

January 10, 2019

ML 223561

Via Electronic Mail and U.S. Mail

Terry J. Romine
Executive Secretary
Maryland Public Service Commission
William Donald Schaefer Tower
6 St. Paul Street
Baltimore, MD 20006

Re: Case No. 9487--Notice of In-Service Status of the Bel Air Impoundment

Dear Ms. Romine:

Maryland-American Water Company ("MAWC" or "Company") hereby advises the Maryland Public Service Commission ("Commission") that the Bel Air Impoundment ("Impoundment") is in-service and is used and useful as of January 8, 2019. The Joint Stipulation and Settlement Agreement ("Agreement") put forward by the Company, the Commission Staff and the Office of the People's Counsel provides that the Impoundment would be placed in service prior to the rates in Case No. 9487 becoming effective. *Settlement Parties Exhibit 1* at 1.2. The Impoundment is now in-service in that:

1. The testing of the new intake and pumps has been completed, thus completing the requirements of the Maryland Department of Environment (MDE).
2. The Impoundment's reservoir has been filled to over one-third of its storage capacity.
3. On January 8, 2019 the Company successfully completed a simulation during which the Winters Run Treatment Plant was operated using the Impoundment as its primary source of supply.

Photographs of the Impoundment reservoir are attached.

While the Impoundment is now in-service, the Company will not begin to recover its costs until the effective date of new rates. To that end, a decision on the Joint Petition for Adoption of Stipulation and Settlement remains pending. Any delay in such cost recovery threatens MAWC's financial health and could impact its ability to meet its debt covenants. See *Company's Post-Hearing Initial Brief* at 20.

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Sincerely,

Stinson Leonard Street LLP

A handwritten signature in blue ink that reads "H. Russell Frisby, Jr." with a large, stylized flourish extending to the right.

HF:SLS

cc: Judge Jennifer Grace
Counsel of Record



