENNVEST funding.<sup>5</sup> Programs such as PENNVEST are specifically designed to provide  
5 utilities with low-interest financing for infrastructure repairs. Timely participation in the  
6 program can provide utilities with an important mechanism for addressing capital needs  
7 while reducing the financial burden on customers.

8 Mr. Joseph also attributes the Company's lack of infrastructure improvements, in part to  
9 the most recent rate increase not fully covering operating expenses. Financial challenges  
10 do not by themselves establish that previously approved rates were insufficient.

11 Moreover, the Company as a signatory to the settlement, agreed to the level of rate  
12 increase contained in the settlement as an alternative to pursuing litigation.

13 Determinations regarding the adequacy of rates are typically based on a comprehensive  
14 review of revenues, operating expenses, and capital investment. The record in this  
15 proceeding does not show that the prior rate increase was unreasonable or that the  
16 Company's financial condition stems from the settlement.

17 **Q. WHAT WOULD BE THE IMPACT ON CUSTOMERS IF CLPWC WERE TO**  
18 **OBTAIN \$2,000,000 IN LOANS THROUGH PENNVEST?**

19 A. Exhibit 1-Loan Amortization Schedule, assumes CLPWC secures four separate 20-year  
20 loans of \$500,000 each, for a total of \$2,000,000, customers can expect an increase in  
21 rates of approximately \$17.03 during the first five years of the loan term, rising to \$17.99  
22 for the remaining 15 years.

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<sup>5</sup> Response to OCA Set 18-2.

1 **Q. WHAT WOULD BE THE IMPACT ON CUSTOMERS IF AQUA WERE TO**  
2 **ACQUIRE THE CLPWC SYSTEM AND FINANCE THE NECESSARY**  
3 **UPGRADES USING \$2 MILLION IN PENNVEST FUNDING?**

4 A. Assuming CLPWC secures four separate 20-year loans of \$500,000 each, for a total of  
5 \$2,000,000, customers can expect an increase in rates of approximately \$0.01 during the  
6 first five years of the loan term, rising to \$0.01 for the remaining 15 years.<sup>6</sup>

7 **Q. ARE YOU SAYING THAT A SYSTEM LIKE AQUA, WITH A MUCH LARGER**  
8 **CUSTOMER BASE, WOULD MAKE IT EASIER FOR RATEPAYERS TO**  
9 **ABSORB THE COST OF THESE REPAIRS?**

10 A. Yes. Given the size of Aqua’s existing customer base, the costs associated with the  
11 necessary system improvements could be allocated across a much larger pool of  
12 ratepayers. This broader distribution would help reduce the financial burden, resulting in  
13 a more gradual and less significant rate increase for CLPWC customers compared to  
14 what they might experience under the current ownership.

15 **Q. HAS MR. JOSEPH INVESTED HIS OWN PERSONAL FUNDS TO MAINTAIN**  
16 **THE WATER SYSTEM?**

17 A. Yes. However, Mr. Joseph’s acknowledgment that he invested personal funds into the  
18 system does not change the central issue that this is a troubled system.

19 **Q. HAS THE WATER SYSTEM BEEN FULLY EVALUATED BY A**  
20 **PROFESSIONAL ENGINEER?**

21 A. Yes. Deiss & Halmi Engineering, Inc. completed the evaluation on February 24, 2026.

22 **Q. DID MR. JOSEPH RECEIVE A COPY OF THE EVALUATION?**

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<sup>6</sup> CLPWC Amortization Schedule

1 A. Yes. Mr. Joseph stated that “I was not surprised by the recommendations of the report.  
2 However, the cost estimate was a bit higher than I had anticipated.”<sup>7</sup>

3 **Q. HAS CLPWC APPLIED FOR PENNVEST LOW-INTEREST LOANS?**

4 A. No, CLPWC has not applied for PENNVEST funding. However, Mr. Joseph stated that  
5 he has communicated with PENNVEST since late 2024. As I mentioned previously in my  
6 direct testimony, CLPWC has already missed two deadlines to submit applications for  
7 PENNVEST funding. To apply for funding, the Company first needs to go through the  
8 pre-application process that includes scheduling a planning consultation meeting with a  
9 PENNVEST project specialist to discuss scope, permits, timeline, and funding options.  
10 In addition, all required environmental permits and approvals from Pennsylvania  
11 Department of Environmental Protection (DEP) must be obtained, along with the project  
12 being construction ready.<sup>8</sup> Mr. Joseph makes no mention of having completed any of  
13 these preliminary steps to apply for PENNVEST funding, nor has he mentioned a sound  
14 detailed plan for system improvement.

15 **Q. DOES THE COMPANY BELIEVE IT CAN PROVIDE ADEQUATE, EFFICIENT,  
16 SAFE AND REASONABLE SERVICES AND FACILITIES IN THE FUTURE?**

17 A. Yes. Mr. Joseph stated that “he is confident that the plan we are developing is solid and  
18 executable.”<sup>9</sup>

19 **Q. WOULD YOU AGREE WITH MR. JOSEPH’S ASSESSMENT?**

20 A. No. I would not. There is no concrete documentation demonstrating that the Company  
21 can consistently provide adequate, efficient, safe, and reasonable service. The history

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<sup>7</sup> Direct Testimony Todd Joseph p.6, ln. 7.

<sup>8</sup> <https://www.pa.gov/services/pennvest/apply-for-pennvest-funding>

<sup>9</sup> Direct Testimony Mr. Joseph p. 7, ln. 5-6.

1 before the Commission tells a different story, showing repeated operational deficiencies,  
2 compliance failures, and a pattern of performance below required standards. Claims of a  
3 “learning curve” or “full faith” in staff do not nullify this documented record. Until the  
4 Company can provide verifiable proof that it has fully corrected these deficiencies and  
5 can reliably maintain compliance, any conclusion that it will perform adequately in the  
6 future is speculative and unsubstantiated. Reliance on belief or intent cannot substitute  
7 for demonstrable, factual evidence of capability. To date, there is no consistent and  
8 concrete plan for this troubled system. In fact, the Company’s “plan” has changed  
9 throughout this proceeding.

10 Mr. Joseph stated, “I think the plan that we are developing to implement the  
11 recommendations is solid and executable.”<sup>10</sup> CLPWC has provided no evidence of a  
12 confirmed plan of execution. The Company’s “plan” seems to center around applying for  
13 PENNVEST funding and filing for annual customer rate increases to make the needed  
14 repairs to the water system after-the-fact. The fact that CLPWC has not yet begun the  
15 PENNVEST application process only further delays customers from receiving safe and  
16 reasonable services. Mr. Joseph’s own admission that they are presently favoring a  
17 phased approach to funding project completion<sup>11</sup> puts customers in continued jeopardy  
18 receiving safe and reliable services.

19 **Q. HAS MR. JOSEPH ATTEMPTED TO SELL THE WATER SYSTEM?**

20 A. Yes, in 2021 the Company did approach Conneaut Lake Joint Authority to discuss the  
21 sale, however, the Authority indicated they were not interested in purchasing the system.

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<sup>10</sup> Direct Testimony Mr. Joseph p. 7, ln. 5-6.

<sup>11</sup> Direct Testimony Mr. Joseph p. 6, ln. 19-20.

1 **Q. DID THE COMPANY REACH OUT TO ANY OF THE OTHER TEN WATER**  
2 **COMPANIES IDENTIFIED BY I&E IN THE PETITION REGARDING A**  
3 **POTENTIAL SALE?**

4 A. No, the Company did not make any contact with the ten water companies provided by  
5 I&E.

6 **Q. DO YOU HAVE ANY COMMENTS?**

7 A. Yes. The Company received a list of 10 potential utility companies that might be  
8 contacted regarding a possible sale. Ultimately, the Company made no effort to reach out  
9 to any of these utility companies. This omission shows a failure to take the necessary step  
10 in evaluating alternatives and raises questions about the thoroughness and reliability of  
11 the Company.

12 **Q. WHAT ARE YOUR CONCLUSIONS/RECOMMENDATIONS?**

13 A. I recommend Aqua assumes ownership in this 529 proceeding. CLPWC has hired a  
14 certified systems operator and retained an engineering firm to review the water system.  
15 However, there remains no formal plan for infrastructure improvements. Moreover, the  
16 engineering report identified deficiencies but did not establish a schedule or timeline for  
17 necessary repairs. While the owner has described a phased approach that has changed  
18 throughout the course of this proceeding, there is no clear information regarding the  
19 duration or sequencing of these improvements. Customers continue to report issues with  
20 their water service. The current number of operable shut-off valves is unknown, and a  
21 comprehensive map of the water system has not been developed. These gaps indicate that  
22 essential operational and planning measures for ensuring safe and reliable water service  
23 remain incomplete.

1 **3. Rebuttal of Mr. Halmi**

2 **Q. DID MR. HALMI PERFORM A REVIEW OF CLPWC'S WATER SYSTEM.**

3 A. Yes. Mr. Halmi provided his complete review of CLPWC's water system on February 24,  
4 2026.

5 **Q. WHAT WERE MR. HALMI'S FINDINGS?**

6 A. Mr. Halmi stated that "The System has for the most part provided reliable service with  
7 sufficient water quantity and quality. The exceptions have mostly been when distribution  
8 piping leaks or service line leaks have occurred that have required portions of the  
9 distribution system to be shut down for repairs. The quantity of water available has  
10 otherwise been reliable."<sup>12</sup>

11 **Q. DO YOU AGREE WITH MR. HALMI'S STATEMENT?**

12 A. No. I am not an engineer and do not offer opinions regarding the technical operation of the  
13 water system. However, based on public input hearing testimony and the formal complaint  
14 filed against the Company regarding CLPWC's service, I must respectfully disagree with  
15 Mr. Halmi's claim that the system has generally provided reliable service with adequate  
16 water quantity and quality. As Mr. Clark stated, "Aqua's onsite inspection identified long-  
17 term need for capital investment to address repairs and equipment."<sup>13</sup> During the public  
18 input hearings, Mr. Eiler testified to an incident that "required the Company having to shut  
19 down the whole system on one side of the park due to lack of shutoff valves, and it took  
20 approximately four weeks to fix." Tr. 278. The evidence in the record demonstrates that

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<sup>12</sup> Direct Testimony Steven R. Halmi, P.E. p. 4, ln 1-4.

<sup>13</sup> Direct Testimony Stephen Clark, p. 6, ln. 9-10.

1 service reliability has been compromised on multiple occasions, particularly when  
2 distribution or service line leaks required sections of the system to be shut down for repairs.  
3 Furthermore, the concerns raised by customers regarding water color, taste, and service  
4 indicate that issues with water quality have occurred outside of routine maintenance events.

5 **Q. DID MR. HALMI MAKE RECOMMENDATIONS FOR SYSTEM REPAIRS?**

6 A. Yes, Mr. Halmi made several recommendations for repairs to the system. He recommended  
7 repairs to the well and well pumps, treatment system, building that houses the treatment  
8 system, water tank, and distribution system.

9 **Q. DO YOU HAVE ANY COMMENTS ON MR. HALMI'S RECOMMENDATIONS?**

10 A. As I stated previously, I am not an engineer nor was I present for the technical review of the  
11 system. Based on Mr. Halmi's report, it is evident that the infrastructure needs significant  
12 repairs. Public input hearing testimony also supports his findings, as customers have  
13 reported issues of low pressure, strong chlorine smell, lack of valve identification, which  
14 highlights the need for system upgrades.<sup>14</sup> The recommended improvements are valuable  
15 for the Company to focus their attention, however, Mr. Halmi does not specifically suggest  
16 a timeline for these repairs, leaving the urgency and scheduling unclear. Mr. Halmi also  
17 stated, "I do not recommend meters."<sup>15</sup> Although Mr. Halmi may personally not recommend  
18 meter installation, such installation is a requirement of the Commissions regulations<sup>16</sup> and  
19 CLPWC's rate case settlement, and the Company is obligated to complete the installs within

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<sup>14</sup> Direct Testimony LeeAnn Wise, p. 23-24.

<sup>15</sup> Direct Testimony Steven Halmi, P.E. p.5, ln 15.

<sup>16</sup> "After August 15, 1981, a public utility which is issued a certificate of public convenience permitting it to begin to render water service and a currently existing public utility which begin to render water service to an additional, noncontiguous, service to an additional, noncontiguous, service area shall be required to furnish metered service." 52 Pa. Code §65.7(a).

1 five years. Mr. Halmi does provide an estimate of cost to install meters with worst case  
2 scenario being \$6,000 to \$7,000 per meter.<sup>17</sup> This additional fee was not included in overall  
3 cost to repair the system.

4 **Q. DID MR. HALMI PROVIDE AN ESTIMATE OF THE TOTAL COST TO REPAIR**  
5 **THE SYSTEM?**

6 A. Yes. Mr. Halmi estimated that the total cost of the system repairs would be approximately  
7 \$2.8 million dollars but could vary due to a variety of unknown factors.<sup>18</sup> He recommended  
8 the work be spread out into several phases with the treatment plant and building work being  
9 first followed by the tank and then the distribution system.

10 **Q. DOES MR. HALMI HAVE ANY ADDITIONAL COMMENTS ON THE COST?**

11 A. Yes. Mr. Halmi asserts that by using a phased approach to performing the repairs, the cost  
12 can be spread over time and keep customer rate increases gradual over time.

13 **Q. DO YOU HAVE ANY COMMENTS ON MR. HALMI'S APPRAISAL?**

14 A. Based on the amount of work identified by Mr. Halmi, I support his estimated cost of  
15 approximately \$2.8M dollars.

16 **Q. DO YOU HAVE ANY COMMENTS ON MR. HALMI'S SUGGESTION OF A**  
17 **PHASED APPROACH TO REPAIRS?**

18 A. While I understand that system wide improvements cannot happen overnight, any  
19 suggestion that a phased approach will mitigate customer rate impacts is speculative at best.  
20 The Company currently does not have a formal capital improvement plan in place, and  
21 without a fully vetted phased strategy, it is not possible to determine if or when customers

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<sup>17</sup> Direct Testimony Steven Halmi, P.E. p.19 item j.

<sup>18</sup> Direct Testimony Steven Halmi, P.E. p.5, ln 22.

1 will see improvements in their water quality. As a result, customers will need to continue to  
2 wait before measurable improvements are made until some unknown point in time.

3 **Q. WHAT ARE YOUR CONCLUSIONS/RECOMMENDATIONS?**

4 A. The engineering report submitted by Mr. Halmi confirms the poor condition of the  
5 CLPWC’s water system and tower, highlighting the large investment required to restore  
6 the infrastructure. Over the past five years, the Company has struggled to complete  
7 essential repairs, often addressing issues only on a reactive basis—responding to line  
8 breaks or urgent failures rather than implementing proactive maintenance. This pattern has  
9 resulted in recurring infrastructure deficiencies and a decline in service quality for the  
10 customers.

11 Given these facts, I continue to recommend Aqua acquire the system in the 529  
12 proceedings.

13  
14 **3. REBUTTAL OF MR. PACKER**

15 **Q. DOES MR. PACKER BELIEVE AQUA PENNSYLVANIA SHOULD BE ORDERED**  
16 **TO ACQUIRE CLWPC IN THIS SECTION 529 PROCEEDING?**

17 A. No, he does not. Mr. Packer stated that “Aqua Pennsylvania (AP) does not believe that all  
18 the required factors under Section 529 can be satisfied and therefore the Commission cannot  
19 direct AP’s acquisition of Conneaut Lake.”<sup>19</sup>

20 **Q. WHAT ELEMENTS LISTED UNDER SECTION 529 DOES MR. PACKER**  
21 **BELIEVE INSUFFICIENT OR ABSENT?**

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<sup>19</sup> Direct Testimony of Mr. Packer (Aqua Water) p.3, ln. 17-19.

1 A. Mr. Packer testified that, based on information provided by CLWPC in response to Aqua's  
2 requests for admission, CLPWC possesses the full managerial and technical capacity  
3 necessary to provide safe, adequate, and reliable service. He further testified that "CLPWC's  
4 responses to Aqua's requests for admissions state that it has access to sufficient financial  
5 resources and maintains a workforce of adequately trained and skilled employees capable  
6 of managing the water system."<sup>20</sup> Mr. Packer also stated that CLPWC has one formal  
7 complaint on record with the Public Utility Commission (PUC) and no complaints with the  
8 DEP. Finally, Mr. Packer testified that he is not aware of any Pennsylvania public utility,  
9 municipal authority, or municipality that has expressed interest in purchasing the CLPWC  
10 system, therefore he concludes there is no reason for the Commission to Order Aqua  
11 Pennsylvania to acquire CLPWC through this Section 529 proceeding.

12 **Q. DOES MR. PACKER FEEL CLPWC MAINTAINS FINANCIAL FITNESS?**

13 A. Yes, Mr. Packer stated that "based on his understanding of their current financial position,  
14 Conneaut Lake needs another base rate increase that adequately meets its annual operating  
15 costs, since current rates are deficient or provide negative operating cash flow."<sup>21</sup>

16 **Q. WHAT INFORMATION DID MR. PACKER RELY ON IN ASSESSING CLPWC'S**  
17 **FINANCIAL FITNESS?**

18 A. Mr. Packer based his assessment of CLPWC's financial fitness on CLPWC's own argument  
19 that it is financially fit in response to a request for admission asking CLPWC to admit  
20 whether it was financially fit and responses to interrogatories. Those responses showed that  
21 the Company has no accounts payable, is in full compliance with both the Commission and  
22 the DEP and maintains its records using a cloud-based property management system. The

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<sup>20</sup> Direct Testimony of Mr. Packer (Aqua Water), p.2, ln 21-25.

<sup>21</sup> Direct Testimony Mr. Packer (Aqua) pg. 13, ln. 3-5.

1 responses also confirmed that there are no lead service lines and that the Company's net  
2 revenue losses over the past two years—\$110,000 and \$76,000—are minimal. Based on this  
3 information, Mr. Packer concluded that the Company's financial position is sound.

4 **Q. DO YOU AGREE WITH MR. PACKER'S ASSESSMENT?**

5 A. No, I do not agree with Mr. Packer's assessment. In my direct testimony, I addressed and  
6 refuted the Company's claims regarding these matters. Mr. Packer acknowledged that  
7 CLPWC will need additional rate increases to meet financial obligations. Although the  
8 Company does not have any accounts payable, it is important to note the Mr. Joseph has had  
9 to contribute approximately \$300,000 of his own money to keep the system operational.  
10 The existence of an online property management system for record keeping, or compliance  
11 with the Commission or DEP, does not in itself demonstrate financial fitness.

12 Mr. Packer also stated that "The net revenue losses for Conneaut Lake of \$109,891 in 2023  
13 and \$76,000 in 2024 are relatively minimal and can likely be addressed by a combination  
14 of further rate increases and low-cost borrowing from sources like PennVest."<sup>22</sup> While these  
15 revenue loss may be minimal to a company the size of Aqua, for CLWPC whose annual  
16 revenue is approximately \$85,000<sup>23</sup> per year, these losses are significant.

17 Mr. Packer also testified that CLPWC possesses the financial capacity to implement  
18 improvements to its water system. However, Mr. Packer did not present an independent  
19 analysis of the Company's financial practices, long-term capital plan, revenue projections,  
20 or other due diligence information concerning financial stability. Rather, he referenced  
21 CLPWC's response to requests for admissions in which Aqua asked CLPWC to admit that  
22 they are financially fit, seemingly as proof that CLPWC is, in fact, financially fit. My direct

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<sup>22</sup> Direct Testimony Mr. Packer (Aqua) pg. 12, ln. 5-8.

<sup>23</sup> 162 resident customer x \$465.52 yr=\$75,252+3 Commercial x \$2,880 yr=\$8,640=totaling \$83,892

1 testimony discusses additional examples that are relevant to evaluating the Company's  
2 financial stability.

3 It is also important to note that the items Mr. Packer relied upon to make his assessment of  
4 CLPWC financial fitness are operational and regulatory factors, but they do not necessarily  
5 indicate the Company's financial fitness. These items do not address key measures of  
6 financial fitness, such as liquidity, cash flow, debt levels, access to capital, or overall  
7 financial reserves. While the Company may be meeting operational and regulatory  
8 benchmarks, they alone are not sufficient in determining financial fitness.

9 While it is acknowledged that CLPWC can seek PENNVEST funding, the Company has  
10 repeatedly failed to meet the deadlines for submitting applications. There is no evidence to  
11 suggest that this pattern of inaction will change going forward. Consequently, the customers  
12 served by CLPWC continue to face a risk of receiving water service that is inconsistent and  
13 unreliable. This ongoing pattern raises concerns about the adequacy of CLPWC planning,  
14 resource management, and commitment to ensuring safe and reliable service for its  
15 customers. This water system is currently troubled and there is no consistent plan beyond  
16 annual rate increase filings by CLPWC.

#### 17 18 **4. REBUTTAL OF MR. CLARK**

19 **Q. DID AQUA CONDUCT AN ONSITE INSPECTION OF CLPWC WATER SYSTEM?**

20 A. Yes, Aqua employees visited CLPWC on January 21, 2025, to conduct an inspection.

21 **Q. WHAT DID AQUA CONCLUDE FROM THEIR INSPECTION?**

22 A. According to Mr. Clark, Aqua evaluated the water system using the same standards and  
23 operational practices as it applies to systems it currently owns and operates. In other words,

1 the review was conducted as though Aqua were the owner and responsible for operating and  
2 maintaining the system in accordance with its established practices. Based on that approach,  
3 Aqua developed a ten-year capital expenditure plan identifying the improvements necessary  
4 to bring the system to an appropriate operational standard. The estimated cost of those  
5 improvements is approximately \$4.175 million,<sup>24</sup> over \$1 million dollars more than  
6 recommended in the engineer's report.

7 **Q. DOES MR. CLARK FEEL AQUA SHOULD ACQUIRE CLPWC IN THIS**  
8 **PROCEEDING?**

9 A. No, he does not. Based on Aqua's on-site inspection, although there is an identified long-  
10 term need for capital investment to address certain repairs and equipment replacements over  
11 an approximate ten-year period, Aqua claims that CLPWC will be able to furnish and  
12 maintain adequate, efficient, safe, and reasonable service in the future.<sup>25</sup>

13 **Q. DO YOU HAVE ANY COMMENTS?**

14 A. Yes. It is important to note, if a water system requires significant repairs and upgrades, the  
15 continued existence of such deficiencies raises concerns regarding reliability, safety, and  
16 long-term service to the customer.

17 Mr. Clark testified that "no reports were created by Aqua Pennsylvania, rather we developed  
18 a capital plan that reflects our evaluation."<sup>26</sup> Aqua's review of CLPWC was limited to a site  
19 inspection and did not involve a complete evaluation of the system. Therefore, it is difficult  
20 to determine how a conclusion could be reached that the system can furnish and maintain  
21 adequate, efficient, safe, and reasonable service in the future.

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<sup>24</sup> Direct Testimony Mr. Clark p. 4, ln. 17.

<sup>25</sup> Direct Testimony of Mr. Clark (Aqua) p. 6, ln. 9-13.

<sup>26</sup> Direct Testimony of Stephen Clark (Aqua) p. 4, ln. 3.

1 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

2 A. Yes, it does. However, I reserve the right to file such additional testimony as may be  
3 necessary or appropriate.

## Exhibit 1 – Loan Amortization Schedule

Month	Payment	Principal Paid	Interest Paid	Remaining Balance
1	\$ 229.95	\$ 188	\$ 42	\$ 49,812
2	\$ 229.95	\$ 188	\$ 42	\$ 49,623
3	\$ 229.95	\$ 189	\$ 41	\$ 49,435
4	\$ 229.95	\$ 189	\$ 41	\$ 49,246
5	\$ 229.95	\$ 189	\$ 41	\$ 49,057
6	\$ 229.95	\$ 189	\$ 41	\$ 48,868
7	\$ 229.95	\$ 189	\$ 41	\$ 48,679
8	\$ 229.95	\$ 189	\$ 41	\$ 48,489
9	\$ 229.95	\$ 190	\$ 40	\$ 48,300
10	\$ 229.95	\$ 190	\$ 40	\$ 48,110
11	\$ 229.95	\$ 190	\$ 40	\$ 47,920
12	\$ 229.95	\$ 190	\$ 40	\$ 47,730
13	\$ 229.95	\$ 190	\$ 40	\$ 47,540
14	\$ 229.95	\$ 190	\$ 40	\$ 47,350
15	\$ 229.95	\$ 190	\$ 39	\$ 47,159
16	\$ 229.95	\$ 191	\$ 39	\$ 46,969
17	\$ 229.95	\$ 191	\$ 39	\$ 46,778
18	\$ 229.95	\$ 191	\$ 39	\$ 46,587
19	\$ 229.95	\$ 191	\$ 39	\$ 46,396
20	\$ 229.95	\$ 191	\$ 39	\$ 46,204
21	\$ 229.95	\$ 191	\$ 39	\$ 46,013
22	\$ 229.95	\$ 192	\$ 38	\$ 45,821
23	\$ 229.95	\$ 192	\$ 38	\$ 45,630
24	\$ 229.95	\$ 192	\$ 38	\$ 45,438
25	\$ 229.95	\$ 192	\$ 38	\$ 45,246
26	\$ 229.95	\$ 192	\$ 38	\$ 45,053
27	\$ 229.95	\$ 192	\$ 38	\$ 44,861
28	\$ 229.95	\$ 193	\$ 37	\$ 44,668
29	\$ 229.95	\$ 193	\$ 37	\$ 44,476
30	\$ 229.95	\$ 193	\$ 37	\$ 44,283
31	\$ 229.95	\$ 193	\$ 37	\$ 44,090
32	\$ 229.95	\$ 193	\$ 37	\$ 43,897
33	\$ 229.95	\$ 193	\$ 37	\$ 43,703
34	\$ 229.95	\$ 194	\$ 36	\$ 43,510
35	\$ 229.95	\$ 194	\$ 36	\$ 43,316
36	\$ 229.95	\$ 194	\$ 36	\$ 43,122
37	\$ 229.95	\$ 194	\$ 36	\$ 42,928
38	\$ 229.95	\$ 194	\$ 36	\$ 42,734
39	\$ 229.95	\$ 194	\$ 36	\$ 42,540
40	\$ 229.95	\$ 195	\$ 35	\$ 42,345
41	\$ 229.95	\$ 195	\$ 35	\$ 42,150
42	\$ 229.95	\$ 195	\$ 35	\$ 41,956
43	\$ 229.95	\$ 195	\$ 35	\$ 41,761
44	\$ 229.95	\$ 195	\$ 35	\$ 41,565
45	\$ 229.95	\$ 195	\$ 35	\$ 41,370
46	\$ 229.95	\$ 195	\$ 34	\$ 41,175
47	\$ 229.95	\$ 196	\$ 34	\$ 40,979
48	\$ 229.95	\$ 196	\$ 34	\$ 40,783
49	\$ 229.95	\$ 196	\$ 34	\$ 40,587
50	\$ 229.95	\$ 196	\$ 34	\$ 40,391
51	\$ 229.95	\$ 196	\$ 34	\$ 40,195
52	\$ 229.95	\$ 196	\$ 34	\$ 39,998
53	\$ 229.95	\$ 197	\$ 33	\$ 39,802
54	\$ 229.95	\$ 197	\$ 33	\$ 39,605
55	\$ 229.95	\$ 197	\$ 33	\$ 39,408
56	\$ 229.95	\$ 197	\$ 33	\$ 39,211
57	\$ 229.95	\$ 197	\$ 33	\$ 39,014
58	\$ 229.95	\$ 197	\$ 33	\$ 38,816
59	\$ 229.95	\$ 198	\$ 32	\$ 38,619
60	\$ 229.95	\$ 198	\$ 32	\$ 38,421
61	\$ 242.84	\$ 187	\$ 56	\$ 38,234
62	\$ 242.84	\$ 187	\$ 56	\$ 38,047
63	\$ 242.84	\$ 187	\$ 55	\$ 37,860
64	\$ 242.84	\$ 188	\$ 55	\$ 37,672
65	\$ 242.84	\$ 188	\$ 55	\$ 37,484
66	\$ 242.84	\$ 188	\$ 55	\$ 37,296
67	\$ 242.84	\$ 188	\$ 54	\$ 37,108
68	\$ 242.84	\$ 189	\$ 54	\$ 36,919
69	\$ 242.84	\$ 189	\$ 54	\$ 36,730
70	\$ 242.84	\$ 189	\$ 54	\$ 36,540
71	\$ 242.84	\$ 190	\$ 53	\$ 36,351
72	\$ 242.84	\$ 190	\$ 53	\$ 36,161
73	\$ 242.84	\$ 190	\$ 53	\$ 35,971
74	\$ 242.84	\$ 190	\$ 52	\$ 35,781
75	\$ 242.84	\$ 191	\$ 52	\$ 35,590
76	\$ 242.84	\$ 191	\$ 52	\$ 35,399
77	\$ 242.84	\$ 191	\$ 52	\$ 35,208
78	\$ 242.84	\$ 192	\$ 51	\$ 35,016
79	\$ 242.84	\$ 192	\$ 51	\$ 34,825
80	\$ 242.84	\$ 192	\$ 51	\$ 34,632
81	\$ 242.84	\$ 192	\$ 51	\$ 34,440
82	\$ 242.84	\$ 193	\$ 50	\$ 34,247
83	\$ 242.84	\$ 193	\$ 50	\$ 34,055
84	\$ 242.84	\$ 193	\$ 50	\$ 33,861
85	\$ 242.84	\$ 193	\$ 49	\$ 33,668
86	\$ 242.84	\$ 194	\$ 49	\$ 33,474
87	\$ 242.84	\$ 194	\$ 49	\$ 33,280
88	\$ 242.84	\$ 194	\$ 49	\$ 33,086
89	\$ 242.84	\$ 195	\$ 48	\$ 32,891
90	\$ 242.84	\$ 195	\$ 48	\$ 32,696
91	\$ 242.84	\$ 195	\$ 48	\$ 32,501
92	\$ 242.84	\$ 195	\$ 47	\$ 32,306
93	\$ 242.84	\$ 196	\$ 47	\$ 32,110
94	\$ 242.84	\$ 196	\$ 47	\$ 31,914
95	\$ 242.84	\$ 196	\$ 47	\$ 31,718

Loan Amount	\$ 50,000
Term	20 Years
Interest Yr 1-5	1.00%
Interest Yr 6-20	1.75%

Cost to CLPWC Customers					Yearly Increase
		Monthly Payment	Yearly Payment	# of Customers	
Loan #1	Year 1-5	\$ 229.95	\$ 2,759.40	162	\$ 17.03
	Year 6-20	\$ 242.84	\$ 2,914.08	162	\$ 17.99
Loan #2	Year 1-5	\$ 229.95	\$ 2,759.40	162	\$ 17.03
	Year 6-20	\$ 242.84	\$ 2,914.08	162	\$ 17.99
Loan #3	Year 1-5	\$ 229.95	\$ 2,759.40	162	\$ 17.03
	Year 6-20	\$ 242.84	\$ 2,914.08	162	\$ 17.99
Loan #4	Year 1-5	\$ 229.95	\$ 2,759.40	162	\$ 17.03
	Year 6-20	\$ 242.84	\$ 2,914.08	162	\$ 17.99
Total	Year 1-5				\$ 68.13
	Year 6-20				\$ 71.95

Cost to CLPWC Customer if Aqua Acquires					Yearly Increase
		Monthly Payment	Yearly Payment	# of Customers	
Loan #1	Year 1-5	\$ 229.95	\$ 2,759.40	434,426	\$ 0.01
	Year 6-20	\$ 242.84	\$ 2,914.08	434,426	\$ 0.01
Loan #2	Year 1-5	\$ 229.95	\$ 2,759.40	434,426	\$ 0.01
	Year 6-20	\$ 242.84	\$ 2,914.08	434,426	\$ 0.01
Loan #3	Year 1-5	\$ 229.95	\$ 2,759.40	434,426	\$ 0.01
	Year 6-20	\$ 242.84	\$ 2,914.08	434,426	\$ 0.01
Loan #4	Year 1-5	\$ 229.95	\$ 2,759.40	434,426	\$ 0.01
	Year 6-20	\$ 242.84	\$ 2,914.08	434,426	\$ 0.01
Total	Year 1-5				\$ 0.03
	Year 6-20				\$ 0.03

96	\$ 242.84	\$	197	\$	46	\$	31,521
97	\$ 242.84	\$	197	\$	46	\$	31,324
98	\$ 242.84	\$	197	\$	46	\$	31,127
99	\$ 242.84	\$	197	\$	45	\$	30,930
100	\$ 242.84	\$	198	\$	45	\$	30,732
101	\$ 242.84	\$	198	\$	45	\$	30,534
102	\$ 242.84	\$	198	\$	45	\$	30,336
103	\$ 242.84	\$	199	\$	44	\$	30,137
104	\$ 242.84	\$	199	\$	44	\$	29,938
105	\$ 242.84	\$	199	\$	44	\$	29,739
106	\$ 242.84	\$	199	\$	43	\$	29,539
107	\$ 242.84	\$	200	\$	43	\$	29,340
108	\$ 242.84	\$	200	\$	43	\$	29,140
109	\$ 242.84	\$	200	\$	43	\$	28,939
110	\$ 242.84	\$	201	\$	42	\$	28,739
111	\$ 242.84	\$	201	\$	42	\$	28,538
112	\$ 242.84	\$	201	\$	42	\$	28,336
113	\$ 242.84	\$	202	\$	41	\$	28,135
114	\$ 242.84	\$	202	\$	41	\$	27,933
115	\$ 242.84	\$	202	\$	41	\$	27,731
116	\$ 242.84	\$	202	\$	40	\$	27,529
117	\$ 242.84	\$	203	\$	40	\$	27,326
118	\$ 242.84	\$	203	\$	40	\$	27,123
119	\$ 242.84	\$	203	\$	40	\$	26,920
120	\$ 242.84	\$	204	\$	39	\$	26,716
121	\$ 242.84	\$	204	\$	39	\$	26,512
122	\$ 242.84	\$	204	\$	39	\$	26,308
123	\$ 242.84	\$	204	\$	38	\$	26,103
124	\$ 242.84	\$	205	\$	38	\$	25,899
125	\$ 242.84	\$	205	\$	38	\$	25,694
126	\$ 242.84	\$	205	\$	37	\$	25,488
127	\$ 242.84	\$	206	\$	37	\$	25,283
128	\$ 242.84	\$	206	\$	37	\$	25,077
129	\$ 242.84	\$	206	\$	37	\$	24,870
130	\$ 242.84	\$	207	\$	36	\$	24,664
131	\$ 242.84	\$	207	\$	36	\$	24,457
132	\$ 242.84	\$	207	\$	36	\$	24,250
133	\$ 242.84	\$	207	\$	35	\$	24,042
134	\$ 242.84	\$	208	\$	35	\$	23,834
135	\$ 242.84	\$	208	\$	35	\$	23,626
136	\$ 242.84	\$	208	\$	34	\$	23,418
137	\$ 242.84	\$	209	\$	34	\$	23,209
138	\$ 242.84	\$	209	\$	34	\$	23,000
139	\$ 242.84	\$	209	\$	34	\$	22,791
140	\$ 242.84	\$	210	\$	33	\$	22,581
141	\$ 242.84	\$	210	\$	33	\$	22,371
142	\$ 242.84	\$	210	\$	33	\$	22,161
143	\$ 242.84	\$	211	\$	32	\$	21,951
144	\$ 242.84	\$	211	\$	32	\$	21,740
145	\$ 242.84	\$	211	\$	32	\$	21,529
146	\$ 242.84	\$	211	\$	31	\$	21,317
147	\$ 242.84	\$	212	\$	31	\$	21,106
148	\$ 242.84	\$	212	\$	31	\$	20,893
149	\$ 242.84	\$	212	\$	30	\$	20,681
150	\$ 242.84	\$	213	\$	30	\$	20,468
151	\$ 242.84	\$	213	\$	30	\$	20,255
152	\$ 242.84	\$	213	\$	30	\$	20,042
153	\$ 242.84	\$	214	\$	29	\$	19,829
154	\$ 242.84	\$	214	\$	29	\$	19,615
155	\$ 242.84	\$	214	\$	29	\$	19,400
156	\$ 242.84	\$	215	\$	28	\$	19,186
157	\$ 242.84	\$	215	\$	28	\$	18,971
158	\$ 242.84	\$	215	\$	28	\$	18,756
159	\$ 242.84	\$	215	\$	27	\$	18,540
160	\$ 242.84	\$	216	\$	27	\$	18,324
161	\$ 242.84	\$	216	\$	27	\$	18,108
162	\$ 242.84	\$	216	\$	26	\$	17,892
163	\$ 242.84	\$	217	\$	26	\$	17,675
164	\$ 242.84	\$	217	\$	26	\$	17,458
165	\$ 242.84	\$	217	\$	25	\$	17,241
166	\$ 242.84	\$	218	\$	25	\$	17,023
167	\$ 242.84	\$	218	\$	25	\$	16,805
168	\$ 242.84	\$	218	\$	25	\$	16,587
169	\$ 242.84	\$	219	\$	24	\$	16,368
170	\$ 242.84	\$	219	\$	24	\$	16,149
171	\$ 242.84	\$	219	\$	24	\$	15,930
172	\$ 242.84	\$	220	\$	23	\$	15,710
173	\$ 242.84	\$	220	\$	23	\$	15,490
174	\$ 242.84	\$	220	\$	23	\$	15,270
175	\$ 242.84	\$	221	\$	22	\$	15,049
176	\$ 242.84	\$	221	\$	22	\$	14,828
177	\$ 242.84	\$	221	\$	22	\$	14,607
178	\$ 242.84	\$	222	\$	21	\$	14,386
179	\$ 242.84	\$	222	\$	21	\$	14,164
180	\$ 242.84	\$	222	\$	21	\$	13,942
181	\$ 242.84	\$	223	\$	20	\$	13,719
182	\$ 242.84	\$	223	\$	20	\$	13,496
183	\$ 242.84	\$	223	\$	20	\$	13,273
184	\$ 242.84	\$	223	\$	19	\$	13,050
185	\$ 242.84	\$	224	\$	19	\$	12,826
186	\$ 242.84	\$	224	\$	19	\$	12,602
187	\$ 242.84	\$	224	\$	18	\$	12,377
188	\$ 242.84	\$	225	\$	18	\$	12,152
189	\$ 242.84	\$	225	\$	18	\$	11,927
190	\$ 242.84	\$	225	\$	17	\$	11,702
191	\$ 242.84	\$	226	\$	17	\$	11,476

192	\$ 242.84	\$	226	\$	17	\$	11,250
193	\$ 242.84	\$	226	\$	16	\$	11,024
194	\$ 242.84	\$	227	\$	16	\$	10,797
195	\$ 242.84	\$	227	\$	16	\$	10,570
196	\$ 242.84	\$	227	\$	15	\$	10,342
197	\$ 242.84	\$	228	\$	15	\$	10,114
198	\$ 242.84	\$	228	\$	15	\$	9,886
199	\$ 242.84	\$	228	\$	14	\$	9,658
200	\$ 242.84	\$	229	\$	14	\$	9,429
201	\$ 242.84	\$	229	\$	14	\$	9,200
202	\$ 242.84	\$	229	\$	13	\$	8,971
203	\$ 242.84	\$	230	\$	13	\$	8,741
204	\$ 242.84	\$	230	\$	13	\$	8,511
205	\$ 242.84	\$	230	\$	12	\$	8,280
206	\$ 242.84	\$	231	\$	12	\$	8,050
207	\$ 242.84	\$	231	\$	12	\$	7,819
208	\$ 242.84	\$	231	\$	11	\$	7,587
209	\$ 242.84	\$	232	\$	11	\$	7,355
210	\$ 242.84	\$	232	\$	11	\$	7,123
211	\$ 242.84	\$	232	\$	10	\$	6,891
212	\$ 242.84	\$	233	\$	10	\$	6,658
213	\$ 242.84	\$	233	\$	10	\$	6,425
214	\$ 242.84	\$	233	\$	9	\$	6,191
215	\$ 242.84	\$	234	\$	9	\$	5,957
216	\$ 242.84	\$	234	\$	9	\$	5,723
217	\$ 242.84	\$	235	\$	8	\$	5,489
218	\$ 242.84	\$	235	\$	8	\$	5,254
219	\$ 242.84	\$	235	\$	8	\$	5,019
220	\$ 242.84	\$	236	\$	7	\$	4,783
221	\$ 242.84	\$	236	\$	7	\$	4,547
222	\$ 242.84	\$	236	\$	7	\$	4,311
223	\$ 242.84	\$	237	\$	6	\$	4,075
224	\$ 242.84	\$	237	\$	6	\$	3,838
225	\$ 242.84	\$	237	\$	6	\$	3,601
226	\$ 242.84	\$	238	\$	5	\$	3,363
227	\$ 242.84	\$	238	\$	5	\$	3,125
228	\$ 242.84	\$	238	\$	5	\$	2,887
229	\$ 242.84	\$	239	\$	4	\$	2,648
230	\$ 242.84	\$	239	\$	4	\$	2,409
231	\$ 242.84	\$	239	\$	4	\$	2,170
232	\$ 242.84	\$	240	\$	3	\$	1,930
233	\$ 242.84	\$	240	\$	3	\$	1,690
234	\$ 242.84	\$	240	\$	2	\$	1,450
235	\$ 242.84	\$	241	\$	2	\$	1,209
236	\$ 242.84	\$	241	\$	2	\$	968
237	\$ 242.84	\$	241	\$	1	\$	726
238	\$ 242.84	\$	242	\$	1	\$	485
239	\$ 242.84	\$	242	\$	1	\$	242
240	\$ 242.84	\$	242	\$	0	\$	-

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

I&E Petition to Request the Commission	:	
Open a Section 529 Investigation into the	:	
Acquisition of Conneaut Lake Park Water	:	Docket Nos. P-2024-3051855
Corporation, Inc.	:	I-2024-3051857
	:	

VERIFICATION

I, LeeAnn M. Wise, hereby state that the facts above set forth in my Rebuttal Testimony, OCA Statement 1R, are true and correct to the best of my knowledge, information, 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).

DATED: March 30, 2026

Signature: /s/ LeeAnn M. Wise  
LeeAnn M. Wise

Address: 555 Walnut St.,  
Harrisburg, PA 17101

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission,  
Bureau of Investigation and Enforcement

Docket Nos.: P-2024-3051855  
I-2024-3051857

v.

Conneaut Lake Park Water Corporation,  
Inc.

SURREBUTTAL TESTIMONY

OF

LeeAnn Wise

On behalf of the

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

Date Served: 04/20/2026

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1 **1. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is LeeAnn Wise, my business address is 555 Walnut Street, 5<sup>th</sup> Floor, Forum  
4 Place, Harrisburg, PA 17101.

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am employed by the Office of Consumer Advocate (OCA) as a Senior Regulatory  
7 Analyst.

8 **Q. HAVE YOU TESTIFIED PREVIOUSLY IN THIS PROCEEDING?**

9 A. Yes. I submitted direct testimony (public and confidential) on behalf of the OCA on  
10 March 6, 2026, as well as rebuttal testimony on behalf of the OCA on March 30, 2026.

11 **Q. WHAT ISSUES WILL YOU ADDRESS IN YOUR SURREBUTTAL  
12 TESTIMONY?**

13 A. I will respond to the rebuttal testimony of Conneaut Lake Park Water Company (CLPWC  
14 or the Company) witnesses Ms. Jaclyn McCoy, Mr. Matthew Elchert, Mr. Steven Halmi,  
15 and Mr. Todd Joseph, as well as Aqua witness Mr. William C. Packer.

16  
17 **2. RESPONSE TO MR. JOSEPH**

18  
19 **Q. DOES MR. JOSEPH ADDRESS YOUR CONCERN REGARDING THE  
20 COMPANY'S ABSENCE OF BAD DEBT?**

21 A. Yes. CLPWC witness Joseph stated bad debt means that a debt is uncollectible and at this  
22 time, the Company has not determined that any past due customer bill is uncollectible.

23 **Q. DO YOU AGREE WITH MR. JOSEPH'S COMMENTS?**

1 A. I partially agree with Mr. Joseph. In discovery, the question was framed as a general  
2 request to confirm whether any bad debt existed.

3 “Bad debt” typically refers to receivables that a company has determined are unlikely to  
4 be collected after reasonable collection efforts, often based on the age of the receivable,  
5 payment history, or other indicators of credit risk.

6 If Mr. Joseph has not identified any customer balances as uncollectible under the  
7 Company’s policies or practices, then the Company does not currently have any bad debt,  
8 even if some accounts may be outstanding or past due.

9 **Q. DOES MR. JOSEPH ADDRESS YOUR CONCERN REGARDING THE**  
10 **COMPANY’S ABSENCE OF ACCOUNTS PAYABLE?**

11 A. Mr. Joseph responded, “The only accounts payable is the quarterly fee due to our  
12 operator and monthly bills from the electric utility.”<sup>1</sup>

13 **Q. DO YOU HAVE ANY COMMENTS?**

14 A. Yes. I recognize that the Company is relatively small; however, most PUC-regulated  
15 water utilities incur recurring monthly operating expenses, including costs for chemicals,  
16 routine maintenance, insurance, and water testing, among others. While the Company  
17 may pay these expenses upon receipt of the bills, given their statement that customer  
18 rates do not fully cover costs, the absence of any accounts payable beyond operator  
19 expense and monthly electric bills is uncommon among PUC regulated public utilities.

20 **Q. IS MR. JOSEPH DISPUTING YOUR INTERPRETATION OF PENNVEST**  
21 **FUNDING PROGRAMS?**

---

<sup>1</sup> Rebuttal Testimony of Todd Joseph p. 2, ln 20-21.

1 A. Yes. Mr. Joseph disagrees with my interpretation of PENNVEST funding options. At the  
2 pre-hearing conference held on October 17, 2025, the Company stated it was pursuing  
3 PENNVEST funding, which has strict filing deadlines. After reviewing the process, the  
4 Company recently identified the Small Business Project financing, which offers greater  
5 flexibility as its preferred funding vehicle. I do not disagree that this program provides  
6 the most effective means for the Company to meet the financial requirements needed to  
7 improve the water system infrastructure. As I stated in my direct testimony, the Company  
8 appears to have made little progress in applying for any type of PENNVEST funding,  
9 including the Small Business Project financing, which it only recently identified as its  
10 preferred option for funding.

11 **Q. HOW DO YOU RESPOND TO MR. JOSEPH'S CLAIM THAT OPPOSITION**  
12 **FROM THE OCA HAS CAUSED THE OWNER TO HAVE TO SUBSIDIZE THE**  
13 **WATER SYSTEM?**

14 A. Mr. Joseph's statement that the Company has been required to subsidize operations due to  
15 the opposition of the OCA is not supported by the record. The record indicates that  
16 CLPWC voluntarily entered a mediated settlement in their previous base rate case in lieu  
17 of litigation.

18 In the settlement, CLPWC agreed to apply for PENNVEST funding and seek federal  
19 grants and loans prior to being permitted to seek outside non-affiliated private financing.  
20 Mr. Joseph stated that "The Company is unable to get any financing for the projects this  
21 system needs with this cloud hanging over the Company that threatens to take the water  
22 system away from the Company, and without obtaining a rate increase that would cover  
23 the water system's basic operating costs as well and the costs of financing the needed

1 improvements.”<sup>2</sup> CPLWC appears to be waiting for a final ruling in this 529 proceeding  
2 before taking any action to secure funding. The decision to wait for a final ruling in a  
3 Section 529 proceeding until making capital improvements is not a responsible approach  
4 for a public utility, nor is it in line with the agreed to Settlement. As stated in my direct  
5 testimony, the need for personal funding raises questions regarding the adequacy of the  
6 Company’s financial planning, capital structure, and long-term planning, rather than  
7 serving as evidence that rates should be increased absent sufficient justification.

8 **Q. DOES MR. JOSEPH STATE THAT YOU ARE SUGGESTING THE USE OF**  
9 **PERSONAL FUNDS TO MAINTAIN THE WATER SYSTEM IS**  
10 **INTENTIONAL?**

11 A. Yes, on page five of Mr. Joseph’s rebuttal testimony he claims I imply the use of personal  
12 funding is intentional.<sup>3</sup>

13 **Q. HOW DO YOU RESPOND TO MR. JOSEPH’S CLAIM THAT YOUR**  
14 **TESTIMONY SUGGESTS ITS RELIANCE ON OWNER FUNDING IS**  
15 **INTENTIONAL?**

16 A. My direct testimony did not suggest that the Company’s reliance on owner funding is  
17 intentional. My point is that continued reliance on such funding is not a sustainable  
18 financial approach for a regulated utility.

19 **Q. HOW DO YOU RESPOND TO MR. JOSEPH’S CLAIM THERE IS NO BASIS**  
20 **FOR THE COMPANY TO SUGGEST CAPITAL IMPROVEMENTS WOULD BE**  
21 **COVERED BY THE CUSTOMERS AT A 75% LEVEL?**

---

<sup>2</sup> Direct Testimony Mr. Joseph pg. 5, ln 3-6.

<sup>3</sup> Rebuttal testimony Mr. Joseph pg. 5, ln. 3-6.

1 A. Mr. Joseph's statement, made in the context of discussing system repairs and capital  
2 improvements, implied that customers would bear the financial burden of those costs.  
3 As stated in my direct testimony, customers reasonably interpreted Mr. Joseph's  
4 comment as creating undue concern and pressure by suggesting that customers would be  
5 responsible for funding system improvements at a 75% level, without any Commission  
6 review or supporting analysis.

7 **Q. HOW DO YOU RESPOND TO MR. JOSEPH'S COMMENT REGARDING THE**  
8 **CHANGING OF CERTIFIED WATER OPERATORS?**

9 A. As stated in my direct testimony, the certified water operator plays a significant role in  
10 maintaining the water system's reliability and compliance with Pennsylvania Department  
11 of Environmental Protection (DEP). While I agree there is not a specific Commission  
12 regulation requiring the Company to notify their customers of a change in certified water  
13 operators, the system's customers have heightened and sustained concerns about the  
14 system's water quality, therefore important changes to CLPWC's operations should be  
15 communicated to customers in furtherance of reasonable service.

16 **3. RESPONSE TO MR. HALMI**

17 **Q. DID MR. HALMI DISAGREE WITH YOUR TESTIMONY STATING THAT THE**  
18 **COMPANY MISSED PENNVEST APPLICATION DEADLINES?**

19 A. Yes. Mr. Halmi disagreed.

20 **Q. WHY DID MR. HALMI DISAGREE WITH YOU STATING THAT THE**  
21 **COMPANY MISSED PENNVEST APPLICATION DEADLINES?**

1 A. Mr. Halmi stated that the October 29, 2025, and February 4, 2026, dates are related to the  
2 Traditional Construction Funding Program that go before the PENNVEST Board at their  
3 regular meetings.<sup>4</sup>

4 Mr. Halmi is correct in stating that the two referenced dates correspond with the traditional  
5 PENNVEST funding program. However, it is important to note that, at the time of the pre-  
6 hearing conference, the Company had indicated its intention to pursue improvements  
7 using PENNVEST funding<sup>5</sup>. Subsequently, upon further evaluation of the application  
8 requirements and associated scope of effort for the traditional PENNVEST program, the  
9 Company identified the Small Business Project program as a more suitable alternative.  
10 The Company is now proposing to utilize that program as the funding source for the  
11 planned water system improvements.

12 **Q. DO YOU HAVE ANY ADDITIONAL COMMENTS REGARDING MISSED**  
13 **PENNVEST DEADLINES?**

14 A. Yes, I do. It is important to note that the October and February deadlines were not just  
15 program requirements, the Company stated they intended to file on these dates. Missing  
16 them is a reflection of the Company's failure to follow through.

17 During the pre-hearing conference on October 25, 2025, CLPWC stated that "the current  
18 PENNVEST deadline application for the next round is the end of this month on the 29<sup>th</sup>.

19 We're hoping to make it. If we're not able to pull everything together that we need for the  
20 application, the next one would be January, and we'd certainly be able to meet that one."<sup>6</sup>

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<sup>4</sup> Rebuttal Testimony Mr. Halmi p 2, ln. 19-21.

<sup>5</sup> Prehearing Conference call transcript pg. 65, ln 14-21.

<sup>6</sup> Prehearing Conference call transcript pg. 65, ln 14-21.

1 Although transitioning to PENNVEST Small Business Project funding may, in principle,  
2 present fewer obstacles, the history of repeated missed deadlines calls into question the  
3 Company's overall preparedness. Switching to a new funding path after failing to meet  
4 earlier commitments creates the impression that expectations are being adjusted, rather  
5 than underlying issues being addressed. The key question is not which program is easier,  
6 but whether the Company can meet the commitments it makes. So far, the record suggests  
7 it does not.

8 **Q. DOES MR. HAMIL FEEL YOU ARE CRITICAL OF THE SMALL BUSINESS**  
9 **PROJECT FUNDING PROGRAM BECAUSE IT DOES NOT INCLUDE GRANTS,**  
10 **PRINCIPAL FORGIVENESS, OR EXTENDED-TERM BOND OPTIONS? HOW**  
11 **DO YOU RESPOND?**

12 A. Yes, Mr. Halmi feels that I am critical of the Small Business Project funding program  
13 because it does not include grants, principal forgiveness or extended-term bond options.  
14 However, Mr. Halmi has misinterpreted my direct testimony. As stated therein, the  
15 Company's pursuit of Small Business Project PENNVEST funding is intended to provide  
16 a viable means of improving the water system without imposing undue rate hardship on its  
17 customers. I acknowledge that the Small Business Project portion of PENNVEST provides  
18 low-interest loans and grants to fund water, wastewater, and stormwater projects. The  
19 Company, however, made no mention in its direct testimony, or in response to discovery,  
20 of its intention to work with PENNVEST to determine if they would be eligible for grants.

21 **Q. DID MR. HALMI DISPUTE YOUR TESTIMONY OF AN UNREALISTIC**  
22 **TIMELINE TO COMPLETE CAPITAL IMPROVEMENTS BY THE SUMMER OF**  
23 **2026?**

1 A. Yes, Mr. Halmi stated “based on my findings in my report, there are several improvements  
2 that can be completed which do not need approval from the Department of Environmental  
3 Protection (DEP). Those improvements that require DEP approval could be made part of a  
4 sperate project to be completed later. The only delay I can envision is the delay caused by  
5 this proceeding and by any attempts by I&E, OCA, or the customers to oppose any rate  
6 increase needed to make loan payment to PENNVEST.”<sup>7</sup>

7 **Q. DO YOU HAVE ANY COMMENTS TO MR. HALMI STATEMENT?**

8 A. The Company remains responsible for preparing the required plan documentation and  
9 applying for a Small Business Project PENNVEST loan. To my knowledge, the Company  
10 has not begun the application process. The completion timeline for these infrastructure  
11 improvements should remain independent of the base rate case, as tying them together  
12 could impose scheduling expectations that are inconsistent with the realities of planning,  
13 permitting, and execution.

14 **Q. DOES MR. HALMI AGREE WITH THE COMPANY’S PROPOSAL TO USE**  
15 **SMALL BUSINESS PROJECT PENNVEST FUNDING RATHER THAN THE**  
16 **TRADITIONAL PENNVEST PROGRAM?**

17 A. Yes, Mr. Halmi stated that “By grouping the projects in funding groups of \$500,000 or less  
18 spread out over a few years, the Company can complete the necessary improvements in a  
19 methodical order and spread out the impact of the cost of those projects over time to have  
20 a more gradual impact on the rates paid by customers.”<sup>8</sup>

21 **Q. DO YOU AGREE WITH MR. HALMI’S COMMENTS?**

---

<sup>7</sup> Rebuttal Testimony Steven R. Halmi, P.E. p.4-5, ln. 20-23.

<sup>8</sup> Rebuttal Testimony Steven R. Halmi, P.E. p. 5, ln. 6-12.

1 A. No, as stated in my direct testimony, the use of Small Business Project PENNVEST  
2 funding would enable the Company to undertake the infrastructure improvements needed  
3 while avoiding immediate and significant financial impacts on its customers.

4 **Q. DOES MR. HALMI AGREE WITH YOU BEING CRITICAL OF THE**  
5 **COMPANY’S EFFORTS TO SEEK FUNDING UNDER THE SMALL BUSINESS**  
6 **PRORJECT PROGRAM DUE TO THE NEED FOR A CLEAR PROJECT PLAN?**

7 A. No, he does not.

8 **Q. WHY DOES MR. HALMI DISAGREE WITH YOUR CRITICISM?**

9 A. Mr. Halmi points out that any funding program the Company would pursue requires a  
10 clear project plan. He also stated his evaluation serves as the basis for creating a clear  
11 project description, which, according to Mr. Halmi, will not be difficult to prepare.<sup>9</sup>

12 **Q. DO YOU HAVE ANY COMMENTS?**

13 A. Yes, as I stated in my direct testimony, the Company has not provided a detailed  
14 description of its infrastructure improvement plan, as confirmed by Mr. Halmi. Mr. Halmi  
15 feels his evaluation of the system serves as the basis for creating a clear project  
16 improvement plan. His testimony that preparing such a plan would not be difficult calls  
17 into question why it has not been completed to date, considering it is a requirement of the  
18 previous settlement to apply for PENNVEST Small Business Project funding

19 **Q. DOES MR. HALMI SUGGEST THAT DELAYS IN INFRASTRUCTURE**  
20 **IMPROVEMENTS ARE DUE TO THIS PROCEEDING?**

---

<sup>9</sup> Rebuttal Testimony Steven R. Halmi, P.E. p. 6, ln, 4-6.

1 A. Yes. In his rebuttal testimony Mr. Halmi stated that “the only delay I can envision is the  
 2 delay caused by this proceeding and by any attempts by I&E, OCA, or the customers to  
 3 oppose any rate increase needed to make loan payment to PENNVEST.”<sup>10</sup>

4 **Q. DO YOU HAVE ANY COMMENTS?**

5 A. Yes, I disagree with Mr. Halmi’s statement that this proceeding is delaying capital  
 6 improvements. It is important to note that as part of the base rate case settlement, the  
 7 Company agreed to a twenty-two month stay-out before filing another rate request. Any  
 8 delay appears to be the result of the Company’s decision to wait for the outcome of the  
 9 instant Section 529 proceeding.

10 **Q. DOES MR. HALMI DISMISS CUSTOMER CLAIMS OF POOR WATER**  
 11 **PRESSURE AND DISCOLORATION OF THE WATER?**

12 A. Yes. Mr. Halmi feels that customers who complained had what he referred to as “minor  
 13 issues.” Mr. Halmi states “Therefore my impression was that those who complained were  
 14 bringing up only minor issues with the water system, and perhaps they actually had a  
 15 bigger personal vendetta against Mr. Joseph.”<sup>11</sup>

16 **Q. DO YOU HAVE ANY COMMENTS?**

17 A. My direct testimony, along with statements provided during the public input hearing,  
 18 demonstrates that a significant number of customers have experienced ongoing issues with  
 19 quality of service. These accounts reflect a consistent pattern of service concerns that  
 20 warrant careful consideration.

21 This testimony highlights not only the frequency of these problems, but also their impact  
 22 on customers’ confidence in the reliability and quality of the water system. The volume

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<sup>10</sup> Rebuttal Testimony Steven R. Halmi, P.E. p. 4-5, ln, 23.

<sup>11</sup> Rebuttal Testimony of Steven Halmi, P.E. p.6 ln 18-20.

1 and consistency of these experiences suggest that these are not isolated incidents, but  
2 rather indicative of broader systemic issues that merit further review and action.

3  
4 **4. RESPONSE TO MR. ELCHERT**

5 **Q. DOES MR. ELCHERT DISAGREE WITH YOUR STATEMENT REGARDING**  
6 **EXTERNAL LADDERS AND/OR TANK HATCHES ARE NOT LOCKED, WHICH**  
7 **DOES NOT MEET THE DESIGN STANDARDS SET FORTH IN THE PUBLIC**  
8 **WATER SUPPLY MANUAL?**

9 A. Yes, Mr. Elchert disagrees.

10 **Q. WHY DOES MR. ELCHERT DISAGREE?**

11 A. Mr. Elchert references 25 Pa. Code Subchapter F of the Public Water Supply Manual that  
12 only applies to structures that are being designed. They do not technically apply  
13 retroactively to force an older system to be updated to meet the standards.<sup>12</sup>

14 **Q. DO YOU HAVE ANY COMMENTS?**

15 A. Yes. Mr. Elchert appears to have misunderstood or misinterpreted my direct testimony. To  
16 clarify, my statements concerning the tower ladders and tank hatches were based on  
17 OSHA requirements as provided by the tank inspection company. They were not intended  
18 to reference, nor did they pertain to 25 Pa. Code Subchapter F of the Public Water Supply  
19 Manual.

---

<sup>12</sup> Rebuttal Testimony of Mathrew Elchert p. 3 ln. 21

1 **Q. DOES MR. ELCHERT COMMENT ON THE PUBLIC INPUT HEARINGS**  
2 **COMPLAINTS ABOUT CHLORINE, ARSENIC, AND LOW PRESSURE IN THE**  
3 **WATER SYSTEM?**

4 A. Yes, Mr. Elchert responded to three complaints made by customers during the public input  
5 hearings. He noted that the water pressure is relatively consistent and is in the mid to  
6 upper 40 pounds per square inch gauge (psig) range and under normal conditions meets  
7 the pressure requirements of the Commission. Mr. Elchert also stated that “while the water  
8 can at times have a chlorine smell, none of the measured levels exceed the applicable  
9 water quality standards. In fact, the Company is required to inject chlorine into the system  
10 as a disinfectant to ensure the safety of water.”<sup>13</sup>

11 Although the Company did receive a violation from DEP regarding arsenic levels of 12  
12 ppb, Mr. Elchert pointed out that because arsenic levels are based on quarterly test results,  
13 it is not a violation unless the rolling average of the quarterly test results exceed 10 ppb.<sup>14</sup>

14 **Q. DO YOU HAVE ANY COMMENTS?**

15 A. Yes, as I stated in my direct testimony, numerous customers reported concerns regarding  
16 low pressure, as well as issues to chlorine, and arsenic levels.

17 While Mr. Elchert indicated that water pressure falls within the required range under  
18 normal operating conditions, my testimony also identifies multiple system leaks, which  
19 may significantly contribute to localized or intermittent reductions in pressure.

20 I recognize that water utilities are required to use chlorine as a disinfectant; however,  
21 customer reports describing a strong chlorine odor in their drinking water indicate a level  
22 that is noticeable and concerning from a consumer perspective.

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<sup>13</sup> Rebuttal Testimony of Mathew Elchert p.11, ln.17-19.

<sup>14</sup> Id. 11.

1 With respect to arsenic, although regulatory agencies such as DEP determine compliance  
2 based on a quarterly established threshold, the presence of arsenic in drinking water—  
3 regardless of whether it constitutes a formal violation—can reasonably be a source of  
4 concern for customers.

5 **Q. DID MR. ELCHERT RESPOND TO THE CLAIM THAT THE COMPANY DOES**  
6 **NOT HAVE A DETAILED MAP OF THE WATER SYSTEM?**

7 A. Yes, Mr. Elchert stated that it is his understanding that the original maps were lost during a  
8 fire, prior to current ownership. Currently they are relying on a map produced by the prior  
9 owner.

10 **Q. DO YOU HAVE ANY COMMENTS?**

11 A. Yes, as I stated in my direct testimony, the Company's system mapping appears to be  
12 incomplete and does not contain documentation identifying the location and condition of  
13 valves. Mr. Elchert stated that the Company would address this issue as part of their  
14 system improvement plan. This statement is another example of current ownership's  
15 reactive management approach.

16  
17  
18 **5. RESPONSE TO JACLYN MCCOY**

19 **Q. DOES MS. MCCOY DISAGREE WITH YOUR CLAIM THAT THE COMPANY**  
20 **HAS FAILED TO COMPLY WITH 52 PA CODE SECTION 65.3 REGARDING**  
21 **THE RECORDKEEPING OF COMPLAINTS?**

22 A. Yes.

1 **Q. WHY DOES MS. MCCOY DISAGREE WITH YOUR ASSESSMENT ON**  
2 **RECORDKEEPING OF COMPLAINTS?**

3 A. Ms. McCoy stated that “since the settlement under the rate case, I have diligently  
4 completed this form tracking every complaint or question the Company has received.”<sup>15</sup>

5 **Q. HOW DO YOU RESPOND TO MS. MCCOY?**

6 A. I agree with Ms. McCoy that she is currently maintaining a handwritten complaint log.  
7 However, as mentioned in my direct testimony, the complaint log lacks compliance with  
8 the Commission’s regulations due to not including final resolution on all complaints  
9 received.

10 **Q. DOES THE COMPANY ACKNOWLEDGE THAT ITS COMPLAINT LOG LACKS**  
11 **SUFFICIENT DETAIL?**

12 A. No, they do not. Ms. McCoy implies that she fills the log out in compliance with all  
13 required regulations.

14 **Q. WHAT DETAILS ARE MISSING FROM THE COMPLAINT LOGS?**

15 A. As I stated in my direct testimony, there are missing references to how a complaint was  
16 resolved and dates of completion.

17 **Q. DOES THE COMPANY DISAGREE WITH YOUR STATEMENT THAT THEY**  
18 **HAVE NOT ESTABLISHED A DEDICATED PHONE NUMBER?**

19 A. Yes, Ms. McCoy stated that she maintains a dedicated company-issued mobile phone at all  
20 times to receive and respond to water-related calls. She also noted that the references to  
21 the Tiki Bar and Hotel that I identified in my prior testimony are outdated.

22 **Q. DO YOU HAVE ANY COMMENTS?**

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<sup>15</sup> Rebuttal Testimony of Jaclyn McCoy p.3, ln. 9-10.

1 A. Yes. If the Company-issued cell phone is used exclusively for water system operations, the  
2 Company should update its public listings to ensure that a Google search of the number  
3 does not return references to the Tiki Bar or Hotel and to instead indicate a phone number  
4 to contact the Company when searching online. Currently, as of the date of this testimony,  
5 a Google search for “Conneaut Lake Park Water” does not result in a link to a Company  
6 website or its Facebook group.

7 **Q. DO YOU AGREE WITH MS. MCCOY’S STATEMENT THAT THERE IS NO**  
8 **SPECIFIC REQUIREMENT IN THE PUBLIC UTILITY CODE TO HAVE A**  
9 **PUBLICLY ACCESSIBLE WEBSITE?**

10 A. Yes, I agree with Ms. McCoy that there is no specific section in the Public Utility Code  
11 that requires a public utility to have a publicly accessible website. However, the settlement  
12 from CLPWC’s rate case states “After the signing of the Settlement Agreement, CLPWC  
13 shall create a website or accessible virtual location for customers to view water company  
14 documents (i.e., tariffs, reports). In addition, CLPWC shall place the latest CCR on its  
15 Company website or Facebook Page.”

16 **Q. DO YOU HAVE ANY COMMENTS?**

17 A. Yes. As I stated in my direct testimony, there are numerous customer service complaints  
18 regarding sole use of a social media site such as Facebook. Moreover, the OCA was  
19 denied access to CLPWC’s Facebook page, so it cannot check whether CLPWC has  
20 complied with the settlement.

21 **Q. WAS THE COMPANY REQUIRED, UNDER THE RATE CASE SETTLEMENT,**  
22 **TO HOLD BIENNIAL CUSTOMER MEETINGS WITH A CERTIFIED SYSTEM**  
23 **OPERATOR PRESENT?**

1 A. Yes, the settlement states “CLPWC shall commit to holding one (1) meeting with  
 2 customers each year during the summer season, starting in 2024. CLPWC’s certified  
 3 operator will be present at the meeting. The meeting shall include discussion of the status  
 4 of the water system and any current/planned improvement projects. CLPWC shall provide  
 5 confirmation to the Commission and statutory advocates about when the meeting was held  
 6 and shall include meeting minutes. CLPWC shall hold the meeting once a year during the  
 7 summer months (June - August).”

8 **Q. DOES MS. MCCOY CONFIRM THE COMPANY FAILED TO COMPLY WITH**  
 9 **PROVISIONS OF THE RATE CASE SETTLEMENT?**

10 A. Yes, Ms. McCoy stated that “it is correct that a certified operator was not at the August  
 11 2024 and August 2025 meetings, but once we realized our error, we made sure the  
 12 certified operator was present for the follow-up meeting held in September 2025. It was  
 13 simply an oversight on my part.”<sup>16</sup>

14 **Q. DOES MS. MCCOY ATTEMPT TO DISCREDIT THE NUMBER OF CUSTOMER**  
 15 **COMPLAINTS?**

16 A. Yes, Ms. McCoy stated “In my opinion, the customers who are complaining the most had  
 17 a tiff/misunderstanding, incident, disagreement whatever you would like to call it about  
 18 something unrelated to the water system.”<sup>17</sup> She also said most complaints are not actually  
 19 complaints, but instead simply to inform the Company when leaks have occurred or that  
 20 something is wrong with water service.

21 **Q. DO YOU HAVE ANY COMMENTS?**

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<sup>16</sup> Rebuttal Testimony of Jaclyn McCoy p. 5 ln. 19-21.

<sup>17</sup> Rebuttal Testimony of Jaclyn McCoy p. 6 ln. 16-18.

1 A. Yes. It is not appropriate to assume that customers who submitted multiple formal  
2 complaints to the Pennsylvania Public Utility Commission and have testified before an  
3 Administrative Law Judge have had prior disagreements or a “tiff” with the owner due to  
4 concerns unrelated to the water system. Additionally, the need for customers to call to  
5 report leaks may reasonably be considered a complaint, as it suggests the system may not  
6 be operating as intended.

7

8

## **6. RESPONSE TO WILLIAM PACKER**

9 **Q. DOES MR. PACKER CONTEND THAT CLPWC SYSTEM SHOULD BE**  
10 **MAINTAINED BY THE CURRENT OWNERSHIP?**

11 A. Yes, he does. Aqua witness Mr. Packer stated that the CLPWC system needs repairs and is  
12 not currently maintained in the same manner as Aqua systems. However, he stated that  
13 CLPWC has made strides to address the issues. Mr. Packer claimed that Section 529(a)(3)  
14 has not been satisfied and therefore the Commission should not order Aqua to acquire  
15 CLPWC under Section 529, which requires the PaPUC to make all six (6) of the  
16 determinations specified in Section 529(a).

17 **Q. DO YOU AGREE WITH MR. PACKER?**

18 A. No. While I am not an attorney and legal arguments will be addressed during briefing, as I  
19 stated in my direct testimony, the record demonstrates a continuing pattern of financial and  
20 managerial shortcomings that have impeded CLPWC’s ability to deliver service that meets  
21 standards of adequacy, efficiency, safety, and reasonableness.

22 **Q. DOES MR. PACKER SUGGEST HOW CLPWC CAN CONTINUE TO MAKE**  
23 **IMPROVEMENTS TO ITS SYSTEM?**

1 A. Yes, Mr. Packer stated “It is clear that CLPWC is in need of another base rate increase,  
2 one that fully covers the utility cost of service that is based on a fully projected future test  
3 year.”<sup>18</sup>

4 **Q. DO YOU HAVE ANY COMMENTS?**

5 A. Yes. I am informed by counsel that Pennsylvania Utility Code includes a definition of a  
6 Small Water Utility, and that CLPWC meets that definition. As a Small Water Utility, the  
7 regulatory requirements for CLPWC to file a rate increase are significantly reduced to  
8 accommodate limited resources available from a small customer base. This includes the  
9 use of a Historic Test Year (HTY) based on 12-consecutive-month period ending no later  
10 than 180 days prior to the rate filing. The benefit of using an HTY for a Company like  
11 CLPWC is that it cuts down on rate case expense. The costs associated with filing a base  
12 rate case that includes a fully projected future test year would likely be substantial and  
13 disproportionate to the size of the Company’s customer base, which consists of  
14 approximately 162 customers. Recovery of these costs would likely result in significant  
15 and undue rate increases for those customers, contrary to principles of gradualism, and  
16 would likely result in unjust and unreasonable rates.

17 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

18 A. Yes, it does. However, I reserve the right to file such additional testimony as may be  
19 necessary or appropriate.

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<sup>18</sup> Rebuttal Testimony William Packer p 2, ln. 14-15.

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

I&E Petition to Request the Commission	:	
Open a Section 529 Investigation into the	:	
Acquisition of Conneaut Lake Park Water	:	Docket Nos. P-2024-3051855
Corporation, Inc.	:	I-2024-3051857
	:	

VERIFICATION

I, LeeAnn M. Wise, hereby state that the facts above set forth in my Surrebuttal Testimony, OCA Statement 1SR, are true and correct to the best of my knowledge, information, 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).

DATED: April 20, 2026

Signature: /s/ LeeAnn M. Wise  
LeeAnn M. Wise

Address: 555 Walnut St.,  
Harrisburg, PA 17101