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September 13, 2016

VIA ELECTRONIC AND FIRST CLASS MAIL

Administrative Law Judge Eranda Vero Commonwealth of Pennsylvania Public Utility Commission 801 Market Street, 4th Floor, Suite 4063 Philadelphia, Pennsylvania 19107

RE: Community Utilities of Pennsylvania Inc. Water Division; Docket Nos. R-2016-2538660 and C-2016-2540738; JOINT PETITION FOR FULL SETTLEMENT OF RATE PROCEEDING

Dear Judge Vero:

Enclosed is a copy of the Joint Petition for Full Settlement of Rate Proceeding reached between Community Utilities of Pennsylvania Inc. Water Division, I&E and OCA in the above-captioned matter. Copies have been served in accordance with the attached Certificate of Service.

If you have any questions regarding this filing, please do not hesitate to contact me.

Very truly yours,

Thomas J. Sniscak

William E. Lehman

Counsel to Community Utilities of

Pennsylvania Inc. Water Division

TJS/WEL/das

Enclosure

cc:

Rosemary Chiavetta, Secretary (Via hand delivery/filing)

Per Certificate of Service

RECEIVE

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

Office of Consumer Advocate

Docket No.

R-2016-2538660m

Community Utilities of Pennsylvania Inc.

Water Division

v.

C-2016-2540738ETARY'S BURE AU

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JOINT PETITION FOR FULL SETTLEMENT OF RATE PROCEEDING

TO THE HONORABLE ERANDA VERO:

NOW COMES Community Utilities of Pennsylvania Inc. Water Division ("CUPA" or "Company"), the Bureau of Investigation & Enforcement ("I&E") of the Pennsylvania Public Utility Commission ("Commission" or "PUC"), and the Office of Consumer Advocate ("OCA"), by their attorneys and collectively referred to as "Parties" or "Joint Petitioners," and submit, as in the public interest, this Joint Petition for Full Settlement of Rate Proceeding ("Settlement") to resolve all issues among the Parties in the above-captioned proceedings under the terms and conditions specified below:

I. HISTORY OF THE PROCEEDINGS

On or about April 6, 2016, CUPA filed Supplement No. 1 to Tariff Water – Pa. 1. PUC No. 1, to become effective on June 5, 2016. This filing contained proposed changes in rates, rules, and regulations intended to unitize rates between its two existing service territories, Penn Estates Utilities, Inc. ("Penn Estates") and Utilities, Inc. - Westgate ("Westgate") and produce \$427,817 in additional annual operating revenues based on a historic test year ending December 31, 2015, a future test year ending December 31, 2016, and fully projected future test