

CHAPTER 65. WATER SERVICE

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Authority

The provisions of this Chapter 65 issued under the Public Utility Law (66 P.S. §§ 1341 and 1342) (Repealed), amended under 66 Pa.C.S. § 1311(b), unless otherwise noted.

Source

The provisions of this Chapter 65 adopted March 25, 1946; amended July 22, 2022, effective July 23, 2022, 52 Pa.B. 4096, unless otherwise noted.

SUBCHAPTER A. SERVICE GENERALLY

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§ 65.1. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Annual line extension costs—The sum of a utility's additional annual operating and maintenance costs, debt costs and depreciation charges associated with the construction, operation and maintenance of the line extension.

Annual revenue—The utility's expected additional annual revenue from the line extension based on the utility's currently effective tariff rates and on the average annual usage of customers similar in nature and size to the bona fide service applicant.

Bona fide service applicant—A person or entity applying for water service to an existing or proposed structure within the utility's certificated service territory for which a valid occupancy or building permit has been issued if the

structure is either a primary residence of the applicant or a place of business. An applicant will not be deemed a bona fide service applicant if one of the following applies:

- (i) The applicant is requesting water service to a building lot, subdivision or a secondary residence.
- (ii) The request for service is part of a plan for the development of a residential dwelling or subdivision.
- (iii) The applicant is requesting special utility service.

Company's service line—The connection between the distribution facilities or pipeline extensions of the utility which connects any main with the inlet connection of a service line of a customer at the curb or property line.

Customer—A party contracting with a public utility for service.

Customer's service line—The service line extending from the curb, property line or utility connection to a point of consumption.

Debt costs—The utility's additional annual cost of debt associated with financing the line extension investment based on the current debt ratio and weighted long-term debt cost rate for that utility or that of a comparable jurisdictional water utility.

Depreciation charges—The utility's additional annual depreciation charges associated with the specific line extension investment to be made based on the current depreciation accrual rates for that utility or that of a comparable jurisdictional water utility.

Line extension—An addition to the utility's main line which is necessary to serve the premises of a customer.

Main—The pipe of a public utility system, excluding service connections, located in a public highway, street, alley or private right-of-way which pipe is used in transporting water.

Nonessential uses of water—Nonessential uses of water include:

- (i) The use of hoses, sprinklers or other means for sprinkling or watering of shrubbery, trees, lawns, grass, plants, vines, gardens, vegetables, flowers or other vegetation.
- (ii) The use of water for washing automobiles, trucks, trailers, trailer houses or another type of mobile equipment.
- (iii) The washing of streets, driveways, parking lots, service station aprons, office buildings, exteriors of homes, sidewalks, apartments or other outdoor surfaces.
- (iv) The operation of an ornamental fountain or other structures making a similar use of water.
- (v) The use of water for filling swimming or wading pools.
- (vi) The operation of any water-cooled comfort air conditioning which does not have water-conserving equipment.
- (vii) The use of water from fire hydrants for construction purposes or fire drills.

(viii) The use of water to flush a waste water line or waste water manhole.

(ix) The use of water for commercial farms and nurseries other than a bare minimum to preserve plants, crops and livestock.

Operating and maintenance costs—The utility's average annual operating and maintenance costs associated with serving an additional customer, including customer accounting, billing, collections, water purchased, power purchased, chemicals and other variable costs based on the current total company level of the costs, as well as costs particular to the specific needs of that customer, such as line flushing.

Public utility—Persons or corporations owning or operating equipment or facilities in this Commonwealth for diverting, developing, pumping, impounding, distributing or furnishing water to or for the public for compensation. The term does not include a person or corporation not otherwise a public utility who or which furnishes service only to himself or itself, or a bona fide cooperative association which furnishes service only to its stockholders or members on a nonprofit basis.

Short-term supply shortage—An emergency which causes the total water supply of a public utility to be inadequate to meet maximum system demand.

Special utility service—Residential or business service which exceeds that required for ordinary residential purposes. The term may include installation of facilities such as oversized mains, booster pumps and storage tanks as necessary to provide adequate flows or to meet required pressure criteria and service to large water consuming commercial and industrial facilities.

Authority

The provisions of this § 65.1 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 504—506, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

Source

The provisions of this § 65.1 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; amended February 14, 1997, effective February 15, 1997, 27 Pa.B. 799; amended February 13, 1998, effective February 14, 1998, 28 Pa.B. 801. Immediately preceding text appears at serial pages (225753) to (225755).

Notes of Decisions

Agency Not Bound by Court Interpretation of Statutory Provision

In promulgating a regulation to implement a statutory provision, an agency is not bound by a prior court decision interpreting that statutory provision. *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1106 (Pa. Cmwlth. 2004); appeal granted 868 A.2d 454 (Pa. 2005); affirmed 910 A.2d 38 (Pa. 2006).

§ 65.2. Accidents.

(a) *General*. A public utility shall submit a report of each reportable accident involving the facilities or operations of the public utility in this Commonwealth. The reports shall be addressed to the Secretary of the Commission.

(b) *Reportable accidents*. Reportable accidents are those involving utility facilities or operations which result in one or more of the following circumstances:

- (1) The death of a person.
 - (2) Injury to a person sufficient that the injured person requires immediate treatment at a hospital emergency room or in-patient admittance to a hospital, or both.
 - (3) An occurrence of an unusual nature, whether or not death or injury of a person results, which apparently will result in a prolonged and serious interruption of normal service.
 - (4) An occurrence of an unusual nature that is a physical or cyber attack, including attempts against cyber security measures as defined in Chapter 101 (relating to public utility preparedness through self certification) which causes an interruption of service or over \$50,000 in damages, or both.
- (c) *Exceptions.* Injuries, as defined in subsection (b)(1) and (2), may not include those suffered as a result of a motor vehicle accident with utility facilities unless one or both of the following circumstances apply:
- (1) A vehicle involved in the accident is owned by the utility or driven by a utility employee while on duty.
 - (2) Some or all of the injuries were as a result of contact with water facilities transporting or storing water or due to water escaping from water facilities.
- (d) *Telephone reports.* A report by telephone shall be made immediately after the utility becomes aware of the occurrence of a reportable accident under subsection (b)(1), (3) and (4). A report by telephone shall be made within 24 hours after a utility becomes aware of a reportable accident under subsection (b)(2).
- (e) *Written reports.* A written report shall be made on Form UCTA-8 within 30 days of the occurrence of a reportable accident. For reportable accidents under subsection (b)(4), the utility may remove from Form UCTA-8 information that would compromise the security of the utility or hinder an active criminal investigation. Accidents reportable on forms required by the Bureau of Workers' Compensation, Department of Labor and Industry, Department of Environmental Protection or the United States Environmental Protection Agency may be reported to the Commission by filing a copy of the forms in lieu of a report on Form UCTA-8, as long as the alternative forms, at a minimum, provide the following information:
- (1) The utility name.
 - (2) The date of reportable accident.
 - (3) The date of report.
 - (4) The location where the reportable accident occurred.
 - (5) The name, age, residence and occupation of the injured or deceased parties.
 - (6) The general description of the reportable accident.
 - (7) The name and telephone number of the reporting officer.
- (f) *Form availability.* Blank UCTA-8 forms are available for download on the Commission's web site.
- (g) *Reports not exclusive.* The reporting under this chapter is not limited to the requirements in this section and does not limit requests for additional information.

Authority

The provisions of this § 65.2 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 504, 506, 1301, 1304, 1501, 1502, 1503, 1504, 1507, 1508, 1701, 1702 and 1704.

Source

The provisions of this § 65.2 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; amended April 8, 1983, effective April 9, 1983, 13 Pa.B. 1257; amended January 6, 2012, effective January 7, 2012, 42 Pa.B. 9. Immediately preceding text appears at serial pages (337367) to (337368).

§ 65.3. Complaints.

(a) *Investigations.* A public utility shall make a full and prompt investigation of complaints made by the Commission or by others, including customers, relating to service or facilities.

(b) *Records of complaints.* A public utility shall preserve for a period of at least 5 years, written service complaints showing the name and address of the complainant, the date and character of the complaint and the final disposition of the complaint.

Authority

The provisions of this § 65.3 issued under the Public Utility Code, 66 Pa. C.S. §§ 317, 501, 504, 506, 1301, 1304, 1501, 1502, 1503, 1504, 1507, 1508, 1701, 1702 and 1704.

Source

The provisions of this § 65.3 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (21014).

Cross References

This section cited in 25 Pa. Code § 109.701 (relating to reporting and recordkeeping).

§ 65.4. Records.

(a) *General.* Records required by this chapter shall be kept within this Commonwealth at an office or offices of the public utility located in the territory served by it and shall be open for examination by the Commission or representative of the Commission.

(b) *Maps, plans and records.* A public utility shall keep complete maps, plans or records of its entire distribution and other system showing the size, character

and location of each main, street valve and each company service line together with other information that may be necessary. The maps, plans and records required by the provisions of this section shall be kept current so that the utility may furnish promptly and accurately copies of its maps or any information regarding its facilities upon request by the Commission.

(c) *Preservation of records.* A public utility shall keep and preserve its records in conformity with the April 1974 edition of the provisions applicable to it in the publication of the National Association of Regulatory Commissioners; Post Office Box 684; Washington, D.C. 20044 entitled *Regulations to Govern the Preservation of Records of Electric, Gas and Water Utilities*.

Authority

The provisions of this § 65.4 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 504, 506, 1301, 1304, 1501, 1502, 1503, 1504, 1507, 1508, 1701, 1702 and 1704.

Source

The provisions of this § 65.4 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (21014).

§ 65.5. Interruptions of service.

(a) *General.* A public utility shall keep a record of each prolonged interruption of service affecting its entire system or a part of its system. This record shall contain the time, cause, extent and duration of the interruption. Further, the interruptions shall be treated in accordance with the provisions of § 56.71 (relating to interruption of service) and Chapter 67 (relating to service outages).

(b) *Scheduled interruptions.* Scheduled interruptions shall be made at hours that will provide least inconvenience to the customers consistent with reasonable and economical utility operating practices.

Authority

The provisions of this § 65.5 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

Source

The provisions of this § 65.5 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (33009).

§ 65.6. Pressures.

(a) *Variations in pressure.* The utility shall maintain normal operating pressures of not less than 25 p.s.i.g. nor more than 125 p.s.i.g. at the main, except that during periods of peak seasonal loads the pressures at the time of hourly maximum demand may be not less than 20 p.s.i.g. nor more than 150 p.s.i.g. and that during periods of hourly minimum demand the pressure may be not more than 150 p.s.i.g. A utility may undertake to furnish a service which does not comply with the foregoing specifications where compliance with such specifications

would prevent it from furnishing adequate service to any customer or where called for by good engineering practices. The authority of the Commission to require service improvements incorporating standards other than those set forth in this subsection when, after investigation, it determines that such improvements are necessary is not hereby restricted.

(b) *Pressure gauges.* Within 2 years after the effective date of this section, each utility shall obtain one or more recording pressure gauges for each separately operated pressure zone for the purpose of making pressure surveys as required by this section. These gauges shall be able to record the pressure experienced on the zones and shall be able to record a continuous 24-hour test. Each utility serving 1,000 or more customers or 1,000 or more customers in any separately operated zone of a multi-zone utility shall maintain one or more of these recording pressure gauges in service at some representative point or points in each of the pressure zones of the utility.

(c) *Telemetry.* An utility may make the pressure surveys required by this section by means of telemetered information electronically transferred to printed copy instead of using recording pressure gauges.

(d) *Pressure surveys.* At regular intervals, but not less than once each year, each utility shall make a survey of pressures in its distribution system of sufficient magnitude to indicate the pressures maintained at representative points on its system. The surveys should be made at or near periods of maximum and minimum usage. Records of these surveys shall show the date and time of beginning and end of the test and the location at which the test was made. Records of these pressure surveys shall be maintained by the utility for a period of at least three years and shall be made available to representatives, agents, or employees of the Commission upon request.

Authority

The provisions of this § 65.6 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

Source

The provisions of this § 65.6 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; corrected August 22, 1980, effective August 16, 1980, 10 Pa.B. 3448; amended April 8, 1983, effective April 9, 1983, 13 Pa.B. 1257. Immediately preceding text appears at serial pages (52640) and (52641).

Notes of Decisions

Adequate Pressure

The 25 p.s.i.g. minimum expressed in subsection (a) is not intended to restrict the authority of the PUC to order improvements where service is inadequate; therefore, the PUC has the power to order needed improvements notwithstanding that the pressure in a utility's main meets the standard of the regulation. *Barone v. Pennsylvania Public Utility Commission*, 485 A.2d 519 (Pa. Cmwlth. 1984).

Cross References

This section cited in 52 Pa. Code § 65.17 (relating to standards of design); and 52 Pa. Code § 65.18 (relating to standards of construction).

§ 65.7. Metered service.

(a) *Utility to provide metered service.* 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 begins to render water service to an additional, noncontiguous, service area shall be required to furnish metered service.

(b) *Utility to provide meters.* Unless otherwise authorized by the Commission, a public utility furnishing metered service shall provide; install at its own expense; and continue to own, maintain and operate all meters. The customer, however, shall properly protect the meter from damage by frost or other cause and shall be held responsible for repairs or replacement of the meter made necessary by the negligence or intentional act of the customer. Each utility seeking to impose responsibility for damage to the meter caused by negligence of a customer or intentional act shall first provide each customer with notice explaining the proper maintenance which should be given to meters. The notice shall be included in the "Rules and Regulations" of the utility.

(c) *Access to meters.* For purposes of maintenance and operation, each public utility shall at all reasonable times have access to meters, service connections, and other property owned by it on the premises of customers. Neglect or refusal on the part of customers to provide reasonable access to their premises for purposes of maintenance shall constitute sufficient cause for termination of service under § 56.81(3) (relating to authorized termination of service).

(d) *Universal metering.* A public utility shall provide a meter to each of its water customers except fire protection customers and shall furnish water service, except fire protection service, exclusively on a metered basis; except that flat rate service may continue to be provided pending implementation of a reasonable metering program or under special circumstances as may be permitted by the Commission for good cause.

Authority

The provisions of this § 65.7 issued under the Public Utility Code, 66 Pa.C.S. §§ 501, 1301, 1304, 1501 and 1502.

Source

The provisions of this § 65.7 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; amended April 30, 1982, effective November 1, 1982, 12 Pa.B. 1392. Immediately preceding text appears at serial page (52642).

Cross References

This section cited in 52 Pa. Code § 3.501 (relating to certificate of public convenience as a water or wastewater collection, treatment and disposal supplier).

§ 65.8. Meters.

(a) *Allowable error.* No water meter which has an error in registration of more than 2% may be placed in service, nor may a water meter which has an error in registration of more than 4% be allowed to remain in service, when water is passing through it at approximately the following rates of flow:

<i>Meter size (inches)</i>	<i>Gallons per minute</i>
5/8	6
3/4	10
1	20
1-1/2	30
2	50
3	90
4	180
6	300

(b) *Periodic tests.* No public utility furnishing metered water service may allow a water meter of 1 inch or less nor a water meter of more than 1 inch to remain in service for a period longer than 20 years and 8 years respectively without testing it for accuracy and readjusting it if it is found to be incorrect beyond the limits established in subsection (a). Upon a customer's request the public utilities shall also perform a meter test without charge if a meter has been in service, and has not been tested, for a period greater than that specified in the following table:

<i>Inch Meter</i>	<i>Years</i>
5/8	10
3/4	8
1	6
More than 1	4

(c) *Meter test records.* Whenever a water meter is tested, the original test record should be kept indicating the information necessary for identifying the meter, the reason for making the test, the reading of the meter before being disturbed, and the accuracy of the meter together with data taken at the time of the test. This record shall be sufficiently complete to permit the convenient checking of the methods employed and the calculations made. A record shall also be kept, preferably numerically arranged, indicating the date of meter purchase, name of manufacturer, its size, its identification, its various places of installation with dates of installation and removal, and the dates and general results of all tests.

(d) *Installation and removal of meters.*

(1) *Installation of meters.* A water meter whenever installed shall be inspected by the public utility for proper connections, mechanical condition, and suitability of location within 60 days after installation. In the case of a new meter or a meter reconditioned by a manufacturer, the test results of the manufacturer may be accepted as the installation test if the utility has verified the manufacturer's reported test results by testing the greater of 10% or ten meters of a shipment of meters. In case of emergency, a meter not meeting the requirements of this section may be installed temporarily.

(2) *Removal of meters.* A water meter which is removed from service shall be tested within 30 days for accuracy to complete that meter's test history. When a meter is removed from service, it shall be properly sealed to secure registers and measuring devices until it can be properly tested for accuracy. Meters permanently removed from service and replaced by new meters utilizing remote reading devices are exempt from this provision.

(e) *Facilities for testing.* A public utility shall provide and keep available suitable and adequate facilities for testing its meters, and shall maintain these facilities in good condition and in correct adjustment so that they are capable of determining the accuracy of a service meter within .5%. A public utility not maintaining a standardizing laboratory may, upon written permission from the Commission, have its meters and instruments certified by a standardizing laboratory approved by the Commission. The accuracy of testing equipment will be established and checked annually by representatives of the Commission. After making final adjustments, the tester shall seal and date tag the testing facilities and furnish the public utility with a certificate of accuracy properly dated and signed.

(f) *Meters in service without test records.* A water meter of a public utility which does not meet the requirements with respect to tests and records of tests shall be immediately removed from service by the public utility and may not again be placed in service until the requirements are met.

(g) *Request test.* A public utility shall make a test of the accuracy of registration of a water meter upon written request of the customer for whom the meter is furnished, upon payment of the fee specified in § 1.43 (relating to schedule of fees payable to the Commission). If a customer desires personally or by a representative to witness the testing of a meter, he may require the seal of the meter to be broken in his presence or that of his representative. If the meter tested upon the request is found to be accurate within the limits specified in subsection (a), the fee shall be retained by the utility; but if not so found, the cost shall be borne by the utility and the fee paid by the customer shall be refunded. A report of the test shall be made to the customer.

(h) *Schedule of fees for testing water meters.* The schedule of fees for testing meters is as follows:

- (1) For a water meter having an outlet not exceeding 1 inch—\$10.
- (2) For other water meters having an outlet not exceeding 2 inches—\$20.

(3) Rates for testing other meters, including those which are so located that the cost is out of proportion to the fee specified, will be furnished by the Commission upon the receipt of complete specifications.

(i) *Fees for testing facilities of public utilities.* The Commission will charge and collect from utilities for the testing of their meter testing facilities and water meters the following fees:

- (1) For testing meter testing facilities at the utility plant—\$15.
- (2) For a water meter tested at the Commission laboratory—\$3.

Authority

The provisions of this § 65.8 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704; amended under the Public Utility Code, 66 Pa.C.S. §§ 501, 504, 505, 506, 1301 and 1501.

Source

The provisions of this § 65.8 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; amended October 11, 1985, effective October 12, 1985, 15 Pa.B. 3648; amended February 13, 1998, effective February 14, 1998, 28 Pa.B. 804. Immediately preceding text appears at serial pages (225759) to (225762).

Cross References

This section cited in 52 Pa. Code § 65.9 (relating to adjustment of bills for meter error).

§ 65.9. Adjustment of bills for meter error.

(a) *Fast meters.* If upon test of a meter, the meter is found to have an error of more than 4% fast, the public utility shall refund to the consumer the overcharge based upon what the meter would have registered had it not been fast or slow for a period equal to 1/2 the time elapsed since the last previous test but not to exceed 12 months. If the period of registration error is fixed with a reasonable degree of certainty, the overcharge shall be computed for the period. If the meter has not been tested under § 65.8 (relating to meters), the period for which it has been in service beyond the regular test period shall be added to the 12 months in computing the refund.

(b) *Slow meters.* If upon test of a meter, the meter is found to have an error of more than 4% slow, the public utility may render a bill for the water consumed but not covered by previously rendered bills equal to 1/2 of the time elapsed since the last previous test but not to exceed 12 months. If the period of registration error is fixed with a reasonable degree of certainty, the charge may be computed for the period. Payment of this previously unbilled consumption shall be under § 56.83(5) (relating to unauthorized termination of service).

(c) *Nonregistering meters.* If a meter is found not to have registered for a period or not to have fully measured the entire flow due to meter interference, the public utility shall compute the water used by taking the average of the water used for the nearest meter reading period immediately preceding and the meter reading period immediately following the date when the meter was found to be not registering or interfered with, which amount shall be assumed to be the amount of water used by the customer during the billing period in which the

meter was found not to have registered. Exceptions may be made only if the facts clearly show that the stated method does not give the correct consumption for the period.

Authority

The provisions of this § 65.9 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

Source

The provisions of this § 65.9 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; amended October 11, 1985, effective October 12, 1985, 15 Pa.B. 3648; amended May 23, 1986, effective October 12, 1985, 16 Pa.B. 1812. Immediately preceding text appears at serial pages (103578) and (103579).

§ 65.10. Disputed bills.

In the event of a dispute between a customer and a public utility respecting a bill, the utility shall immediately make the investigation required by the particular case and report the result of the investigation to the customer in accordance with the provisions of Chapter 56, Subchapter F (relating to disputes; termination disputes; informal and formal complaints).

Authority

The provisions of this § 65.10 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

Source

The provisions of this § 65.10 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (37419).

§ 65.11. Mandatory conservation measures.

(a) If a public utility is experiencing a short term supply shortage that public utility may request general conservation of inside water uses and may impose mandatory conservation measures to reduce or eliminate nonessential uses of water. Jurisdictional water utilities shall file plans of their contingent mandatory conservation measures with the Commission as part of their tariff rules and regulations. Notice of the plans shall be sent to all customers or be provided by radio, television or newspaper advertisements.

(b) If, after reasonable notice to the Commission and customers that the contingent conservation measures are to be activated, a customer refuses to comply therewith, the customer may be subject for the duration of the water shortage to the utility either adjusting the outside water value connection in a manner which will restrict water flow by up to 1/2 or otherwise restricting flow such as by the insertion of a plug device. Prior to the valve adjustment or other flow restriction being imposed, an authorized utility employe shall make a bona fide attempt to deliver notice of the valve adjustment or other flow restriction to a responsible person at the affected premises and fully explain the reason for the proposed flow restriction and the means by which the customer may eliminate the grounds for such flow restriction. A jurisdictional utility may impose less restrictive means to secure the compliance.

(c) These conservation measures shall be terminated at such time as the supply shortage is eliminated.

(d) Complete termination may be imposed by an Administrative Law Judge or other presiding officer after an expedited hearing has been held providing the affected customer with an opportunity to be heard.

Authority

The provisions of this § 65.11 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

Source

The provisions of this § 65.11 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (37419).

§ 65.12. Notice of desire to have service discontinued.

A customer who is about to vacate any premises supplied with service by a public utility or who for any reason wishes to have service discontinued shall give at least 3 days notice to the utility, specifying the date on which it is desired that service be discontinued. In the absence of notice, the customer shall be responsible for service rendered until the time that the utility shall have actual or constructive notice of the intent to discontinue by the customer.

Authority

The provisions of this § 65.12 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

Source

The provisions of this § 65.12 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (21019).

§ 65.13. Temporary service.

In the case of temporary service for short-term use, a public utility may require the customer to pay costs of making the service connection and removing the material after the service has been discontinued, or to pay a fixed amount in advance to cover such expenses. However, if the material is removed the customer shall be credited with the reasonable salvage which the public utility will receive on discontinuance of service.

Source

The provisions of this § 65.13 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (21019).

§ 65.14. Measurement.

(a) *Measuring devices.* Within 3 years after the effective date of this section, each utility shall install a suitable measuring device at each source of supply in order that a record may be maintained of the quantity of water produced by each source.

(b) *Records.* At least once each month, the quantity produced from each source of supply shall be determined. Twelve month totals by sources shall be recorded and transmitted to the Commission with the annual report of the utility to the Commission. The records shall further show actual annual metered consumption and any other properly estimated revenue-producing unmetered water.

Authority

The provisions of this § 65.14 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

Source

The provisions of this § 65.14 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (21019).

§ 65.15. Refusal to serve applicants.

(a) *Noncompliance with rules and regulations.* A public utility may decline to serve an applicant until the applicant has complied with Commonwealth and municipal regulations governing water service and the approved rules and regulations of the utility.

(b) *Inadequate facilities of utility.* A public utility may decline to serve an applicant if it does not have adequate facilities to render the service desired or if such service is of a character that is likely to have a detrimental effect upon service to other customers.

(c) *Inadequate facilities of applicant.* A public utility may refuse to serve an applicant if, in its judgment, installation of the piping to the applicant is reasonably regarded as hazardous or of a character that satisfactory service cannot be given.

Authority

The provisions of this § 65.15 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

Source

The provisions of this § 65.15 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial pages (21019) and (26258).

§ 65.16. System of accounts.

(a) A public utility having annual operating revenue of \$750,000 or more (average of the last 3 consecutive years) shall keep its accounts in conformity with the most recent *Uniform System of Accounts for Class A Water Utilities* prescribed by the National Association of Regulatory Utility Commissioners (N.A.R.U.C.).

(b) A public utility having annual operating revenues of \$150,000 or more but less than \$750,000 (average of the last 3 consecutive years) shall keep its accounts in conformity with the *Uniform System of Accounts for Class B Water Utilities* prescribed by N.A.R.U.C.

(c) A public utility having annual operating revenues of less than \$150,000 (average of the last 3 consecutive years) shall keep its accounts in conformity with the most recent *Uniform System of Accounts for Class C Water Companies* prescribed by N.A.R.U.C.

(d) Public utilities subject to this section shall have until January 1, 2000, to convert to the most recent *Uniform System of Accounts for Class A, Class B or Class C Water Utilities* prescribed by N.A.R.U.C.

Authority

The provisions of this § 65.16 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704; amended under the Public Utility Code, 66 Pa.C.S. §§ 501, 504, 505, 506, 1301 and 1501.

Source

The provisions of this § 65.16 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; amended August 3, 1984, effective November 1, 1984, 14 Pa.B. 2862; amended February 13, 1998, effective February 14, 1998, 28 Pa.B. 804. Immediately preceding text appears at serial page (225766).

Notes of Decisions

Gain

Gain from the sale of land is to be credited to a shareholder surplus account and does not inure to the benefit of the ratepayers inasmuch as the shareholders contributed the capital from which the land was purchased and bore the risk of any decline in the value of the land, *Pennsylvania Public Utility Commission v. Consumers Pennsylvania Water Company—Roaring Creek Division*, 182 P.U.R. 4th 237 (1997).

§ 65.17. Standards of design.

(a) *General.* The design of the water plant of the utility shall conform to standard acceptable engineering practices. It shall be designed so as to provide reasonably adequate and safe service to its customers and shall conform to the requirements of the Department of Environmental Resources which concern sanitation and potability of water.

(b) *Distribution system.* The distribution system shall be of adequate size and so designed in conjunction with related facilities as to maintain the minimum pressures required by § 65.6 (relating to pressures). Pipe of a diameter of less than 6 inches shall not be used for distribution mains except in cul-de-sacs where the mains are not subject to being extended and are not more than 250 feet in length.

(c) *Transmission systems.* In combination with related storage facilities, transmission pipelines from sources of supply shall be designed to deliver to the limits of the capacity of those sources of supply the minimum foreseeable requirements, as determined pursuant to good engineering practices, of that portion of the system which is dependent upon such transmission pipelines.

(d) *Company's service lines.* The size, design, material and installation of the service pipe shall conform to the reasonable requirements of the utility; provided, however, that the minimum size of the pipe shall not be less than 3/4 inch.

(e) *Water supply requirements.* The quantity of water delivered to the distribution system from total source facilities should be sufficient to supply adequately, dependably and safely the total requirements of all customers under maximum consumption and should be determined so as to maintain the specified pressures as required by § 65.6.

(f) *Materials and specifications.* Materials and specifications shall include the following:

(1) *Qualifications.* Metallic and nonmetallic materials may be used separately and in combination to construct component parts of a water system including, but not limited to, conduits, pipes, couplings, caulking materials, protective linings and coatings, services, valves, hydrants, pumps, tanks and reservoirs; provided:

- (i) The material shall have a reasonable useful service life.
- (ii) The material shall be capable of withstanding with ample safety factors the internal and external forces to which it may be subjected in service.
- (iii) The material may not cause the water to become impure, unwholesome, unpotable or unhealthful.
- (iv) Materials and equipment shall be so selected as to minimize corrosion, electrolysis and deterioration.

(2) *Newly developed materials and equipment.* It is not the intention of this subsection to prevent the use of newly developed materials and equipment that otherwise meet the requirements of paragraph (1).

(3) *Minimum requirements for steel pipeline.* The requirements as set forth in paragraphs (1)(i)—(iii) are intended to be general in nature in order to permit full discretion in the selection of proper materials and equipment; however, steel pipe used in transmission and distribution systems shall be lined inside and coated outside or lined inside and coated and wrapped outside to conform with the applicable minimum specifications of the American Water Works Association or equivalent standards, except that those portions laid above ground may be protected on the outside after cleaning by painting only.

Authority

The provisions of this § 65.17 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

Source

The provisions of this § 65.17 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (26258).

Notes of Decisions

Costs for Extension Main

In a situation where application of a water company's regulations regarding allocation of costs for an extension main would subject a homeowner to unreasonable prejudice and disadvantage, a water

company may be required by the Public Utility Commission to disregard their own regulations and share the cost with the homeowner. *Keystone Water Co. v. Pennsylvania Public Utility Commission*, 515 A.2d 367 (Pa. Cmwlth. 1986).

Cross References

This section cited in 52 Pa. Code § 65.18 (relating to standards of construction).

§ 65.18. Standards of construction.

(a) *General.* The construction of the water plant of the utility shall conform to standard acceptable engineering practices. It shall be operated so as to provide reasonably adequate and safe service to its customers and shall conform with the requirements of the Department of Environmental Resources which concern sanitation and potability of water.

(b) *Disinfection of facilities.* New mains, pumps, tanks, wells and other facilities for handling potable water and, insofar as practicable, repaired mains and other facilities, shall be thoroughly disinfected before being connected to the system. The method of disinfection shall be as approved by the Department of Environmental Resources.

(c) *Mains.* Mains shall include the following:

(1) *Depth of mains.* Water mains shall be installed below the frost line whenever possible. Minimum cover shall be at least three feet whenever possible.

(2) *Dead ends.* Insofar as practicable, the utility shall design its distribution system so as to avoid dead ends in its mains. When dead ends are necessary, the utility shall provide a means for flushing the mains when the normal consumption does not provide adequate circulation of the water. Mains with dead ends shall be flushed as often as necessary to maintain the proper quality of water.

(3) *Segmentation of system.* Valves shall be provided in distribution mains designed and used primarily as transmission lines at intervals not to exceed 4,000 feet. Valves shall be provided in other distribution mains at reasonable intervals so that repairs may be effected by the utility with interruptions to the service of a minimum number of customers. When feasible, valves shall be provided in these other mains at intervals not to exceed one continuous block or 500 feet, whichever is greater, except where a dead end run is not intended to serve any intervening customers.

(4) *Grid systems.* Whenever feasible, the distribution system shall be laid out in a properly segmented grid so that in case of breaks or repairs the interruption of service to the customers can be kept to a minimum in number.

(5) *Main sizing.* As new mains are installed or as mains which have reached the end of their useful lives are replaced, the new or replacement main

shall be sized and designed to accommodate the standards contained in this chapter, particularly in regard to §§ 65.6 and 65.17 (relating to pressures; and standards of design) and this section.

(d) *Company's service lines.* Company's service lines shall include the following:

(1) Whenever feasible, all service pipes shall be installed below the frost line to prevent freezing, and the pipe shall be installed at a depth adequate to protect the pipe from surface activity.

(2) Service connections should not be connected to hydrant branch lines, and they should not cross intervening properties unless there is no other way in which service can be provided and appropriate easements are obtained.

Authority

The provisions of this § 65.18 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

Source

The provisions of this § 65.18 adopted August 15, 1980, August 16, 1980, 10 Pa.B. 3356; amended April 8, 1983, effective April 9, 1983, 13 Pa.B. 1257. Immediately preceding text appears at serial pages (52652) and (52653).

§ 65.19. Filing of annual financial reports.

Under 66 Pa.C.S. §§ 504 and 3301 (relating to reports by public utilities; and civil penalties for violations), the Commission may require a public utility to file, and invoke penalties for failure to file, certain reports. In this regard, the following apply:

(1) Unless prior permission to do otherwise is granted, a public utility, other than transportation, subject to the jurisdiction of the Commission, shall file annual financial reports with the Commission by April 30 immediately following the reporting year, for reports based upon the calendar year; or by July 31 immediately following the reporting year, for reports permitted to be based upon the fiscal year ending May 31. A request for an extension of time for filing an annual report shall be submitted to the Commission prior to the filing dates specified in this paragraph.

(2) If a public utility, other than transportation, fails to file its annual report in compliance with this section, the public utility may be subject to a penalty as provided under 66 Pa.C.S. § 3301. Continued failure to file annual reports may result in additional penalties.

Authority

The provisions of this § 65.19 issued under the Public Utility Code, 66 Pa.C.S. §§ 501 and 504.

Source

The provisions of this § 65.19 adopted May 6, 1988, effective May 7, 1988, 18 Pa.B. 2106.

Cross References

This section cited in 52 Pa. Code § 101.2 (relating to definitions); and 52 Pa. Code § 101.4 (relating to reporting requirements).

§ 65.20. Water conservation measures—statement of policy.

In rate proceedings of water utilities, the Commission intends to examine specific factors regarding the action or failure to act to encourage cost-effective conservation by their customers. Specifically, the Commission will review utilities' efforts to meet the criteria in this section when determining just and reasonable rates and may consider those efforts in other proceedings instituted by the Commission.

(1) *Education.* At least once a year a utility should provide each customer with a brochure or similar type of material which discusses efficient water use practices, the expensive waste caused by leaking plumbing fixtures, the availability of retrofitting plumbing devices to curtail unnecessary water use, and the possible savings on water and fuel bills that could ensue when these conservation methods are implemented.

(2) *Water audit for large users.* On an annual basis each large, nonresidential customer, such as a college, motel or health club, should receive, or be directed to the availability of the large water user audit procedure developed by the Department of Environmental Resources, or other, similar format, via a printed message on or with their bill.

(3) *Efficiency plumbing fixtures.* Customers should be notified annually that water-saving plumbing fixtures should be installed in new construction or when remodeling. If construction or renovations are not scheduled, customers should be encouraged to retrofit existing plumbing fixtures.

(4) *Unaccounted-for water.* Levels of unaccounted-for water should be kept within reasonable amounts. Levels above 20% have been considered by the Commission to be excessive.

(5) *Leak detection.* A system of leak detection should be utilized on a regular basis, with leaks being repaired as expeditiously and economically as possible.

(6) *Metering.* A comprehensive metering program should be in place which includes metering sources of supply, metering service to customers—aside from formally granted interim exemptions, and the regular testing and maintenance of meters in service.

(7) *Conservation plan.* The mandatory conservation contingency plan should be properly filed within each utility's tariff.

Authority

The provisions of this § 65.20 issued under the Public Utility Code, 66 Pa.C.S. § 523(b).

Source

The provisions of this § 65.20 adopted April 7, 1989, effective April 8, 1989, 19 Pa.B. 1575.

§ 65.21. Duty of public utility to make line extensions.

Each public utility shall file with the Commission, as part of its tariff, a rule setting forth the conditions under which facilities will be extended to supply service to an applicant within its service area. Upon request by a bona fide service applicant, a utility shall construct line extensions within its franchised territory consistent with the following directives:

(1) Line extensions to bona fide service applicants shall be funded without customer advance if the annual revenue from the line extension will equal or exceed the utility's annual line extension costs.

(2) If the annual revenue from the line extension will not equal or exceed the utility's annual line extension costs, a bona fide service applicant may be required to provide a customer advance to the utility's cost of construction for the line extension. The utility's investment for the line extension shall be the portion of the total construction costs which generate annual line extension costs equal to annual revenue from the line extension. The customer advance amount shall be determined by subtracting the utility's investment for the line extension from the total construction costs.

(3) The utility's investment for the line extension shall be based on the following formula, where X equals the utility's investment attributed to each bona fide applicant:

X	= [AR - OM] divided by [I + D] ; and,
AR	= the utility's annual revenue
OM	= the utility's operating and maintenance costs
I	= the utility's current debt ratio multiplied by the utility's weighted long-term debt cost rate
D	= the utility's current depreciation accrual rate

Authority

The provisions of this § 65.21 issued under the Public Utility Code, 66 Pa.C.S. §§ 501, 504—506, 1301 and 1501.

Source

The provisions of this § 65.21 adopted February 14, 1997, effective February 18, 1997, 27 Pa.B. 799.

Notes of Decisions*Line Extensions*

The Public Utility Commission's line extension regulations authorizing a utility to require contributions from bona fide service applicants if the cost of the extension project to the utility would exceed the expected return on the extension is wholly consistent with the plain language of its regulations. *Popowsky v. Pennsylvania Public Utility Commission*, 910 A.2d 38, 53 (Pa. 2006).

The line extension regulations do not conflict with 66 Pa.C.S. § 501 (relating to character of service and facilities). *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1110 (Pa. Cmwlth. 2004); appeal granted 868 A.2d 454 (Pa. 2005); affirmed 912 A.2d 38 (Pa. 2006).

Agency Not Bound by Court Interpretation of Statutory Provision

In promulgating a regulation to implement a statutory provision, an agency is not bound by a prior court decision interpreting that statutory provision. A regulation must be followed even if prior case law supports a narrower interpretation. *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1106 (Pa. Cmwlth. 2004).

Requester of Utility Extension to Bear Cost

A utility can lawfully require the party requesting an extension of utility facilities to bear the cost thereof, if that party is not a “bona fide service applicant,” if the request entails “special utility service,” or if the facility extension would be “uneconomic or unreasonable absent an appropriate customer contribution.” *Shenago Township Board of Supervisors v. Pennsylvania Public Utility Commission*, 686 A.2d 910 (Pa. Cmwlth. 1996).

§ 65.22. Customer advance financing, refunds and facilities on private property.

(a) If a customer advance is required from a bona fide service applicant for service from a company with gross annual receipts of \$10 million or more and the bona fide applicant is unable to advance the entire amount due, the utility shall do one of the following:

(1) Allow the applicant to pay the advance over a period of not less than 3 years, with the utility recovering financing costs equal to the utility’s weighted cost of long term debt. The utility may require the applicant to deposit up to one-third of the total customer advance prior to extending service.

(2) Provide information to the customer on financial institutions that may offer financing to the customer for the line extension.

(b) When a customer advance is required of a service applicant and an additional customer or customers attach service lines to the main extension within 10 years, the utility shall refund a portion of the advance to the customer in accordance with the utility’s currently effective tariff. Deposits made for additional facilities other than the main extension, such as booster pumps, storage tanks and the like, are contributions in aid of construction and need not be refunded.

(c) A utility shall require a customer to pay, in advance, a reasonable charge for service lines and equipment installed on private property for the exclusive use of the customer.

Authority

The provisions of this § 65.22 issued under the Public Utility Code, 66 Pa.C.S. §§ 501, 504—506, 1301 and 1501.

Source

The provisions of this § 65.22 adopted February 14, 1997, effective February 15, 1997, 27 Pa.B. 799.

Notes of Decisions

The line extension regulations do not conflict with 66 Pa.C.S. § 501 (relating to character of service and facilities). *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1110 (Pa. Cmwlth. 2004); appeal granted 868 A.2d 454 (Pa. 2005); affirmed 910 A.2d 38 (Pa. 2006).

Agency Not Bound by Court Interpretation of Statutory Provision

In promulgating a regulation to implement a statutory provision, an agency is not bound by a prior court decision interpreting that statutory provision. A regulation must be followed even if prior case

law supports a narrower interpretation. *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1106 (Pa. Cmwlth. 2004).

Requester of Utility Extension to Bear Cost

A utility can lawfully require the party requesting an extension of utility facilities to bear the cost thereof, if that party is not a “bona fide service applicant,” if the request entails “special utility service,” or if the facility extension would be “uneconomic or unreasonable absent an appropriate customer contribution.” *Shenago Township Board of Supervisors v. Pennsylvania Public Utility Commission*, 686 A.2d 910 (Pa. Cmwlth. 1996).

§ 65.23. Special utility service.

Sections 65.21 and 65.22(a) and (c) (relating to duty of public utility to make line extensions; and customer advance financing, refunds and facilities on private property) do not apply to special utility service.

Authority

The provisions of this § 65.23 issued under the Public Utility Code, 66 Pa.C.S. §§ 501, 504—506, 1301 and 1501.

Source

The provisions of this § 65.23 adopted February 14, 1997, effective February 15, 1997, 27 Pa.B. 799.

Notes of Decisions

The line extension regulations do not conflict with 66 Pa.C.S. § 501 (relating to character of service and facilities). *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1110 (Pa. Cmwlth. 2004); appeal granted 868 A.2d 454 (Pa. 2005); affirmed 910 A.2d 38 (Pa. 2006).

Agency Not Bound by Court Interpretation of Statutory Provision

In promulgating a regulation to implement a statutory provision, an agency is not bound by a prior court decision interpreting that statutory provision. A regulation must be followed even if prior case law supports a narrower interpretation. *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1106 (Pa. Cmwlth. 2004).

Subchapter B. LEAD SERVICE LINE REPLACEMENTS

- Sec.
- 65.51. Purpose.
- 65.52. Definitions.
- 65.53. Time to replace LSLs.
- 65.54. Petitioning the Commission for a LSLR program.
- 65.55. LSLR program requirements.
- 65.56. LSLR plan requirements.
- 65.57. Periodic review of LSLR plan.
- 65.58. Pro forma tariff or tariff supplement requirements.
- 65.59. LSLR program reports.
- 65.60. Accounting and financial.
- 65.61. Preexisting LSLR activities.
- 65.62. Prohibition on partial LSLRs.

Authority

The provisions of this Subchapter B added under 66 Pa.C.S. § 1311(b), unless otherwise noted.

Source

The provisions of this Subchapter B added July 22, 2022, effective July 23, 2022, 52 Pa.B. 4096, unless otherwise noted.

§ 65.51. Purpose.

The purpose of this subchapter is to implement 66 Pa.C.S. § 1311(b) (relating to valuation of and return on the property of a public utility) governing the standard under which an entity may seek to replace LSLs and recover associated costs. This subchapter establishes the time, manner, form and content of filings for Commission approval of LSLRs. This subchapter also sets forth the minimum requirements for LSLRs.

§ 65.52. Definitions.

The following words and terms, when used in this subchapter, have the following meanings, unless the context clearly indicates otherwise:

AAO plan—Annual asset optimization plan—The term as defined in § 121.2 (relating to definitions).

Customer—A party contracting with an entity for service.

Customer-owned LSL—Customer-owned lead service line—The portion of the lead service line extending from the curb, property line or entity connection to an entity's water meter or, if the entity's meter is located outside of the structure or water is not metered by the entity, at the first shutoff valve located within the interior of the structure.

DSIC—Distribution system improvement charge—The term as defined in § 121.2.

Entity—A public utility as defined in 66 Pa.C.S. § 102 (relating to definitions) engaged in diverting, developing, pumping, impounding, distributing or furnishing water service to or for the public for compensation, a municipal corporation as defined in this section, and an authority as defined in 66 Pa.C.S. § 3201(1) (relating to definitions).

Galvanized service line—Iron or steel piping that has been dipped in zinc to prevent corrosion and rusting.

LSL—Lead service line—A service line made of lead that connects the water main to a building inlet and a lead pigtail, gooseneck or other fitting that is connected to the lead line. A galvanized service line is considered a lead service line if it ever was or is currently downstream of any lead service line or service line of unknown material.

LSLR—Lead service line replacement—A service line, whether entity-owned or customer-owned, installed to replace a lead service line.

LSLR plan—Lead service line replacement plan—A plan and supporting documents submitted to and approved by the Commission that specify how an entity intends to implement its lead service line replacement program.

LSLR program—Lead service line replacement program—A program submitted to and approved by the Commission for the replacement of lead service lines by an entity.

LSLR program report—Lead service line replacement program report—The annual report, including a plan and supporting documents, providing information for lead service line replacements completed by an entity under its lead service line replacement program.

LSLR project—Lead service line replacement project—An entity-scheduled lead service line replacement activity either in conjunction with main replacements or as part of a lead service line replacement program.

LSLR project area—Lead service line replacement project area—The area encompassing an entity's scheduled lead service line replacement activities, which includes the area within a 1-mile radius of a lead service line replacement project if served by the entity.

LSLR project commencement—Lead service line replacement project commencement—Installation of the first lead service line replacement within a lead service line replacement project area.

LTIIP—Long-term infrastructure improvement plan—The term as defined in § 121.2.

Municipal corporation—The term as defined in 66 Pa.C.S. § 102 engaged in diverting, developing, pumping, impounding, distributing or furnishing water service to or for the public for compensation beyond its corporate limits as referenced in 66 Pa.C.S. § 1501 (relating to character of service and facilities).

Partial LSLR—Partial lead service line replacement—A lead service line replacement that does not replace both the entity-owned and customer-owned portions of a lead service line.

Service line—The pipe and appurtenances which connect any main to an entity's water meter or, if the entity's water meter is located outside of the structure or the connection is not metered by the entity, at the first shutoff valve located within the interior of the structure.

Service line inventory—The process of identifying each service line under the timing and direction of United States Environmental Protection Agency regulation at 40 CFR 141.1—143.20 as enforced by the Department of Environmental Protection, inclusive of future changes as those regulations may be amended.

Water distribution system—The equipment and facilities owned or operated by an entity for diverting, developing, pumping, impounding, distributing or furnishing water to or for the public for compensation.

Cross References

This section cited in 52 Pa. Code § 65.58 (relating to pro forma tariff or tariff supplement requirements).

§ 65.53. Time to replace LSLs.

(a) An entity, other than a municipal corporation, shall remove and replace all LSLs, whether entity-owned or customer-owned, within or connected to its water distribution systems within 25 years from the effective date of this section for a Class A public utility or authority, and within 30 years from the effective date of this section for a Class B public utility or Class C public utility.

(b) A municipal corporation shall remove and replace all LSLs, within or connected to its water distribution systems, beyond its corporate limits, whether municipal corporation-owned or customer-owned, within 30 years from the effective date of this section.

§ 65.54. Petitioning the Commission for a LSLR program.

(a) An entity shall file a LSLR program petition in accordance with § 65.55(a) (relating to LSLR program requirements) with the Commission's Secretary's Bureau with copies served upon the Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, and the parties of record in the entity's most recent base rate case. Service is evidenced by a certificate of service filed with the LSLR program petition.

(b) An entity that has a Commission-approved LTIP shall include with its LSLR program petition a modified LTIP containing a LSLR plan as a separate and distinct component of the entity's LTIP.

(c) An entity that does not have a Commission-approved LTIP when filing its LSLR program petition shall include a LSLR plan meeting the requirements of § 121.3 (relating to LTIP).

Cross References

This section cited in 52 Pa. Code § 65.57 (relating to periodic review of LSLR plan).

§ 65.55. LSLR program requirements.

A LSLR program must comply with the following:

(a) A Class A public utility or authority shall file a LSLR program within 1 year of the effective date of this section. A Class B public utility, Class C public utility or municipal corporation shall file a LSLR program within 2 years of the effective date of this section. An entity that received prior Commission approval to perform LSLR activities shall comply with § 65.61 (relating to preexisting LSLR activities).

(b) An entity's LSLR program must include:

(1) A LSLR plan as described in § 65.56 (relating to LSLR plan requirements).

(2) A pro forma tariff or tariff supplement containing the proposed changes necessary to implement the entity's LSLR program as described in § 65.58 (relating to pro forma tariff or tariff supplement requirements).

(3) Information required by the Commission for filings under 66 Pa.C.S. § 1308 (relating to voluntary changes in rates), including statements required by § 53.52(a) (relating to applicability; public utilities other than canal, turnpike, tunnel, bridge and wharf companies).

(c) A final Commission Order approving an entity's LSLR program will direct the entity to make any necessary revisions to the pro forma tariff or tariff supplement and resubmit the tariff or tariff supplement under 66 Pa.C.S. § 1308.

(d) After initial Commission approval of an entity's LSLR program, the LSLR program may be subject to review in all future base rate cases. An entity shall submit any modification to the LSLR program for review with its base rate case.

Cross References

This section cited in 52 Pa. Code § 65.54 (relating to petitioning the Commission for a LSLR program); and 52 Pa. Code § 65.61 (relating to preexisting LSLR activities).

§ 65.56. LSLR plan requirements.

An entity's LSLR plan must contain, at a minimum:

(a) *Service line inventory.*

(1) Entities subject to this chapter shall submit to the Commission a service line inventory that complies with United States Environmental Protection Agency regulation at 40 CFR 141.1—143.20 as enforced by the Department of Environmental Protection, inclusive of future changes as those regulations may be amended.

(2) An entity acquiring a water distribution system shall provide to the Commission a service line inventory for the acquired system upon completion of the acquisition or as part of the entity's service line inventory under paragraph (1), whichever is later. An entity may rely on a previously completed service line inventory for an acquired system if the entity updates the service line inventory to meet the requirements of paragraph (3).

(3) An entity's service line inventory must comply with the timing and direction of United States Environmental Protection Agency regulation at 40 CFR 141.1—143.20 as enforced by the Department of Environmental Protection, inclusive of future changes as those regulations may be amended.

(4) An entity shall identify assumptions in its service line inventory to the Commission.

(5) Until the inventory is complete, an entity shall provide detailed information regarding the progress of its service line inventory as part of its annual LSLR program report under § 65.59 (relating to LSLR program reports).

(6) After an entity's service line inventory is complete, it must be incorporated into the entity's next LSLR plan update under § 65.57 (relating to periodic review of LSLR plan).

(b) *Planning and replacements.* The planning and replacements section of an entity's LSLR plan must include:

(1) The entity's projected annual investment in LSLRs with an explanation of the entity's anticipated sources of financing.

(2) The entity's projected number of LSLRs per calendar year with an explanation of how the entity's projection was determined and a statement that this number is consistent with the entity's annual cap on LSLRs.

- (3) The prioritization criteria considered by the entity when developing its LSLR schedule.
- (4) An explanation of the entity's processes and procedures to address emergency repairs or replacements which reveal LSLs.
- (5) The entity's processes and procedures to obtain acceptance of a LSLR prior to LSLR project commencement if the customer is the property owner, and the entity's processes and procedures to obtain acceptance prior to LSLR project commencement if the customer is not the property owner.
- (6) The entity's processes and procedures based upon acceptance of a LSLR, including:
 - (i) A consent agreement form by which the customer or property owner, if the customer is not the property owner, will authorize the LSLR.
 - (ii) A brief description of the entity's process for LSLRs under normal conditions and under atypical conditions.
 - (iii) An explanation of the entity's process for coordination with the customer, and property owner, if the customer is not the property owner, and the information the entity will provide to the customer and the property owner throughout the LSLR process.
 - (iv) The entity's process for addressing LSLR completion or closeout, or both, with the customer and property owner, if the customer is not the property owner.
- (7) The entity's lead/material recycling and disposal efforts, including a description of what the entity will do with proceeds from recycling and disposal efforts.
- (8) The industry-accepted practices that the entity plans to use to replace entity-owned and customer-owned LSLs.
- (9) A detailed explanation of how the entity's acquisition of water distribution systems will be integrated into the entity's efforts to complete LSLRs throughout its water distribution systems.
- (10) The procedure for documenting refusal of, or failure to accept, the offer by the entity to replace a LSL, including the entity's duty to:
 - (i) Provide the customer and property owner, if the customer is not the property owner, with a complete disclosure of the known health hazards from the continued use of a LSL.
 - (ii) Inform the customer or property owner, if the customer is not the property owner, that refusal or failure to accept will require replacement of the customer-owned LSL, at the customer or property owner's expense, within 1 year from LSLR project commencement for the customer or property owner, if the customer is not the property owner, to be eligible for reimbursement.
 - (iii) Communicate to the customer and property owner, if the customer is not the property owner, that failure to allow the entity to complete the LSLR or to replace the customer-owned LSL concurrent with the entity

replacing the entity-owned LSL will lead to termination of water service under the provisions of the entity's tariff.

(c) *Communications, outreach and education.* An entity subject to this chapter shall demonstrate compliance with United States Environmental Protection Agency regulations at 40 CFR 141.85 (relating to public education and supplemental monitoring and mitigation requirements), inclusive of future changes as those regulations may be amended.

(1) The entity's LSLR plan must include copies of all printed and broadcast material to be distributed under the entity's LSLR program.

(2) A Class A public utility or an authority shall develop a LSLR section of its web site within 12 months of Commission approval of its LSLR program. The web site must contain, at a minimum:

(i) An online tool describing the replacement schedule by geographic location, at least 6 months into the future.

(ii) Information regarding the reimbursement requirements and a secure online tool that provides customers or property owners, if the customer is not the property owner, the ability to determine whether the customer or property owner may be eligible for a reimbursement.

(iii) Information that provides the ability to determine whether a property may have a LSL, delineating the known or reasonably anticipated material types for the entity-owned and customer-owned portions of the service line and a method to request assistance to determine if a service line is a LSL.

(iv) Information and resources relating to health risks associated with lead and LSLs, the status of current efforts to replace LSLs and community meetings and advisory committees hosted by the entity.

Cross References

This section cited in 52 Pa. Code § 65.55 (relating to LSLR program requirements).

§ 65.57. Periodic review of LSLR plan.

After initial Commission-approval of an entity's LSLR plan, the entity shall update the LSLR plan for Commission review at least once every 5 years. The Commission will, to the extent possible, coordinate the review of the updated LSLR plan with the periodic review of an entity's LTIP under § 121.7 (relating to periodic review of an LTIP).

(a) The Commission's review will determine:

(1) If the entity has adhered to its LSLR plan.

(2) If changes to the entity's LSLR plan are necessary to maintain and improve the efficiency, safety, adequacy and reliability of its LSLR program.

(3) If the updated LSLR plan is consistent with the parameters of the entity's LSLR program.

(4) If the LSLR plan has been satisfied.

- (5) If the entity has demonstrated the absence of LSLs through its service line inventory.
- (6) If the entity should be released from LSLR plan requirements.
- (b) Service of the updated LSLR plan must be made consistent with the requirements of § 65.54(a) (relating to petitioning the Commission for a LSLR program). The Commission will issue a Secretarial Letter establishing a schedule for the submission of comments and reply comments to aid in its periodic review. If the Commission determines that the entity's approved LSLR plan is no longer sufficient to ensure and maintain efficient, safe, adequate, reliable and reasonable service, the Commission will direct the entity to revise, update or resubmit its LSLR plan as appropriate.

Cross References

This section cited in 52 Pa. Code § 65.56 (relating to LSLR plan requirements).

§ 65.58. Pro forma tariff or tariff supplement requirements.

An entity's pro forma tariff or tariff supplement containing proposed changes necessary to implement the entity's LSLR program must address, at a minimum:

- (a) *LSLR program annual cap.*

An entity's pro forma tariff or tariff supplement must include a cap on the number of customer-owned LSLs that can be replaced annually.
- (b) *Service line demarcation.*
 - (1) An entity's pro forma tariff or tariff supplement must include a definition for customer-owned LSL for purposes of the entity's LSLR program that is consistent with § 65.52 (relating to definitions).
 - (2) An entity may specify in its tariff or tariff supplement that, if a shutoff valve is not located along a specific length of pipe within a structure, the entity may install a shutoff valve to serve as a point of demarcation between the property's service line and the property's interior water distribution piping.
 - (3) An entity shall perfect its ownership of the portion of the service line located within the then-existing right-of-way in conformance with its Commission-approved tariff to ensure that the entity can obtain necessary permits during the planning phase of a LSLR project.
- (c) *Partial LSLRs.* An entity shall specify as follows in its pro forma tariff or tariff supplement:
 - (1) Neither a customer nor a property owner may install a partial LSLR. A partial LSLR must result in termination of service until such time as the entity can replace the entity-owned LSL under § 65.62 (relating to prohibition on partial LSLRs).
 - (2) Where a customer or a property owner, if the customer is not the property owner, elects to replace the customer-owned LSL, the customer or property owner shall replace the customer-owned LSL concurrent with the entity replacing the entity-owned LSL, subject to the following:

(i) For a Class A public utility or an authority, the customer or property owner, if the customer is not the property owner, shall provide the public utility or authority at least 90 days' notice prior to replacing the customer-owned LSL.

(ii) For a Class B or Class C public utility or a municipal corporation, the customer or property owner, if the customer is not the property owner, shall provide the public utility or municipal corporation at least 180 days' notice prior to replacing the customer-owned LSLs.

(3) An entity may establish a process to address replacement of a customer-owned LSL to avoid termination of service when a property owner who is not the customer is nonresponsive to an entity's offer to replace a customer-owned LSL.

(4) An entity shall not connect an applicant for water service to the entity-owned service line at a property where a customer or property owner, if the customer is not the property owner, previously refused or failed to accept an entity's offer of a LSLR until the applicant verifies the replacement of the customer-owned LSL by providing a paid invoice from a licensed contractor where applicable or a verified statement from a licensed contractor attesting to completion of the LSLR.

(d) *Reimbursements.* An entity shall provide a reimbursement to an eligible customer or property owner, if the customer is not the property owner, who replaced their LSL within 1 year before or from LSLR project commencement.

(1) An entity's pro forma tariff or tariff supplement must include language explaining its reimbursement terms and conditions which shall contain, at a minimum:

(i) An explanation of the entity's method for determining the amount of reimbursement, including any restrictions on reimbursements.

(ii) An explanation of the entity's reimbursement methods, including the forms of payment to be used by the entity to distribute reimbursements and the length of time by which the entity will issue a reimbursement for an eligible reimbursement request.

(iii) An explanation of the entity's method for determining eligibility, providing that:

(A) A customer or property owner, if the customer is not the property owner, located within a LSLR project area is eligible for a reimbursement of LSLR expenses up to 125% of the average cost the entity would have incurred to perform the replacement of a similarly-sized service line, not to exceed the actual cost.

(B) A customer or property owner, if the customer is not the property owner, shall submit to the entity a detailed estimate and paid invoice from a licensed contractor where applicable, verifying the replacement of the customer-owned LSL. Instead of a detailed estimate, a verified statement from the contractor attesting to completion of a LSLR may be sufficient.

(2) Notwithstanding the LSLR program annual cap in subsection (a), an entity shall provide a reimbursement to an eligible customer or property owner, if the customer is not the property owner, within the length of established under subsection (d)(1)(ii). If the reimbursement would cause the entity to exceed its current annual cap subsection (a), the entity must increase its current annual cap by the amount of the reimbursement and decrease its next annual cap by this amount.

(3) An entity shall make reasonable best efforts to assist a customer or property owner, if the customer is not the property owner, through the reimbursement process and, to the extent possible, make determinations in favor of the customer or property owner where the customer or property owner has provided reasonable evidence of a LSLR to the entity.

(e) *Warranty.* An entity's pro forma tariff or tariff supplement must provide a warranty on LSLR work performed by the entity or its contractor of a term of not less than 2 years. The entity's warranty provisions must:

- (1) Define the start date of the 2-year term.
- (2) Ensure that the materials and workmanship of the replacement and restoration of surfaces are covered.
- (3) Define the maximum coverage amounts under the warranty.
- (4) Explain any liability an entity will have for damages not covered by the warranty.
- (5) Ensure entity access to the property to correct any deficiencies.

Cross References

This section cited in 52 Pa. Code § 65.55 (relating to LSLR program requirements).

§ 65.59. LSLR program reports.

(a) An entity with an approved LSLR program shall file with the Commission a LSLR program report by March 1 of each year, in both print and electronic formats, including supporting spreadsheets. If an entity is implementing its LSLR plan as part of a Commission-approved LTIP, the entity shall include a LSLR program report as part of the entity's AAO plan under § 121.6 (relating to AAO plan filings).

(b) An entity's LSLR program report must identify the preceding year's activities, including:

- (1) The number of LSLs replaced in the preceding year by water system.
- (2) The length of LSLs removed, by pipe diameter, in each water system.
- (3) The length, pipe diameters and material types of LSLRs by water system.
- (4) The actual cost of each LSLR by water system.
- (5) The average cost of a LSLR by water system.
- (6) The total annual LSLR expenditures for the calendar year by customer class.

- (7) The total projected LSLR expenditures for the following calendar year.
- (8) The entity's outreach and coordination activities with other entities, the Department of Transportation, local governments and customers.
- (9) The number of LSLR refusals for the calendar year, including municipality and reason for refusal.
- (10) Applicable lead monitoring requirements established by the Department of Environmental Protection for each of the entity's water distribution systems.
- (11) The entity's compliance with the regulatory requirements established by the United States Environmental Protection Agency and the Department of Environmental Protection, including a description of any violations thereof associated with lead.
- (12) The current status of the entity's service line inventory efforts.
- (13) The entity's efforts to obtain grants, low interest loans and donations for LSLRs.

Cross References

This section cited in 52 Pa. Code § 65.56 (relating to LSLR plan requirements).

§ 65.60. Accounting and financial.

(a) An entity shall record LSLR costs in compliance with the National Association of Regulatory Utility Commissioners uniform system of accounts applicable to the entity. LSLR costs recorded as assets shall be maintained under separate and distinct subaccounts.

(b) For subaccounting purposes, an entity may defer income taxes related to no cost and low-cost sources of funding for LSLRs, including applicable income taxes on contributions-in-aid-of-construction or below-market rate loans, or both, service line inventory, LSLR program development, LSLR plan, LSLR program report, and reimbursement expenses, to the extent that such costs are not recovered through the entity's existing base rates or DSIC.

§ 65.61. Preexisting LSLR activities.

An entity that received prior Commission approval to perform LSLR activities shall submit for Commission approval and file under § 65.55(b) (relating to LSLR program requirements) a LSLR program that, at a minimum, conforms with the requirements of this subchapter no later than the effective date of the rates established under the entity's next base rate case filed following the effective date of this section or within 2 years of the effective date of this section, whichever comes first.

Cross References

This section cited in 52 Pa. Code § 65.55 (relating to LSLR program requirements).

§ 65.62. Prohibition on partial LSLRs.

The following provisions must apply after the effective date of this section:

(a) Where a customer or property owner, if the customer is not the property owner, elects to replace a customer-owned LSL, an entity shall replace the connected entity-owned LSL concurrent with replacement of the customer-owned LSL, subject to the following:

(1) A Class A public utility or authority shall replace the entity-owned LSL concurrent with replacement of the customer-owned LSL within 90 days of the date of a request, or on the LSLR date specified, by the customer or property owner, if the customer is not the property owner, whichever is later.

(2) A Class B or Class C public utility or a municipal corporation shall replace the entity-owned LSL concurrent with replacement of the customer-owned LSL within 180 days of the date of a request, or on the LSLR date specified, by the customer, or property owner, if the customer is not the property owner, whichever is later.

(b) An entity may not install, or cause to be installed, a partial LSLR and may not furnish water service using a partial LSLR that is installed after the effective date of this section by a customer or property owner, if the customer is not the property owner.

(c) Where a customer or property owner, if the customer is not the property owner, refuses, or fails to accept, an entity's offer to replace a customer-owned LSL, the entity shall replace the entity-owned portion of the LSL in accordance with the entity's LSLR plan and terminate service in accordance with the entity's tariff.

(d) Where an entity has reasonable evidence indicating service is being provided using a partial LSLR installed after the effective date of this section by a customer or property owner, if the customer is not the property owner, the entity shall terminate service in accordance with the entity's tariff, unless otherwise directed by the Commission.

(e) An entity shall install, or cause to be installed, entity-owned and customer-owned LSLRs even where an entity is under a Department of Environmental Protection directive to replace LSLs due to a water system's action level exceedance as identified in 25 Pa. Code Chapter 109, Subchapter K (relating to lead and copper).

Cross References

This section cited in 52 Pa. Code § 65.58 (relating to pro forma tariff or tariff supplement requirements).

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