



PENNSYLVANIA
AMERICAN WATER

800 West Hershey Park Drive
Hershey, Pa 17033

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March 20, 2018

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg PA 17105-3265

Dear Secretary Chiavetta,

Attached please find the calculation for Pennsylvania American Wastewater DSIC expenditures. This filing is in response to the terms and conditions of the Joint Settlement from the Company's last base rate case at Docket No. R-2017-2595853, where the Company agreed to track DSIC expenditures in 2018.

Sincerely,

John Cox
Director of Rates and Regulations

cc. Office of Consumer Advocate
Bureau of Investigation and Enforcement
Office of Small Business Advocate
Marie Intrieri
Audit Bureau (DSIC Filings Only)
Bureau of Technical Utility Services (Acquisitions Only)

WASTEWATER DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

(Informational Filing)

PA AMERICAN WATER

April 1, 2018

Applicable to all rate zones except:

Rate Zone 6 - McKeesport

**PENNSYLVANIA AMERICAN WATER
WASTEWATER DISTRIBUTION SYSTEM IMPROVEMENT CHARGE**

| STATE ACCOUNT | DESCRIPTION | JANUARY 2018 | FEBRUARY 2018 | TOTAL |
|--------------------------|--|-------------------------|--------------------------|----------------|
| 360000 | Mains - Force | \$43,104 | \$291,011 | \$334,115 |
| 361100 | Mains - Gravity | 410,220 | (112,385) | 297,835 |
| 361200 | Manholes | | | - |
| 363000 | Service Laterals | 18,220 | 44,488 | 62,708 |
| 364000 | Flow Measuring Devices | | | - |
| 365000 | Flow Measuring Installs | | | - |
| 354300 | Other Related Capitalized Costs (Lift Station - Structure) | | | - |
| 371000 | Other Related Capitalized Costs (Lift Station - Pumping Equipment) | | | - |
| 380000 | Other Related Capitalized Costs (Lift Station- Treatment Equipment) | 480 | 207 | 687 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | ADDITIONS | 472,024 | 223,321 | 695,345 |

Pennsylvania American Water Company
Qualifying DSIC Expenditures
Transferred Amounts
January 2018 - February 2018

| WORK ORDER | Utility Account | Work Order Number | Jan-18 | Feb-18 |
|---|------------------------|--------------------------|------------------|--------------------|
| REPLACE COLLECTION MAINS - FORCE | 360000 | R24-47B1.16-P-0003 | | 0 |
| REPLACE COLLECTION MAINS - FORCE | 360000 | R24-47B1.17-P-0002 | 61,311 | 2,801 |
| REPLACE COLLECTION MAINS - FORCE | 360000 | R24-47B1.17-P-0003 | 6,658 | 1,939 |
| REPLACE COLLECTION MAINS - FORCE | 360000 | R24-47B1.17-P-0004 | | 179,679 |
| REPLACE COLLECTION MAINS - FORCE | 360000 | R24-60F1.17-P-0002 | | 44,478 |
| REPLACE COLLECTION MAINS - FORCE | 360000 | R24-67B1.17-P-0002 | 21,175 | 2,544 |
| REPLACE COLLECTION MAINS - FORCE | 360000 | R24-67D1.17-P-0001 | (46,039) | 59,569 |
| TOTAL - REPLACE COLLECTION MAINS - FORCE | | | \$43,104 | \$291,011 |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | I24-580002-01 | | - |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | I24-670002-01 | - | - |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | I24-670004-02 | | - |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | I24-690001-02 | 2,926 | (444) |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | I24-690001-06 | 6,476 | 667 |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | I24-690001-07 | 8,413 | 1,412 |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-47B1.15-P-0006 | | (2,653) |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-47D1.13-P-0002 | | (234,661) |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-47F1.15-P-0003 | | (0) |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-47H1.17-P-0001 | | (3,166) |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-58C1.17-P-0001 | - | - |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-58F1.17-P-0001 | - | - |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-67B1.16-P-0003 | (6,843) | - |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-67B1.17-P-0001 | 9,811 | - |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-67B1.17-P-0003 | 7,597 | 804 |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-67B1.17-P-0004 | 151 | - |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-67B1.17-P-0005 | 22,686 | 40,204 |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-67B1.17-P-0006 | 210 | - |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-67B1.17-P-0007 | 11,246 | 2,413 |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-67C1.17-P-0001 | - | - |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-69B1.17-P-0002 | 344,327 | 10,327 |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-69C1.17-P-0001 | - | - |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-92C1.17-P-0001 | - | 48,592 |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-92C1.18-P-0001 | 3,001 | 9,291 |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-92F1.17-P-0001 | - | 366 |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-92F1.18-P-0001 | 219 | 11,337 |
| REPLACE COLLECTIONS MAINS - GRAVITY | 361000 | R24-92H1.17-P-0001 | | 3,125 |
| TOTAL - REPLACE COLLECTIONS MAINS - GRAVITY | | | \$410,220 | (\$112,385) |
| REPLACE SERVICE LATERALS | 363000 | R24-47B1.15-P-0003 | | 232 |
| REPLACE SERVICE LATERALS | 363000 | R24-47H1.18-P-0001 | | 4,775 |
| REPLACE SERVICE LATERALS | 363000 | R24-58H1.18-P-0001 | 2,366 | 2,948 |
| REPLACE SERVICE LATERALS | 363000 | R24-67B1.17-P-0003 | 4,731 | 501 |
| REPLACE SERVICE LATERALS | 363000 | R24-69H1.17-P-0001 | | 98 |
| REPLACE SERVICE LATERALS | 363000 | R24-69H1.18-P-0001 | 8,700 | 21,544 |
| REPLACE SERVICE LATERALS | 363000 | R24-92C1.17-P-0001 | - | - |
| REPLACE SERVICE LATERALS | 363000 | R24-92F1.17-P-0001 | | 366 |
| REPLACE SERVICE LATERALS | 363000 | R24-92H1.18-P-0001 | 2,422 | 14,024 |
| TOTAL - REPLACE SERVICE LATERALS | | | \$18,220 | \$44,488 |
| REPLACE OTHER RELATED CAPITAL COSTS - LIFT STATION (PUMPING EQUIP.) | 380000 | I24-690001 | 480 | 207 |
| TOTAL REPLACE OTHER RELATED CAPITAL COSTS | | | \$480 | \$207 |
| TOTAL DSIC EXPENDITURES | | | \$472,024 | \$223,320 |