

**Application of Pennsylvania-American Water Company for Acquisition of
the Water Assets of the Steelton Borough Authority
66 Pa. C.S. § 1329
Application Filing Checklist – Water/Wastewater
Docket No. A-2019-_____**

7. Provide a verification statement that one utility valuation expert was selected by the buyer and the other utility valuation expert was selected by the seller.

RESPONSE: See enclosed verifications of Jerome C. Weinert, P.E., Principal and Director for AUS Consultants, Inc. on behalf of PAWC and by Dylan A. D'Ascendis, Director for ScottMadden, Inc. on behalf of the Authority.

VERIFICATION OF UTILITY VALUATION EXPERT

I, Jerome C. Weinert, P.E., am Principal and Director for AUS Consultants, Inc. (“AUS”). AUS is a Utility Valuation Expert (“UVE”) in the Commonwealth of Pennsylvania approved by the Pennsylvania Public Utility Commission (Utility Code 9919181). In connection with the foregoing application, I hereby state the following:

1. Pennsylvania-American Water Company (“PAWC”) as buyer selected AUS to perform a fair market value appraisal of the water system and related assets (the “System”) of the Steelton Borough Authority (“STEELTON”).
2. STEELTON as seller selected ScottMadden, Inc. (“SCOTTMADDEN”), a UVE in the Commonwealth of Pennsylvania approved by the Pennsylvania Public Utility Commission (Utility Code 9919250), to perform a fair market value appraisal of the STEELTON System.
3. As Principal and Director for AUS, I and my staff prepared a fair market value appraisal of the System on PAWC’s behalf dated December 7, 2018 (the “Fair Market Value Appraisal”).
4. The facts set forth in the Fair Market Value Appraisal are true and correct to the best of my knowledge, information, and belief.
5. As Principal and Director for AUS, I and my staff determined the fair market value of the System in compliance with the Uniform Standards of Professional Appraisal Practices, employing the cost, market and income approaches, as required by 66 Pa. C.S. § 1329(a)(3).
6. Neither AUS nor I nor any AUS staff derived any material benefit from the sale of STEELTON other than fees for services rendered.

7. Neither I nor any members of AUS staff are an immediate family member of a director, officer or employee of either PAWC or STEELTON within a 12-month period of the date PAWC engaged AUS to perform the Fair Market Value Appraisal.
8. AUS has no affiliation with either PAWC or STEELTON.
9. I make this verification subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Jerome C. Weinert


Date: December 12, 2018

Jerome C. Weinert, P.E.
Principal and Director
AUS Consultants, Inc.
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Greenfield, Wisconsin 53228
414-529-5755 (p)
414-529-5750 (f)

VERIFICATION

I, Dylan W. D'Ascendis, CVA, CRRA, Director of ScottMadden, Inc. ("ScottMadden"), a Utility Valuation Expert in the Commonwealth of Pennsylvania, hereby state that ScottMadden was selected by the Steelton Borough Authority ("Authority") to perform a fair market value appraisal of the Authority's water treatment and distribution system (the "System"); that, as Director at ScottMadden, I prepared the foregoing Fair Market Value Appraisal of the System; that the facts set forth in the Fair Market Value Appraisal are true and correct to the best of my knowledge, information, and belief; that, as Director of ScottMadden, I determined the fair market value of the System in compliance with the Uniform Standards of Professional Appraisal Practice and the Statement on Standards for Valuation Services, employing the cost, market and income approaches; that neither ScottMadden nor I have derived any material benefit from the sale of the selling utility other than fees for services rendered; that I am not an immediate family member of a director, officer or employee of either Pennsylvania-American Water Company or the Authority now or within a 12-month period of the date ScottMadden was engaged to perform the appraisal; and that I make this verification subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 11/30, 2018



Dylan W. D'Ascendis, CVA, CRRA
Director
ScottMadden, Inc.