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April 20, 2009

VIA UPS Overnight

Mr. James McNulty, Esquire
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building-2 North
400 North Street
Harrisburg, PA 17120

**Re: Docket No. L-00060182
Proposed Rulemaking-Chapter 56
Comments of Aqua PA**

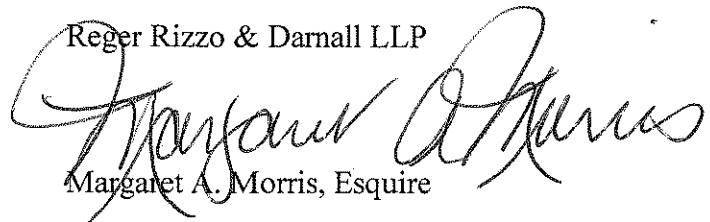
Dear Secretary McNulty:

Enclosed please find an original and sixteen copies of the Comments of Aqua Pennsylvania Inc. to in the above-referenced proceeding. Kindly file the original and date stamp the extra copy and return to me in the enclosed stamped envelope signifying your receipt and filing thereof.

As indicated on the certificate of service, a copy has been served upon all jurisdictional; electric utilities, gas, water and wastewater utilities, OCA, OSBA and those parties who already submitted comments at this docket. In addition, one copy of the comments in electronic form is also enclosed. An email copy has been sent to the following: Terrence Buda, Patti Wiedt, Cyndi Page and Dan Mumford.

Very truly yours,

Reger Rizzo & Darnall LLP



Margaret A. Morris, Esquire


Enclosures

**Re: Docket No. L-00060182
Proposed Rulemaking-Chapter 56
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served upon the following person on the attached service list, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant).

Dated: April 20, 2009


Margaret A. Morris, Esquire
Counsel for Aqua PA

**Rulemaking to Amend the Provisions of :
52 Pa. Code, Chapter 56 to Comply with the :
Provision of 66 Pa. C.S., Chapter 14; : Docket No. L-00060182
General Review of Regulations**

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Rulemaking to Amend the Provisions of	:	
52 Pa. Code, Chapter 56 to Comply with the	:	
Provision of 66 Pa. C.S., Chapter 14;	:	Docket No. L-00060182
General Review of Regulations	:	

Comments of Aqua Pennsylvania, Inc.

Dated: April 20, 2009

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Rulemaking to Amend the Provisions of :
52 Pa. Code, Chapter 56 to Comply with the :
Provision of 66 Pa. C.S., Chapter 14; : **Docket No. L-00060182**
General Review of Regulations :

Comments of Aqua Pennsylvania, Inc.

Aqua Pennsylvania, Inc. (“Aqua”) respectfully files the following written comments to the Proposed Rulemaking to comply with the requirements of the *Responsible Utility Customer Protection Act*, which amended Title 66 of the Public Utility Code (“Code”) by adding Chapter 14. 66 Pa. C.S. §§1401-1418. The Proposed Regulations were published in the *PA Bulletin* on February 14, 2009.

I. INTRODUCTION

As the Commission evaluates the comments to the Proposed Rulemaking, it is imperative that the purpose and policy of Chapter 14 be observed and followed. It was determined by the Legislature that “[Chapter 56] rules have not successfully managed the issue of bill payment... The General Assembly seeks to provide the utilities with an equitable means to reduce uncollectible accounts and increase timely collections.” Section 1402. It is with that Legislative directive in mind that Aqua frames its comments.

II. AQUA’S SPECIFIC COMMENTS

1. Electronic payments

Proposed Sections 56.2, 56.21(4) and 56.25(4) address the issues relating to electronic payments. These proposed Sections need to be consistent and recognize that

depending on the various methods of submitting payments electronically, it may not be possible to provide the customer with a “receipt with the time and date received.”

Specifically, the definition of “electronic notification of payment” (proposed Section 56.2) requires that the notification inform of a successful receipt and amount of payment and the “date and time the payment was received.” The proposed regulation assumes that all electronic payments are similar and that a paper receipt can be tendered. However, that is not always possible. Electronic payments can be of very different forms. Automatic bill paying from a banking institution does not generate a paper receipt. Just as a customer who pays his/her bill with a check *via* the mail, the “receipt” is reflected in the bank statement and the monthly utility bill. A confirmation number that permits the tracking of the payment is the most appropriate and efficient manner to advise the customer that the electronic payment has been made.

Aqua requests that the proposed language in the definition of “Electronic notification of payment” (proposed Section 56.2) be clarified so that a paper receipt is not mandated but otherwise maintain the requirement for a tracking system so that the customer has a confirmation and a record of the payment.

2. Application and Credit Procedures

Currently Section 56.36 sets forth the general requirements for the application and credit processes of the utility. A written copy of the procedures is to be maintained and made available to the public. Section 1404(a)(2) authorizes a utility to use “a generally accepted credit scoring methodology which employs standards for using the methodology that fall within the range of general industry practice.” The proposed language to amend Section 56.36 imposes on the utility the specific obligations to provide the applicant or customer a detailed explanation when the credit review process indicates a deposit will be charged or service denied. The proposed change to Section 56.36 also requires utilities to include their credit and application procedures in their tariffs.

Aqua submits that this detailed explanation is appropriately sent to the applicant or customer as part of its procedure to provide service. However, the proposed requirement that such specific information relating to Aqua’s business process to

implement its credit and application process be placed in the tariff is not appropriate. The utility should be permitted under its management discretion to develop appropriate credit and deposit policies consistent with generally accepted business that can be modified, within the parameters of the Commission's rules and regulations, as business needs and information change.

Currently, utility's tariffs set forth the general requirements of Chapter 14 and Aqua submits it is not necessary to require such prescriptive language be set forth in tariffs.

Aqua requests that the proposed revisions to require the inclusion of this information in the tariff be deleted.

3. Content of Notice

Proposed Sections 56.91(11)-(16) are significant alternations to the various current notices utilized by the utilities. These current notices were previously reviewed and approved by the Commission as a result of the implementation of Chapter 14. The proposed revisions require significant modification to the previously approved notices and go beyond what is required by Chapter 14.

Aqua requests that proposed Sections 56.91(11)-(16) be deleted as not required by Chapter 14.

4. Reporting Requirements

Proposed Section 56.231 will require a Class A water distribution utility, for the first time to report monthly information regarding collection and account information. This monthly information was previously required for only gas and electric distribution companies and the data required by the Chapter 14 Biennial Reporting Requirements.

Proposed Section 56.231 is a combination of the existing Section 56.231 information and the data required by the Commission's *Interim Guidelines for Residential Collections Data Reporting Requirements of the Electric, Natural Gas and Water Distribution Companies in Accordance with the Provisions of Chapter 14 at*

§1415, Docket No. M-00041802F003, entered July 24, 2006. Aqua submits that monthly reporting should not be required since a yearly report is filed under the requirements at Docket No. M-00041802F003 that includes the monthly data.

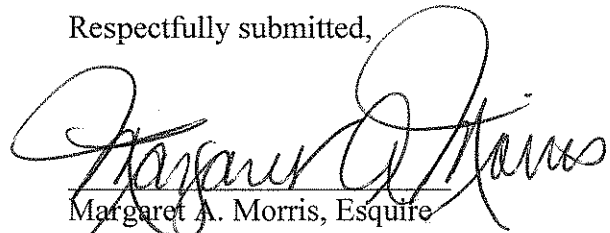
Aqua requests that the proposed modifications be deleted and that the monthly reporting for Class A water distribution utilities be eliminated.

IV. CONCLUSION

Aqua Pennsylvania, Inc. appreciates the opportunity to comment and to work with the stakeholders regarding the proposed revisions to Chapter 56 that have been mandated by Chapter 14. Aqua submits these comments and looks forward to working with the Commission in this proceeding.

Dated: April 20, 2009

Respectfully submitted,



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