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March 31, 2025

#### **VIA E-FILING**

Andrew S. Johnston Executive Secretary Maryland Public Service Commission 6 Saint Paul St., 16th Floor Baltimore, Maryland 21202

Re: Case Nos. 9212 and 9423 – Pinto and Highland Estates

Water Cost and Consumption Data Quarterly Report — 2024 Fourth Quarter Unaccounted-for Water ("UFW") Report, Surcharge Reconciliation, and Action Reports

Dear Mr. Johnston:

Enclosed for filing on behalf of Maryland Water Service, Inc. ("MWS") Pinto and Highland Estates water systems please find: (a) the report of monthly purchased water information covering the fourth quarter of 2024 (Exhibit 1); (b) the UFW surcharge reconciliation filing for calendar year 2024 (Exhibit 2); (c) the UFW Action Reports for the Fourth Quarter of 2024 (Exhibit 3); and (d) the proposed customer notices related to the Pinto and Highland Estates surcharges (Exhibit 4). MWS submits the enclosed filings pursuant to paragraph 16 of the Settlement Agreement filed in Case No. 9212, section (3)E of the Settlement Agreement filed in Case No. 9423, and the procedures contained in its tariff to reconcile estimated UFW losses (estimated through the company's bulk purchased water rate) with actual losses. Also enclosed are the redlined and clean copy tariff pages depicting the new surcharge related to the Pinto and Highland Estates waster systems (Exhibit 5).

The adjusted 2024 UFW levels for Pinto and Highland Estates were 2% and 5%, respectively. Pursuant to the reconciliation calculations outlined in its tariff, MWS determined that it over-recovered its water costs for the Pinto water system but slightly under-recovered its water costs for the Highland Estates water system. Accordingly, MWS respectfully requests Commission authorization to issue a one-time credit to each Pinto customer in the amount of \$18.21. This reflects an over-recovery in 2024 of \$16,989.78.

The MWS tariff requires that any UFW surcharge for Highland Estates customers be collected through a volumetric charge. Accordingly, MWS respectfully requests Commission authorization to implement a 12-month surcharge for each Highland Estates customer in the amount of \$1.79 per 1,000 gallons. This reflects an under-recovery in 2023 of \$2,506.53. Please note that this is a 34.8% reduction of the \$5.15 per 1,000 gallons surcharge authorized for 2023. This benefit is the result of main and service replaces targeted to reduced UFW levels.



Please feel free to contact me if you have any questions about this matter.

Respectfully submitted,

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David W. Beugelmans

#### Enclosures

cc: Parties on service lists (Case Nos. 9212 and 9423)

Maryland Water Service, Inc. Purchased Water Costs and Consumption Data January 1, 2024 through December 31, 2024

	MWS - Pinto/Allegany County Tax & Utility Office															
		Costs						Volume								
		Invoices		Billings					Invoices	Consumption						
						% of										
Line					Unrecovered	Unrecovered			Pinto Purchased	Pinto Sold	Unadjusted	Unadjusted		Adjusted UFW	Adjusted UFW	
No.	Month	Pinto Costs [2]		Pinto Recovery	Costs	Costs		Month	Volume	Volume [1]	UFW	UFW %	Adjustments	*	%	
1	January	\$ 26,13	4	\$ 26,458	\$ (324)	-1%		January	3,686,000	3,246,398	439,602	12%	226,824	212,778	6%	
2	February	22,65	3	24,544	(1,891)	-8%		February	3,195,000	3,011,458	183,542	6%	163,130	20,412	1%	
3	March	24,00	0	25,768	(1,768)	-7%		March	3,385,000	3,161,713	223,287	7%	91,640	131,647	4%	
4	April	23,40	4	26,673	(3,270)	-14%		April	3,300,955	3,288,616	12,339	0%	69,870	(57,531)	-2%	
5	May	25,69	4	28,555	(2,860)	-11%		May	3,624,045	3,503,704	120,341	3%	76,890	43,451	1%	
6	June	24,43	2	28,724	(4,292)	-18%		June	3,446,000	3,524,389	(78,389)	-2%	138,530	(216,919)	-6%	
7	July	35,69	7	29,335	6,362	18%		July	4,089,000	3,599,440	489,560	12%	85,040	404,520	10%	
8	August	30,72	1	28,298	2,423	8%		August	3,519,000	3,210,851	308,149	9%	129,100	179,049	5%	
9	September	28,56	5	31,555	(2,990)	-10%		September	3,272,000	3,143,174	128,826	4%	81,790	47,036	1%	
10	October	28,81	8	31,788	(2,970)	-10%		October	3,301,000	3,166,137	134,863	4%	88,930	45,933	1%	
11	November	23,98	1	29,841	(5,859)	-24%		November	2,747,000	2,972,151	(225,151)	-8%	92,630	(317,781)	-12%	
12	December	30,39	8	29,947	451	1%	_	December	3,482,000	2,982,759	499,241	14%	113,070	386,171	11%	
13	Total	\$ 324,49	6	\$ 341,485	\$ (16,990)	-5%	_		41,047,000	38,810,790	2,236,210	5%	1,357,444	878,766	2%	
			_				_									

Schedule 2.b

		Costs									Volum	e			
		Invo	ices	Bi	illings			-	Invoices	Consumption					
							% of								
ine				Hig	ghland	Unrecovered	Unrecovered		Highland	Highland Sold	Unadjusted	Unadjusted		Adjusted UFW	Adjusted UFW
No.	Month	Highland	Costs [4]	Rei	covery	Costs	Costs	Month	Purchased Volume	Volume [3]	UFW	UFW %	Adjustments	**	%
1	January	\$	1,133	\$	896	\$ 238	21%	January	119,680	107,895	11,785	10%	600	11,185	9%
2	February		1,018		805	213	21%	February	104,720	96,973	7,747	7%	600	7,147	7%
3	March		1,215		880	335	28%	March	119,680	106,081	13,599	11%	600	12,999	11%
4	April		1,134		915	219	19%	April	119,680	110,220	9,460	8%	600	8,860	7%
5	May		1,216		1,034	182	15%	May	142,120	125,111	17,009	12%	23,000	(5,991)	-4%
6	June		1,701		1,144	557	33%	June	172,040	137,289	34,751	20%	45,400	(10,649)	-6%
7	July		1,666		1,220	446	27%	July	157,080	148,251	8,829	6%	600	8,229	5%
8	August		1,601		1,257	344	21%	August	157,080	140,880	16,200	10%	600	15,600	10%
9	September		1,318		1,341	(23)	-2%	September	97,240	93,663	3,577	4%	600	2,977	3%
10	October		1,350		1,416	(66)	-5%	October	127,160	113,127	14,033	11%	600	13,433	11%
11	November		1,390		1,364	26	2%	November	112,200	108,953	3,247	3%	600	2,647	2%
12	December		1,382		1,345	37	3%	December	119,680	110,970	8,710	7%	600	8,110	7%
13	Total	\$	16,124	Ś	13,617	\$ 2,507	16%		1,548,360	1,399,413	148,947	10%	74,400	74,547	5%

- $\begin{tabular}{l} [1] Pinto consumption has been prorated into calendar months. \end{tabular}$
- [2] Pinto reports monthly cost data based on the monthly invoices.
- $\label{eq:consumption} \mbox{[3] Highland Estates consumption has been prorated into calendar months.}$
- [4] Highland Estates cost has been prorated into calendar months.
- \* Adjusted UFW for Pinto are water losses that cannot be attributed to the wastewater treatment plant, main breaks & leaks, flushing, or other adjustments.

  \*\* Adjusted UFW for Highland Estates are water losses that cannot be attributed to main breaks & leaks, flushing, or other adjustments.

Maryland Water Services, Inc. Highland Estates Purchased Water from The City of Cumberland January 1, 2024 through December 31, 2024

Schedule	e 6
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<u>Tabl</u>	<u>e A</u>	-	Account #7400	083740 (Naves C	rossroa	ad)
	(A)	(B)	(C)	(D)		(E)
Line	Service Period	PV	Usage	Usage (Gals.)		Usage
No.	on Supplier Invoice	<u>Number</u>	(Cu. Feet)	<u>C * 7.48052</u>		<u>Charge</u>
1	12/20/2023-01/21/2024		17,000	127,169	\$	1,203.08
2	1/21/2024-2/25/2024		17,000	127,169	\$	1,203.08
3	2/25/2024-3/22/2024		14,000	104,727	\$	1,030.28
4	3/22/2024-4/18/2024		14,000	104,727	\$	1,030.28
5	4/18/2024-5/28/2024		22,000	164,571	\$	1,491.08
6	5/28/2024-6/24/2024		23,000	172,052	\$	1,548.68
7	6/24/2024-7/22/2024		18,000	134,649	\$	1,512.54
8	7/22/2024-8/26/2024		23,000	172,052	\$	1,858.04
9	8/26/2024-9/23/2024		14,000	104,727	\$	1,236.14
10	9/23/2024-10/28/2024		18,000	134,649	\$	1,512.54
11	10/28/2024-11/25/2024		15,000	112,208	\$	1,305.24
12	11/25/2024-12/21/2024		13,000	97,247	\$	1,167.04
13	12/21/2024-1/26/2025		19,000	142,130	\$	1,581.64
14			227,000	1,698,078	\$	17,679.66

Table B									

Maryland Water Services, Inc. Highland Estates Purchased Water from The City of Cumberland January 1, 2024 through December 31, 2024

Tabl	<u>e A</u>									
Line <u>No.</u>	Service Period on Filing	Current Month Service Period	Days in Current <u>Invoice</u>	Invoice Usage <u>Charge</u>	Prorated <u>Charge</u>	Next Month <u>Service Period</u>	Days in Next <u>Invoice</u>	Invoice Usage <u>Charge</u>	rorated <u>Charge</u>	Usage <u>Charge</u>
1	January	32	21	\$ 1,203.08	\$ 789.52	35	10	\$ 1,203.08	\$ 343.74	\$ 1,133.26
2	February	35	25	\$ 1,203.08	\$ 859.34	26	4	\$ 1,030.28	\$ 158.50	\$ 1,017.85
3	March	26	22	\$ 1,030.28	\$ 871.78	27	9	\$ 1,030.28	\$ 343.43	\$ 1,215.20
4	April	27	18	\$ 1,030.28	\$ 686.85	40	12	\$ 1,491.08	\$ 447.32	\$ 1,134.18
5	May	40	28	\$ 1,491.08	\$ 1,043.76	27	3	\$ 1,548.68	\$ 172.08	\$ 1,215.83
6	June	27	24	\$ 1,548.68	\$ 1,376.60	28	6	\$ 1,512.54	\$ 324.12	\$ 1,700.72
7	July	28	22	\$ 1,512.54	\$ 1,188.42	35	9	\$ 1,858.04	\$ 477.78	\$ 1,666.21
8	August	35	26	\$ 1,858.04	\$ 1,380.26	28	5	\$ 1,236.14	\$ 220.74	\$ 1,601.00
9	September	28	23	\$ 1,236.14	\$ 1,015.40	35	7	\$ 1,512.54	\$ 302.51	\$ 1,317.91
10	October	35	28	\$ 1,512.54	\$ 1,210.03	28	3	\$ 1,305.24	\$ 139.85	\$ 1,349.88
11	November	28	25	\$ 1,305.24	\$ 1,165.39	26	5	\$ 1,167.04	\$ 224.43	\$ 1,389.82
12	December	26	21	\$ 1,167.04	\$ 942.61	36	10	\$ 1,581.64	\$ 439.34	\$ 1,381.95
13										\$ 16,123.81

## Maryland Water Service, Inc. 2024 UFW Recovery

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MWS - Pinto Cost Data									
Line No.	Month	Pinto Costs							
1	2024 - 1	26,133.74							
2	2024 - 2	22,652.55							
3	2024 - 3	23,999.65							
4	2024 - 4	23,403.77							
5	2024 - 5	25,694.48							
6	2024 - 6	24,432.14							
7	2024 - 7	35,696.97							
8	2024 - 8	30,720.87							
9	2024 - 9	28,564.56							
10	2024 - 10	28,817.73							
11	2024 - 11	23,981.31							
12	2024 - 12	30,397.86							
13	Total	324,495.63							
MWS - Pir	nto: 2024 Recovery								
14	Total Actual Under(Over)-recovered cost	(16,989.78)							
15	Total Incurred Cost	324,495.63							
16	Allowable UFW Cost as Percent of Total Estimated Cost (Line 14 / Line 15)	-5.24%							
17	Actual "Adjusted UFW Allowance" for 2024 (Line 13 X Line 16)	(16,989.78)							

MWS - Hig	MWS - Highland Estates Cost Data									
Line No.	Month	H.E. Costs								
1	2024 - 1	1,133.26	_							
2	2024 - 2	1,017.85								
3	2024 - 3	1,215.20								
4	2024 - 4	1,134.18								
5	2024 - 5	1,215.83								
6	2024 - 6	1,700.72								
7	2024 - 7	1,666.21								
8	2024 - 8	1,601.00								
9	2024 - 9	1,317.91								
10	2024 - 10	1,349.88								
11	2024 - 11	1,389.82								
12	2024 - 12	1,381.95								
13	Total	16,123.81								
MWS - Hig	shland Estates: 2024 Recovery									
14	Allowable UFW Cost as Percent of Total Cost	N/A								
15	Allowable UFW Water Cost for 2024	N/A								
16	Pre-funding of Allowable UFW Cost Percentage	N/A								
17	Less: Pre-funding of Allowable UFW Cost Percentage	N/A								
		·								
18	Allowable UFW Costs for 2024	N/A								
19	Total Actual Under(Over)-recovered cost	2,506.53								
20	Total Incurred Cost	16,123.81								

### Maryland Water Service, Inc. Consolidated Reconciliation

Line No.	Line No. Item				
	Pinto - Reconciliation:				
1	2024 Over-Recovery	\$	(16,989.78)		
2	Customer Count		933		
3		(\$18.21)			
	Highland- Estates Reconciliation :				
4	2024 Under-Recovery	\$	2,506.53		
5	Gallons Sold (Calendar Year 2024)		1,399,413		
6	Volumetric Surcharge (Line 4/Line 6)*1000 <sup>2</sup>	\$	1.79		

Notes:

1 - Credit of \$18.21 will be issued as a one time credit to customers

2 - Surcharge of \$1.79 to be implemented for a 12-month period once approved

### MARYLAND WATER SERVICE, INC. – HIGHLAND ESTATES WATER SYSTEM 2024 $4^{TH}$ QUARTER UNACCOUNTED-FOR-WATER REPORT

#### **Introduction and Background**

Highland Estates serves approximately 41 customer accounts. MWS notes that the Highland Estates system is over 43 years old and consists of approximately 5,280 linear feet of water mains. These main lines consist of mostly Transite and ductile iron pipe - as opposed to modem pipe material such as PVC-and may be susceptible to leaks/breaks due to their age. In addition, the geology of the soils in the Highland Estates service area (e.g., hard clay soil and rocks fail to absorb water and impede the flow of water up to the surface) and the range of water pressures created by the mountainous topography of the area adversely affect the ability of MWS to locate and repair leaks and breaks.

In mid-2009, the following tiered process was instituted by the company and updated in January of 2018 to address UFW. In compliance with its self-imposed policies, all steps listed below were carried out in the 4<sup>th</sup> quarter of 2024 and the results are listed later in this document.

#### 2024 4th Quarter UFW Remedial Actions

In the 4<sup>th</sup> quarter of 2024, MWS undertook various actions as part of the "tiered" process listed above to address UFW. MWS executed these tiered processes as appropriate in response to UFW levels. On a daily basis, MWS performed daily reads of water supply usage and monitored the supplier meter and pump station bulk meter for any abnormalities. On a monthly basis, MWS reviewed UFW information and daily bench sheets and provided PSC Engineering with reports following our billing cycles. On an ongoing basis MWS staff uses water supply meters to identify the likely presence of system leaks. MWS then assesses the nature of the possible leaks that result in system water loss.

## 5. TIERED PROCESS FOR UNACCOUNTED FOR WATER (UFW)

#### 5.1 Leak detection schedule

- 1) On a daily basis MWS will perform reads of supplier water meters and pump station bulk meters and will evaluate weekly for any abnormalities over 20% when compared against the previous week's readings to determine if the system has any significant leaks.
- 2) On a monthly basis MWS will review UFW information and daily bench sheets and will provide PSC Engineering with reports following our billing cycles to show existing UFW.
- 3) On an ongoing basis MWS staff will use water supply meters to attempt to identify the likely presence of system leaks. MWS will then assess the nature of the possible leaks that result in system water loss and will assess the financial and technical merit of the response. Upon identifying these leaks, Staff will take the necessary steps to address the leaks as quickly as possible. Any leaks which generate any sort of public health risk will be given top priority.

#### 5.2 Leak detection response program

- 1) When the UFW is greater than 10% and less than 20% based on our monthly reports, the staff of MWS will begin spot checking lines for leaks utilizing internal leak detection equipment, as well as continuing Items 1, 2 and 3 of 5.1.
- 2) When the UFW levels are greater than 20%, MWS shall begin conducting a system-wide leak sweep utilizing internal leak detection equipment, as well as continuing Items 1, 2, and 3 of 5.1 and Item 1 of 5.2. If necessary, MWS will bring in additional outside staffing to assist in conducting this system-wide leak sweep.
  - a. Under normal conditions a system wide leak sweep for the Pinto system should take 7 to 10 days.
  - b. Under normal conditions a system wide leak sweep for the Highland Estates system should take 1 to 2 days.
  - c. Leaks and breaks cannot be restored without first performing utility location and notification of the affected customers. Time must be allowed to locate, set up, then restore or replace damaged piping.
  - d. The company expects to complete a staff acoustic leak sweep of the entire water system within 10 days for the Pinto water system and within 2 days for the Highland Estates water system. If no sources of UFW have been found and UFW levels remain above 20 percent after the completion of a staff acoustic leak sweep of the water system, then outside vendors will be engaged for acoustic leak sweep quotes. Upon receiving the quotes, the company will perform a cost comparison of the cost of the unaccounted-for-water and the cost of the outside acoustic leak sweep and will forward a copy of its findings to Commission Staff. If the outside acoustic leak sweep is the more costeffective choice, the company will proceed with the outside acoustic leak sweep, however the company has no control over scheduling since the company uses more than one vendor for acoustic leak detection. All vendors will be contacted and the vendor who can arrive in the shortest time frame with the most cost-effective price will be selected to do the acoustic leak sweep. Acoustic leak sweep time will be 7 to 10 days for the Pinto water system and 1 to 2 days for the Highland Estates water system after the vendor arrives on site.
- 3) In the unlikely event that no significant leaks are found using staff and an acoustic leak detection vendor, the company will then evaluate the use of a helium style leak detection program which while effective, is considerably more costly than an acoustic leak sweep by an outside vendor. Due to the cost of a helium style leak detection program, communication with the Commission Staff and possibly Commission approval may be necessary prior to starting the helium style leak detection program.

#### 5.3 Annual water audits and Trending Analysis

- 1) An annual water audit report will be generated from the monthly water reports generated and provided to the Maryland PSC.
- 2) All areas of restoration and replacement due to leaks and breaks will be documented on system maps for trending analysis for possible asset replacement.

#### **MWS In-House Leak Detection Equipment**

When needed, MWS staff performed in house leak detection utilizing a Zonescan and/or an Aquascope leak detector.

The Zonescan leak detection equipment is audio and correlating equipment used to help identify possible leaks in valves, hydrants, and distribution lines by using sound to listen for leaks. If a leak exists, the Zonescan equipment will alert the user of the equipment to the presence of a possible leak by an identifiable deviation in sound patterns. The Zonescan equipment will not indicate the severity of a leak nor the gallons per minute of water lost. The Zonescan data set does not indicate the specific results of any particular survey and is simply a log or record of when and where this equipment was used. This Zonescan data resulted in one repair order.

The Aquascope leak detector is electronically enhanced acoustic leak detection equipment that uses a ground microphone and headphones to identify segments of a distribution system that may have a leak or break. The listener is assisted in locating breaks or leaks through sound patterns. On the dates included in the chart attached, MWS staff utilized the Aquascope leak detector to spot check for main leaks/breaks.

### MWS Highland Estates 2024 4th Quarter In-House Leak Detection

Date	Address/Street	Service Connections/Mains	Equipment Used	Results/Comments	
10-3-2024	Entire System	Main valves	Ground mic	none	
10-7-2024	Entire System	Main valves	Ground mic	none	
10-17-2024	Entire System	Main valves	Ground mic	none	
10-28-2024	Low Zone	Service connections and mains	Ground mic	none	
11-4-2024	Lower ½ of Low Zone	Mains and valves	Ground mic	none	
11-13-2024	Entire System	Main valves	Ground mic	none	
11-21-2024	Crossroad CT	Service connections and mains	Ground mic	None	
11-26-2024	High Zone	Service connections and mains	Ground mic	None	
12-4-2024	Entire System	Main valves	Ground mic	None	
12-17-2024	Entire System	Main valves	Ground mic	None	
12-27-2024	High Zone	Main valves	Ground mic	None	

### MWS Highland Estates 2024 4th Quarter UFW Events

Date Found	Address	Estimated Gallons Lost	Reason for Loss	Date Replaced/Repaired	Comments
None					

### MARYLAND WATER SERVICE, INC. - PINTO WATER SYSTEM 2024 4<sup>TH</sup> QUARTER UNACCOUNTED-FOR-WATER REPORT

#### **Introduction and Background**

Maryland Water Service (MWS) - Pinto serves approximately 978 water customers. MWS notes that the Pinto system is over 45 years old and consists of approximately 126,720 linear feet of water mains. These main lines consist of mostly Transite and ductile iron pipe - as opposed to modern pipe material such as PVC – and may be susceptible to leaks/breaks due to their age. In addition, the geology of the soils in the Pinto service area (e.g., hard clay soil and rocks fail to absorb water and impede the flow of water up to the surface) and the range of water pressures created by the mountainous topography of the area adversely affect the ability of MWS to locate and repair leaks and breaks.

In mid-2009, the following tiered process was instituted by the company and updated in January of 2018 to address UFW. In compliance with its self-imposed policies, all steps listed below were carried out in the 4<sup>th</sup> quarter of 2024 and the results are listed later in this document.

#### 2024 4th Ouarter UFW Remedial Actions

In the 4<sup>th</sup> quarter of 2024, MWS undertook various actions as part of the "tiered" process listed above to address UFW. MWS executed these tiered processes as appropriate in response to UFW levels. On a daily basis, MWS performed daily reads of water supply usage and monitored the supplier meter and pump station bulk meter for any abnormalities. On a monthly basis, MWS reviewed UFW information and daily bench sheets and provided PSC Engineering with reports following our billing cycles. On an ongoing basis MWS staff uses water supply meters to identify the likely presence of system leaks. MWS then assesses the nature of the possible leaks that result in system water loss.

# 5. TIERED PROCESS FOR UNACCOUNTED FOR WATER (UFW)

#### 5.1 Leak detection schedule

- 1) On a daily basis MWS will perform reads of supplier water meters and pump station bulk meters and will evaluate weekly for any abnormalities over 20% when compared against the previous week's readings to determine if the system has any significant leaks.
- 2) On a monthly basis MWS will review UFW information and daily bench sheets and will provide PSC Engineering with reports following our billing cycles to show existing UFW.
- 3) On an ongoing basis MWS staff will use water supply meters to attempt to identify the likely presence of system leaks. MWS will then assess the nature of the possible leaks that result in system water loss and will assess the financial and technical merit of the response. Upon identifying these leaks, Staff will take the necessary steps to address the leaks as quickly as possible. Any leaks which generate any sort of public health risk will be given top priority.

#### 5.2 Leak detection response program

- 1) When the UFW is greater than 10% and less than 20% based on our monthly reports, the staff of MWS will begin spot checking lines for leaks utilizing internal leak detection equipment, as well as continuing Items 1, 2 and 3 of 5.1.
- 2) When the UFW levels are greater than 20%, MWS shall begin conducting a system-wide leak sweep utilizing internal leak detection equipment, as well as continuing Items 1, 2, and 3 of 5.1 and Item 1 of 5.2. If necessary, MWS will bring in additional outside staffing to assist in conducting this system-wide leak sweep.
  - a. Under normal conditions a system wide leak sweep for the Pinto system should take 7 to 10 days.
  - b. Under normal conditions a system wide leak sweep for the Highland Estates system should take 1 to 2 days.
  - c. Leaks and breaks cannot be restored without first performing utility location and notification of the affected customers. Time must be allowed to locate, set up, then restore or replace damaged piping.
  - d. The company expects to complete a staff acoustic leak sweep of the entire water system within 10 days for the Pinto water system and within 2 days for the Highland Estates water system. If no sources of UFW have been found and UFW levels remain above 20 percent after the completion of a staff acoustic leak sweep of the water system, then outside vendors will be engaged for acoustic leak sweep quotes. Upon receiving the quotes, the company will perform a cost comparison of the cost of the unaccounted-for-water and the cost of the outside acoustic leak sweep and will forward a copy of its findings to Commission Staff. If the outside acoustic leak sweep is the more costeffective choice, the company will proceed with the outside acoustic leak sweep, however the company has no control over scheduling since the company uses more than one vendor for acoustic leak detection. All vendors will be contacted and the vendor who can arrive in the shortest time frame with the most cost-effective price will be selected to do the acoustic leak sweep. Acoustic leak sweep time will be 7 to 10 days for the Pinto water system and 1 to 2 days for the Highland Estates water system after the vendor arrives on site.
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#### 5.3 Annual water audits and Trending Analysis

- 1) An annual water audit report will be generated from the monthly water reports generated and provided to the Maryland PSC.
- 2) All areas of restoration and replacement due to leaks and breaks will be documented on system maps for trending analysis for possible asset replacement.

#### **MWS In-House Leak Detection Equipment**

When needed, MWS staff performed in house leak detection utilizing a Zonescan and/or an Aquascope leak detector.

The Zonescan leak detection equipment is audio and correlating equipment used to help identify possible leaks in valves, hydrants, and distribution lines by using sound to listen for leaks. If a leak exists, the Zonescan equipment will alert the user of the equipment to the presence of a possible leak by an identifiable deviation in sound patterns. The Zonescan equipment will not indicate the severity of a leak nor the gallons per minute of water lost. The Zonescan data set does not indicate the specific results of any particular survey and is simply a log or record of when and where this equipment was used. This Zonescan data resulted in one repair order.

The Aquascope leak detector is electronically enhanced acoustic leak detection equipment that uses a ground microphone and headphones to identify segments of a distribution system that may have a leak or break. The listener is assisted in locating breaks or leaks through sound patterns. On the dates included in the chart attached, MWS staff utilized the Aquascope leak detector to spot check for main leaks/breaks.

### MWS Pinto 2024 4th Quarter In-House Leak Detection

Date	Address/Street	Service Connections/Mains	Equipment Used	Results
12-22-2024	Colonial CT	Service Connections/Mains	Ground Mic	Found leak

### MWS Pinto 2024 4th Quarter UFW Events

Date Found	Address	Estimated Gallons Lost	Reason for Loss	Date Replaced/Repaired	Comments
10-2024	High Zone Tank	66,960	Leak	On going	1.5 GPM X 31 days
10/14/24 and 10/23/24	Valve installations	20,000	Flushing	10/14/24 and 10/23/24	
11-18-2024	14300 Jared DR lot Y	25,000	Fire hydrant use	11-18-2024	Trailer fire
11-2024	High Zone Tank	64,800	Leak	On going	1.5 GPM X 30 days
12-22-2024	Colonial CT	44,000	6" main break	12-22-2024	6" break
12-2024	High Zone Tank	66,960	Leak	On going	1.5 GPM X 30 days

#### MARYLAND WATER SERVICE, INC. — HIGHLAND ESTATES

### Notice of Approval of 2024 Unaccounted-for-Water Reconciliation Surcharge

After considering this matter at a XXXXX XX, 2025 Administrative Meeting, the Public Service Commission of Maryland (the "Commission") approved the 2024 Unaccounted-for-Water reconciliation surcharge to be effective XXXXX XX, 2024. Pursuant to this approval, customers of the Maryland Water Service, Inc. ("MWS") Highland Estates system will be charged a volumetric surcharge consisting of a \$1.79 per 1,000 gallons. The surcharge will remain in place for a period of 12 months.

MWS purchases the water it supplies to Highland Estates customers from the City of Cumberland and is authorized by the Commission to recover the costs of the water it purchases from Pinto customers. In addition to the water that is actually delivered through a customer's meter, most water systems generally lose a certain amount of unmetered water each year because of leaks, breaks, flushing, fire protection services and other causes. This lost water is referred to as unaccounted-for-water (or "UFW").

MWS's current Commission-approved retail service tariff authorizes it to include a 15% adjustment on the wholesale water rate charged by its water supplier as an estimate of UFW costs. MWS is required to report to the Commission on a quarterly basis monthly data on its revenues, purchased water costs, gallons sold and UFW levels. Moreover, on an annual basis, MWS is required to submit its actual water sold and water purchased data to the Commission so that Commission Staff can verify all costs incurred by MWS and reconcile any resulting UFW surcharge or credit.

Please note the revised UFW surcharge of \$1.79 per 1,000 gallons is a 34.8% reduction from the \$5.15 per 1,000 gallons surcharge previously authorized. This is the result of main and service replaces targeted to reduced UFW levels

As a public utility, the rates charged and service provided by MWS are fully-regulated by the Commission. MWS takes its responsibilities very seriously and it is required to demonstrate to the Commission each year that it has acted prudently in providing adequate service to Highland Estates customers. MWS will continue to strive to provide excellent service and eliminate UFW losses as much as possible.

If you have any questions, please contact MWS at (844) 310-6660.

Maryland Water Service, Inc.

Date: XXXXX XX, 2025

#### MARYLAND WATER SERVICE, INC. — PINTO

### Notice of Approval of 2024 Unaccounted-for-Water One-Time Credit

After considering this matter at a XXXXX XX, 2025 Administrative Meeting, the Public Service Commission of Maryland (the "Commission") approved the issuance by Maryland Water Service, Inc. ("MWS") of a one-time credit designed to reconcile the estimate for unaccounted-for-water ("UFW") lost by the Pinto water system during 2024.

Specifically, the Commission approved a Pinto 2024 UFW one-time credit of \$18.21 to be included on each customer's bill.

Generally, most water systems lose a certain amount of unmetered water each year through leaks, breaks, flushing, fire protection services and other causes. MWS's current Commission-approved retail service tariff authorizes it to include a 15% adjustment on the wholesale water rate charged by its water supplier (i.e., the Allegany County) as an estimate of UFW costs. Once a year, MWS is required to submit its actual water sold and water purchased data to the Commission so that its staff can verify all costs incurred by MWS and reconcile any resulting UFW surcharge or credit. Moreover, MWS is required to report to the Commission on a quarterly basis monthly data on its revenues, purchased water costs, gallons sold and UFW levels.

As a result of the hard work of MWS employees, Pinto experienced a very low level of actual UFW losses during the course of 2024. Consequently, MWS is pleased to issue this one-time credit to its Pinto customers. Of course, MWS will continue to strive to eliminate UFW losses as much as possible.

If you have any questions, please contact MWS at (844)-310-6660.

Maryland Water Service, Inc.

Date: XXXXX XX, 2025

P.S.C. Md. No. 1 Twentieth Revised Page No. 2.01 Cancels Nineteenth Revised Page No. 2.01

#### UNACCOUNTED-FOR-WATER ("UFW") RECONCILIATION

The Utility will impose, as a separate line item on the customer's bill, a UFW Reconciliation Surcharge or Refund for purposes of reconciling total water sold and total water purchased by the Utility for the preceding calendar year.

Fifty (50) percent of the UFW Reconciliation Surcharge is comprised of a fixed charge per customer per connection ("UFW Fixed Charge") and fifty (50) percent of the UFW Reconciliation Surcharge is comprised of a volumetric charge based on usage ("UFW Volumetric Charge"). The UFW surcharge shall be as follows:

UFW Fixed Charge 2024: 0.000 per month per connection UFW Volumetric Charge 2024: \$0.0000 per 1,000 gallons

For purposes of determining the UFW Reconciliation Surcharge or Refund, the Utility shall submit, annually and by March 31 of each year, the water sold and water purchased data to the Maryland Public Service Commission. Estimated losses will be reconciled with actual losses pursuant to Utility's annual UFW Reconciliation Surcharge or Refund true-up filing.

The Utility shall be entitled to request and obtain up to 30 additional days beyond March 31 to submit its filing, for good cause shown.

The Utility will begin collecting the 2024 UFW Reconciliation Surcharge on 5/1/2025 for twelve consecutive months until full recovery has been achieved. On 5/1/2026 the 2024 UFW Surcharge will expire and will no longer be included on customer bills.

#### UTILITY UFW QUARTERLY REPORTING REQUIREMENTS

On a quarterly basis, the Utility shall submit within 60 days of the end of a quarter, an informational filing with the Maryland Public Service Commission. This filing shall provide reports of monthly data on revenues, purchased water costs, gallons purchased and sold, monthly and cumulative UFW, and under or over recovery of costs, the Utility's activities related to the resolution of any water losses. The fourth quarter report (covering October through December of each calendar year) shall be filed within 90 days of the end of the quarter and may coincide with the annual UFW Reconciliation Surcharge filing.

ISSUED: March 31, 2025 SIGNED: Nathaniel Spriggs

EFFECTIVE: April 30, 2025 TITLE: President

#### UNACCOUNTED-FOR-WATER ("UFW") RECONCILIATION SURCHARGE

The Utility will charge, as a separate line item on the customer's bill, a UFW Reconciliation Surcharge for purposes of reconciling total water sold and total water purchased by the Utility for the preceding calendar year.

The UFW Reconciliation Surcharge is comprised of a volumetric charge based on usage. The UFW surcharge shall be as follows:

UFW Reconciliation Surcharge 2024: .....\$1.79 per 1,000 gallons

For purposes of the UFW Reconciliation Surcharge, the Utility shall submit, annually and by March 31 of each year, the water sold and water purchased data to the Maryland Public Service Commission. Estimated losses will be reconciled with actual losses pursuant to Utility's annual UFW Reconciliation Surcharge true-up filing.

The Utility shall be entitled to request and obtain up to 30 additional days beyond March 31 to submit its filing, for good cause shown.

The Utility will begin collecting the 2024 UFW Reconciliation Surcharge on 05/01/2024 for twelve consecutive months until full recovery has been achieved. On 05/01/2026 the 2024 UFW Surcharge will expire and will no longer be included on customer bills.

#### UTILITY UFW QUARTERLY REPORTING REQUIREMENTS

On a quarterly basis, the Utility shall submit within 60 days of the end of a quarter, an informational filing with the Maryland Public Service Commission. This filing shall provide reports of monthly data on revenues, purchased water costs, gallons purchased and sold, monthly and cumulative UFW, and under or over recovery of costs, the Utility's activities related to the resolution of any water losses. The fourth quarter report (covering October through December of each calendar year) shall be filed within 90 days of the end of the quarter and may coincide with the annual UFW Reconciliation Surcharge filing.

ISSUED: March 31, 2025 SIGNED: Nathaniel Spriggs

TITLE:

President

EFFECTIVE: April 30, 2025

MARYLAND WATER SERVICE, INC. PINTO & HIGHLAND ESTATES, MARYLAND P.S.C. Md. No. 1 First Revised Page No. 3

P.S.C. Md. No. 1

Nineteenth-Twentieth Revised Page No. 2.01

Cancels Eighteenth-Nineteenth Revised Page No. 2.01

#### UNACCOUNTED-FOR-WATER ("UFW") RECONCILIATION

The Utility will impose, as a separate line item on the customer's bill, a UFW Reconciliation Surcharge or Refund for purposes of reconciling total water sold and total water purchased by the Utility for the preceding calendar year.

Fifty (50) percent of the UFW Reconciliation Surcharge is comprised of a fixed charge per customer per connection ("UFW Fixed Charge") and fifty (50) percent of the UFW Reconciliation Surcharge is comprised of a volumetric charge based on usage ("UFW Volumetric Charge"). The UFW surcharge shall be as follows:

UFW Fixed Charge 20234: 0.00 per month per connection UFW Volumetric Charge 20234: \$0.0000 per 1,000 gallons

For purposes of determining the UFW Reconciliation Surcharge or Refund, the Utility shall submit, annually and by March 31 of each year, the water sold and water purchased data to the Maryland Public Service Commission. Estimated losses will be reconciled with actual losses pursuant to Utility's annual UFW Reconciliation Surcharge or Refund true-up filing.

The Utility shall be entitled to request and obtain up to 30 additional days beyond March 31 to submit its filing, for good cause shown.

The Utility will begin collecting the 20234 UFW Reconciliation Surcharge on 5/1/20245 for twelve consecutive months until full recovery has been achieved. On 5/1/20256 the 20234 UFW Surcharge will expire and will no longer be included on customer bills.

#### UTILITY UFW QUARTERLY REPORTING REQUIREMENTS

On a quarterly basis, the Utility shall submit within 60 days of the end of a quarter, an informational filing with the Maryland Public Service Commission. This filing shall provide reports of monthly data on revenues, purchased water costs, gallons purchased and sold, monthly and cumulative UFW, and under or over recovery of costs, the Utility's activities related to the resolution of any water losses. The fourth quarter report (covering October through December of each calendar year) shall be filed within 90 days of the end of the quarter and may coincide with the annual UFW Reconciliation Surcharge filing.

ISSUED: May March 31, 20245 SIGNED: Nathaniel Spriggs

EFFECTIVE: May April 301, 20245 TITLE: President

Cancels Sixth-Seventh Revised Page No. 2.1

#### UNACCOUNTED-FOR-WATER ("UFW") RECONCILIATION SURCHARGE

The Utility will charge, as a separate line item on the customer's bill, a UFW Reconciliation Surcharge for purposes of reconciling total water sold and total water purchased by the Utility for the preceding calendar year.

The UFW Reconciliation Surcharge is comprised of a volumetric charge based on usage. The UFW surcharge shall be as follows:

UFW Reconciliation Surcharge 202<u>34</u>: per 1,000 gallons

For purposes of the UFW Reconciliation Surcharge, the Utility shall submit, annually and by March 31 of each year, the water sold and water purchased data to the Maryland Public Service Commission. Estimated losses will be reconciled with actual losses pursuant to Utility's annual UFW Reconciliation Surcharge true-up filing.

The Utility shall be entitled to request and obtain up to 30 additional days beyond March 31 to submit its filing, for good cause shown.

The Utility will begin collecting the 20234 UFW Reconciliation Surcharge on 05/01/2024 for twelve consecutive months until full recovery has been achieved. On 05/01/20256 the 20234 UFW Surcharge will expire and will no longer be included on customer bills.

#### UTILITY UFW QUARTERLY REPORTING REQUIREMENTS

On a quarterly basis, the Utility shall submit within 60 days of the end of a quarter, an informational filing with the Maryland Public Service Commission. This filing shall provide reports of monthly data on revenues, purchased water costs, gallons purchased and sold, monthly and cumulative UFW, and under or over recovery of costs, the Utility's activities related to the resolution of any water losses. The fourth quarter report (covering October through December of each calendar year) shall be filed within 90 days of the end of the quarter and may coincide with the annual UFW Reconciliation Surcharge filing.

ISSUED: May March 31, 20245 SIGNED: Nathaniel Spriggs

EFFECTIVE: May April 301, 20235 TITLE: President