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December 14, 2016

Via Electronic Filing

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street – Second Floor North Harrisburg, PA 17120

RE: Community Utilities of Pennsylvania, Inc.; Docket No. R-2016-2538660; SUPPLEMENT NO. 4 TO TARIFF - WATER PA PUC NO. 1; COMPLIANCE FILING – UPDATED PAGES

Dear Secretary Chiavetta:

On December 8, 2016, Community Utilities of Pennsylvania, Inc. ("CUPA") filed Supplement No. 4 to Tariff – Water Pa. P.U.C. No. 1 with the Pennsylvania Public Utility Commission's ("PUC"). Upon the PUC's December 13, 2016 request, I am enclosing updated pages, Nos. 1, 2, 3, 9 and 11 containing minor corrections.

A copy of the enclosed corrected pages has been served as indicated on the attached Certificate of Service.

Thank you for your attention to this matter. Please contact me with any questions you may have.

Very truly yours,

Thomas J. Sniscak William E. Lehman Counsel to Community Utilities of Pennsylvania, Inc.

TJS/WEL/das Enclosure cc: Per Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

BY ELECTRONIC AND FIRST CLASS MAIL

Phillip C. Kirchner Pennsylvania Public Utility Commission Bureau of Investigation and Enforcement P.O. Box 3265 Harrisburg, PA 17105-3265 phikirchne@pa.gov

Adrian Martenco 3137 Greenbrier Dr. East Stroudsburg, Pa. 18301 Christine Maloni Hoover Kristine E. Marsilio Office of Consumer Advocate 555 Walnut Street Forum Place, 5th Floor Harrisburg, PA 17101-1921 choover@paoca.org kmarsilio@paoca.org

Thomas J. Sniscak Christopher M. Arfaa William E. Lehman

Dated this 14th day of December, 2016

COMMUNITY UTILITIES OF PENNSYLVANIA INC.

RATES, RULES AND REGULATIONS GOVERNING

THE PROVISION OF WATER SERVICE

TO THE PUBLIC IN STROUD AND POCONO TOWNSHIPS IN MONROE COUNTY, AND A PORTION OF HANOVER TOWNSHIP IN NORTHAMPTON COUNTY,

PENNSYLVANIA

Service Territory Formally Known as Penn Estates Utilities, Inc., and Utilities, Inc. - Westgate

ISSUED: December 8, 2016

EFFECTIVE: January 5, 2017

ISSUED BY: Steven M. Lubertozzi, President 2335 Sanders Road Northbrook, IL 60062 (800) 860-4512

NOTICE: THIS TARIFF SUPPLEMENT UPDATES THE SCHEDULE OF RATES FOR ALL CUSTOMERS PURSUANT TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION'S FINAL ORDER IN DOCKET NO. R-2016-2538660

LIST OF CHANGES

Supplement No. 4 increases the schedule of rates applicable to all metered customers and fire protection customers in accordance with the Pennsylvania Public Utility Commission's Final Order in Dkt. No. R-2016-2538660. The increase moves rates toward unitization as stated in the Joint Petition filed at the foregoing docket. The increase in annual operating revenue is intended to produce an additional \$345,000 per year. There were no changes made to Second Revised Page No. 10 from Original Page No. 10 other than the date.

Supplement No. 4 to

Tariff Water-Pa. P.U.C. No. 1

Second Revised Page No. 3

Cancelling First Revised Page No. 3

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PART I: SCHEDULE OF RATES AND CHARGES (CONT'D) (Service Territory Formally Known as Utilities, Inc. - Westgate)

Section I - Purchased Water Adjustment Charge

The Company may apply a Purchased Water Adjustment Clause ("PWAC") to its water rates set forth under Schedule of Rates and Charges to reflect an increase or decrease in the rates charged by its wholesale water supplier, the City of Bethlehem ("City").

The PWAC will be calculated based on changes in the customer charges contained in Schedule G Meter Rates-Sales for Resale of the City's Tariff Water PA. P.U.C. No. 6. For purposes of calculating the PWAC, the amount collected or refunded will be the difference between the consumption charge rate per 1,000 gallons contained in the Company's Schedule of Rates and Charges and the customer charges contained in Schedule G of the City's tariff. The Company will revise the Tariff consumption charge in its base rate cases to mirror the customer charges in Schedule G of the City's tariff and set its PWAC to zero. Between rate cases, the Company will use the PWAC to reflect changes in the rates contained in Schedule G of the City's tariff. The Company will provide notice to its customers of changes in rates resulting from application of the PWAC.

The baseline items determined in the Company's most recent PWAC calculation:

(61,358,245 gallons X \$3.969/gallon) + (\$16,307.00 fixed charges) = \$259,837.88

Determination of Purchased Water Adjustment Charge

A PWAC may be implemented on the effective date of a change in the City's wholesale rates charged to the Company for purchased water but not on less than 45 days notice to the customer. The Company <u>may</u>, at its option, implement a PWAC to recover an increase in purchased water costs. However, if the rate change is a decrease, the Company <u>must</u> implement a credit PWAC to reflect the decrease.

The items used to calculate the PWAC are:

A. The projected cost of the volume of water purchased from the City in the prior 12 months at the City's revised rate per 1,000 gallons.

COMMUNITY UTILITIES OF PENNSYLVANIA INC.

Supplement No. 4 to Tariff Water-Pa. P.U.C. No. 1 Third Revised Page No. 11 Cancelling Second Page No. 11

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