

SCRANTON WASTEWATER

Commitment to Environmental Compliance and Solutions



SCRANTON'S WASTEWATER TURNAROUND

In December 2016, Pennsylvania American Water acquired the wastewater system assets of Scranton Sewer Authority (SSA)—a Combined Sewer System that provides wastewater service to approximately 31,000 customers in Scranton and Dunmore. The transaction represented one of the largest wastewater acquisitions in the company's history. Pennsylvania American Water was already the public water service provider for these communities and brought both the technical expertise and financial resources to meet SSA's unique challenges, provide a long-term wastewater solution, and maintain reasonable rates for the customers. All 80 employees of SSA were integrated into the company and became employees of Pennsylvania American Water. The acquisition marked a significant milestone for Pennsylvania American Water and its employees due to the size and scope of this wastewater operation and the environmental challenges facing the system. Since purchasing the system, Pennsylvania American Water has invested over \$255 million into the success of the system.

PRIOR TO THE ACQUISITION

In 2013, prior to the acquisition, SSA entered into a Consent Order and Long Term Control Plan (LTCP) with the U.S. Environmental Protection Agency (EPA) mandating \$140 million in upgrades to the system to achieve environmental compliance. Under the agreement, SSA historically faced financial penalties for a number of violations ranging from reporting failures and air quality violations to effluent exceedances and dry weather overflows. Over the years, SSA paid hundreds of thousands of dollars in fines.

	Under SSA 2001 - 2016	Under Pennsylvania American Water 2017 - 2025
EPA Violations	15+	0
Fines	\$375,619	\$0



ENVIRONMENTAL IMPROVEMENTS

The LTCP is a 25-year program of nearly 60 combined sewer overflow (CSO) improvement projects to control and significantly reduce the amount of wastewater discharged into the Lackawanna River and its tributaries. Prior to the acquisition, SSA often struggled with routine maintenance requirements outlined in the Consent Order. Lack of proper equipment, training, and a reactive response to improvements caused cleaning and inspection of catch basins and sewer lines to fall behind established goals.

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PENNSYLVANIA AMERICAN WATER'S INVESTMENTS IN SCRANTON

Year	Investment
2016	\$12,162.64
2017	\$26,871,909.36
2018	\$17,494,671.36
2019	\$28,614,030.15
2020	\$25,882,919.23
2021	\$22,462,582.98
2022	\$29,253,942.46
2023	\$60,292,488.20
2024	\$44,999,763.43
Total	\$255,884,469.81

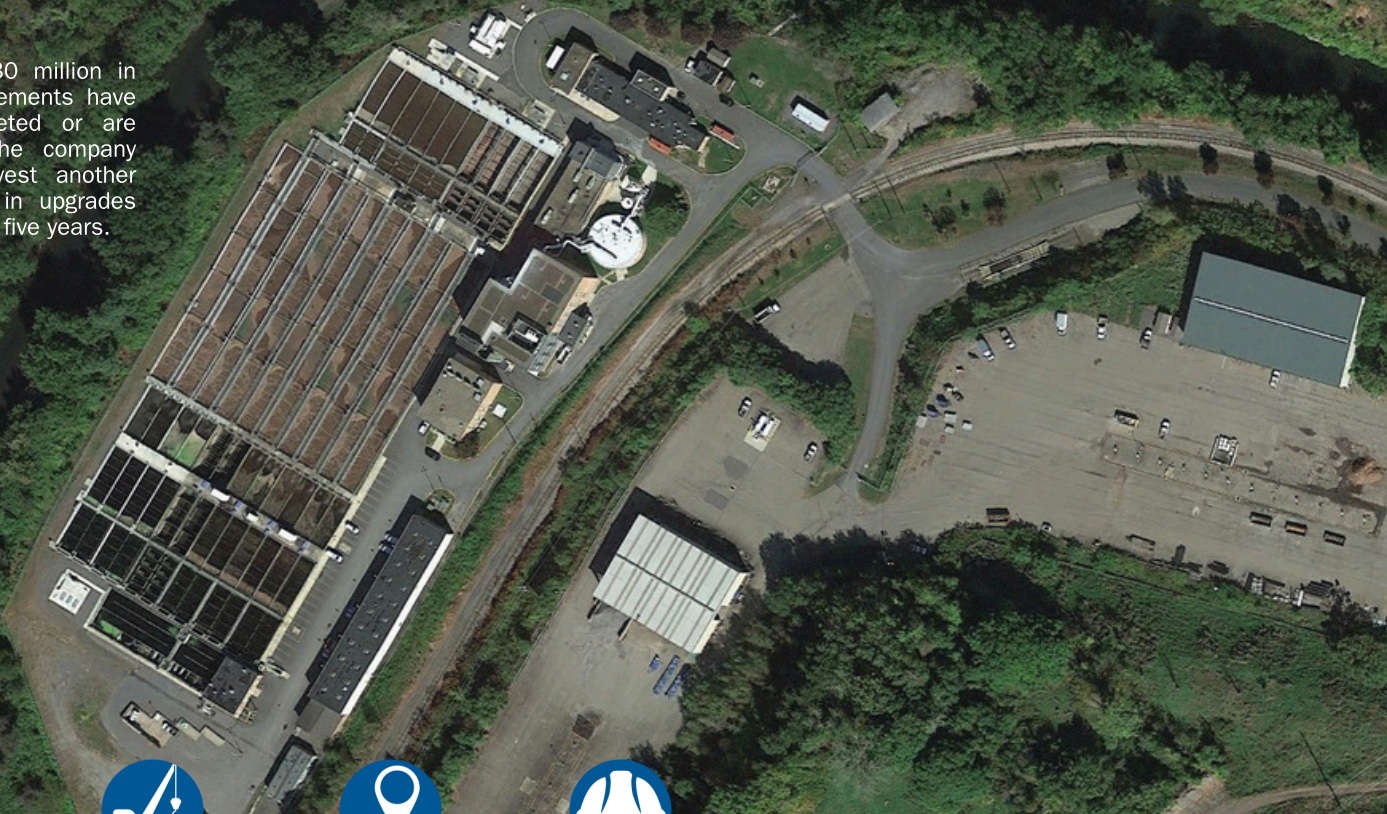


More than \$8 million is being invested in the Scranton wastewater treatment plant headworks to improve performance and reliability.



WE KEEP LIFE FLOWING®

Currently, \$30 million in plant improvements have been completed or are underway. The company plans to invest another \$10 million in upgrades over the next five years.



Zero Notices of Violation (NOV) and accomplished compliance with Consent Order and LTCP deadlines



Replaced more than 19,000 feet of wastewater main, including numerous manholes and catch basins



Completed survey, assessment and geographic information system mapping of entire collection system



Established a culture of safety with employees, resulting in no recordable injuries for more than 650 days

FOLLOWING THE ACQUISITION

Pennsylvania American Water assumed responsibility for the Consent Order and LTCP, completing all projects outlined in the first phase and accelerating second phase projects ahead of schedule. Using extensive hydraulic modeling and multi-sensor investigation technology, Pennsylvania American Water has improved on the Consent Order’s mandated reduction in CSOs by nearly 30 percent through the first two phases of the LTCP, which were completed a year ahead of schedule. The company has begun the third phase of the plan to achieve further CSO reduction. The company has drawn from its team of experts in geographic information systems, engineering, and other external resources to improve project delivery.

LONG TERM CONTROL PLAN SUCCESS UNDER PENNSYLVANIA AMERICAN WATER

Pennsylvania American Water leadership incorporated a focus on the company’s core values of Safety, Trust, Environmental Leadership, Teamwork, and High Performance into a strategic plan for Scranton Wastewater Operations. The company launched a capital plan to immediately address system deficiencies and invested in new equipment, technology and training programs to comply with Occupational Safety and Health Administration standards.

In early 2018, Pennsylvania American Water’s Scranton Wastewater Operations team met with representatives from EPA and Pennsylvania Department of Environmental Protection regarding its 2017 operations. For the first time, Scranton Wastewater was not facing any penalties for 2017 operations. Since the acquisition, the system has passed multiple inspections for air quality, lab standards, and National Pollutant Discharge Elimination System permitting, all without a single Notice of Violation.



A 120,000-gallon equalization system was installed to substantially reduce combined sewer overflows into the Lackawanna River. This is one of over 60 CSO reduction projects completed as part of the LTCP.



Hydraulic capacity and treatment improvements were completed in 2020 to increase plant capacity and provide enhanced wastewater treatment prior to discharge into the Lackawanna River. In 2021 and 2022, the company rebuilt the headworks facility, removing the chlorine gas disinfection process and rebuilding the facility’s sludge handling process.