



**PENNSYLVANIA
AMERICAN WATER**

800 West Hersheypark Drive
Hershey, PA 17033
P 717-531-3362
F 717-531-3252
Seth.mendelsohn@amwater.com

**Seth A. Mendelsohn
Corporate Counsel**

September 10, 2012

Rosemary Chiavetta
Pennsylvania Public Utility
Commission
Commonwealth Keystone Building
400 North Street, PO Box 3265
Harrisburg, PA 17105-3265

**Re: Application of Pennsylvania-American Water Company for
Approval of the right to offer, render, furnish or supply wastewater
service to the public in an additional portion of West Caln Township,
Chester County, Pennsylvania**

Dear Ms. Chiavetta:

On behalf of Pennsylvania-American Water Company, I am e-filing an original copy of the above-referenced Application, together with payment in the amount of \$350 for the Commission's filing fee.

Sincerely,

Seth A. Mendelsohn

Enclosures

cc: Office of Consumer Advocate
Office of Small Business Advocate
Office of Trial Staff
Department of Environmental Protection

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply wastewater service to the public in an additional portion of West Caln Township, Chester County, Pennsylvania

Application No. _____

To Pennsylvania Public Utility Commission:

I. INTRODUCTION

1. Pennsylvania-American Water Company (“Pennsylvania-American” or “Applicant”) hereby requests that the Pennsylvania Public Utility Commission (“Commission”) issue a certificate of public convenience evidencing its approval under Section 1102(a) of the Public Utility Code, 66 Pa.C.S. § 1102(a), of the Applicant’s offering, rendering, furnishing or supplying of wastewater service in an additional portion of West Caln Township, Chester County, Pennsylvania.

2. This Application is being filed to extend wastewater service to the public in the proposed service territory in a portion of West Caln Township, Chester County, Pennsylvania.

3. The name and address of Applicant is:

Pennsylvania-American Water Company
 (“Pennsylvania-American”)
 800 West Hersheypark Drive
 Hershey, PA 17033

4. The names and address of the Applicant's attorneys are:

Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

II. DESCRIPTION OF THE APPLICANT

5. Pennsylvania-American is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. ("AWW"). Pennsylvania-American furnishes water service in a certificated service territory encompassing portions of 36 counties across the Commonwealth. As of December 31, 2011, Pennsylvania-American provided water service to approximately 638,171 customers in the following classifications:

Residential:	588,325
Commercial:	43,902
Industrial:	522
Municipal, Resale and Other:	2,310
Fire Protection:	3,112

In addition, Pennsylvania-American furnishes wastewater service to approximately 17,120 customers.

6. Attached hereto as Exhibit A is pertinent information with respect to the corporate history, authority, and service territory of Pennsylvania-American.

III. THE PROPOSED ADDITIONAL SERVICE TERRITORY

7. As indicated at paragraph 2 above, the proposed additional service territory is located in a portion of West Caln Township, Chester County, Pennsylvania. Attached hereto as Exhibit B-1 is a map showing the boundaries of the area and attached hereto as Exhibit

B-2 is a description of the area to be served. The applied-for-territory will allow Pennsylvania American to provide public wastewater service to 16 units at the High Point States Mobile Home Park, 22 existing units at the Spring Hill Estates Mobile Home Park and one (1) service to the Hidden Acres Camp Ground. Pennsylvania-American is certificated to serve portions of West Caln Township, Chester County under Docket No. A-230073F0002.

8. No additional capital will be required by the Applicant for the purpose of financing the matters and things involved in this Application.

9. The facilities to be installed within this application territory to serve the 16 units at the High Point States Mobile Home Park will include approximately 4,000 feet of 8" PVC gravity main and an additional 1,500 feet of 8" PVC gravity main to serve the 22 units at the Spring Hill Estates Mobile Home Park. The Hidden Acres Camp Ground will be served by 1,500 feet of 8" PVC force main and related appurtenances. Water service for this area will be provided by Pennsylvania-American.

10. To the best of the knowledge of the Applicant, no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Applicant in the Application Territory, and no competitive condition will be created.

IV. FINANCIAL AND OTHER RELEVANT INFORMATION

11. There is attached hereto, as Exhibit C, a balance sheet of Pennsylvania-American as of December 31, 2011.

12. There is attached hereto, as Exhibit D, a statement of income and retained earnings of Pennsylvania-American for the 12 months ended December 31, 2011.

13. Pennsylvania-American will charge its then existing Rate Zone 1 rates for service in the Application Territory as set forth in Pennsylvania-American's Tariff. Current Rate Zone 1 rates are shown on Exhibit E, and may be changed from time to time.

14. Furnishing of service in the proposed additional service territory will have no adverse effect upon the service furnished or the rates charged to other customers.

15. The estimated annual revenues and expenses of Pennsylvania-American in the additional territory are set forth in Exhibit F attached hereto.

IV. PUBLIC INTEREST

16. It is in the public interest for Pennsylvania-American to provide water service in the proposed service territory because it is financially and technically capable of providing service and because there is a need to make reliable and safe wastewater service available to the existing units at the High Point Mobile Home Park, the Spring Hill Estates Mobile Home Park and the Hidden Acres Camp Ground. Letters from West Caln Township and Baldwin Brothers supporting this application are marked Exhibit G.

17. The cost of the wastewater main installation will be approximately \$900,600 and will be borne by Baldwin Brothers, 7060 Division Highway, Narvon, PA 17555.

18. Upon approval of the Application, receipt of a certificate of public convenience, and installation of the proposed facilities, Pennsylvania-American will provide wastewater service to applicant in the applied for area under the Rules and Regulations of Pennsylvania-American's approved tariff.

V. RELIEF REQUESTED

19. Together with its Order approving this Application, Pennsylvania-American requests that the Commission issue a Certificate of Public Convenience pursuant to Section 1102(a) of the Public Utility Code, 66 Pa.C.S. §1102(a), authorizing Pennsylvania-American to furnish wastewater service in a portion of West Caln Township, Chester County described in Exhibit B-1 and depicted in Exhibit B-2 hereto.

WHEREFORE, Pennsylvania-American respectfully requests that the Pennsylvania Public Utility Commission approve this Application and grant the relief requested in Paragraph 19, above.

PENNSYLVANIA-AMERICAN WATER COMPANY

By: Seth A. Mendelsohn
Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Counsel for
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033
717-533-5000

Dated: 9/10/2012

VERIFICATION

I, DAVID R. KAUFMAN, hereby state that the facts set forth in the Application to extend wastewater service to an additional portion of West Cain Township, Chester County, are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



David R. Kaufman, Vice-President
Pennsylvania-American Water Company

Date: 9/10/12

PENNSYLVANIA-AMERICAN WATER COMPANY

Pennsylvania-American Water Company, an investor-owned water company, with corporate offices at 800 West Hershey Park Drive, Hershey, is a subsidiary of American Water Works Company, Inc. On February 1, 1989, the then-existing Pennsylvania-American Water Company (the result of the January 1, 1987 merger of Riverton Consolidated Water Company with and into Keystone Water Company) was merged with and into Western Pennsylvania Water Company, and the name of the surviving corporation was changed to Pennsylvania-American Water Company. A brief summary of each of the three predecessor companies follows.

Riverton Consolidated Water Company was formed by the merger and consolidation of six operating water companies in 1904. It subsequently acquired seven additional systems, and at the time of its merger with Keystone, supplied water to 12 municipalities on the Harrisburg west shore, Cumberland County, and Fairview Township in York County.

Keystone Water Company resulted from the 1973 merger of 14 companies with and into White Deer Mountain Water Company. The Company later acquired four systems. It provided water service in 14 eastern Pennsylvania counties through the following distribution systems: Abington, Bangor, Berwick, Frackville, Hallstead, Hershey/Palmyra, Montrose, Moshannon Valley, Norristown, Northumberland, Susquehanna, Thompson, White Deer (Milton), and Yardley.

Western Pennsylvania Water Company was the product of the merger of 16 water companies with and into South Pittsburgh Water Company at various times from 1970 to 1973. WPW added seven water distribution systems, extending its service territory into portions of 12 western Pennsylvania counties. The company operated through the following district offices: Butler, Clarion, Connellsville, Ellwood, Indiana, Kane, Kittanning, McDonald, Mon Valley, New Castle, Pittsburgh, Punxsutawney, Uniontown, Warren, and Washington.

After the merger of Riverton and Keystone in 1987, the former Pennsylvania-American Water Company purchased five systems: Red Land Water Company in York County, Campbelltown Water Company in Lebanon County, and three systems in the Moshannon Valley area, Clearfield County - Woodland-Bigler Area Authority, Allport Water Authority, and Graham Water Association.

Since the merger of the former Pennsylvania-American Water Company (Riverton and Keystone) into Western Pennsylvania Water Company on February 1, 1989, the Company has acquired the following water and wastewater systems: Smith Township Municipal Authority system (Washington County, February 27, 1989); Abington Township system (Lackawanna County, August 5, 1989); Summit Township Municipal Authority system (Butler County, August 31, 1993); Skyline Water Company (Dauphin County, December 2, 1993); Gregg Township Municipal Authority system (Union County, April 25, 1994); P-F Area Water Association system (Washington County, October 1, 1994); Country Place Water Company, Inc. and Country Place Waste Treatment Company, Inc. (Monroe County, June 30, 1995); Hickory Water Company, Pocono Farms East Water Company, Inc., and Silver Water Company (Monroe and Pike Counties, December 21, 1995); the water utility assets of Pennsylvania Gas and Water Company (Lackawanna, Luzerne, Susquehanna and Wayne Counties, February 16, 1996); the Municipal Authority of the Township of Morris system (Clearfield County, April 24, 1996); Westford Water Company (Dauphin County, August 2, 1996); Clarion Township General Authority (Clarion County, January 28, 1998); Fairview Water Company, National Utilities, Inc.-Pocono Division, and Pocono Mountains Industrial Park Authority (Monroe County, May 7, 1998); Coolbaugh Township-Fire System (Monroe County, July 28, 1998); Greene Valley Water Company (Lackawanna County, August 28, 1998); Franklin Manor Utilities, Ltd. (Washington County, September 22, 1998); Taylor Township (Lawrence

Exhibit A

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County, December 21, 1998); Evansburg Water Company (Montgomery County, December 30, 1998); Applewold Borough (Armstrong County, March 26, 1999); Cedar Grove Water Association (Washington County, July 8, 1999); Independence Township Municipal Authority (Washington County, July 8, 1999); Koppel Borough (Beaver County, November 5, 1999); Center Township (Butler County, December 30, 1999); Strattanville Borough (Clarion County, April 6, 2000); Franklin Township Municipal Authority (Beaver County, August 30, 2000); Elk Forest Estates (Wayne County, November 18, 2000); T.O.W. Associates (Butler County, February 13, 2001); City of Coatesville Authority (Chester and Lancaster Counties, March 22, 2001); Fox Knoll Water Company (Chester County, April 26, 2001); Butler Township Area Water and Sewer Authority (Butler County, April 27, 2001); Citizens Utilities Water Company of Pennsylvania (Adams, Berks, Chester, Monroe, Montgomery and Northampton Counties, January 15, 2002); LP Water & Sewer Company (Monroe and Pike Counties, April 3, 2002); Mid-Monroe Water Company (Monroe County, August 23, 2002); West Decatur Authority (Clearfield County, March 31, 2003); Rustic Acres Water Association (Pike County, September 30, 2003); Sandy Ridge Water Authority (Center County, October 14, 2003); Connoquenessing Borough Authority (Butler County, October 23, 2003); Skytop Water Company (Luzerne County, December 3, 2003); Sligo Borough Authority (Clarion County, August 31, 2004); Snowshoe at Mt. Pocono Condominiums, Inc. (Monroe County, February 24, 2005); Shipperville Municipal Authority (Clarion County, March 31, 2005); Blue Mountain Lake Associates, L.P. (Monroe County, October 31, 2005); East Fallowfield Township (Chester County, December 22, 2005); Stillwater Lakes Water Corporation (Monroe County, January 17, 2006); Winona Lakes Utilities, Inc. (Monroe and Pike Counties, January 26, 2006); Saville Rustin Water Company, Inc./Pine Ridge Community Association, Inc. (Pike County, March 29, 2006); Lexington Woods Corporation (Monroe County, July 24, 2006); Community Association of Pocono Farms, Incorporated (Monroe County, July 31, 2006); Redstone Water Company (Fayette and Washington Counties, March 20, 2007); Mountain Top Estates Property Owners Association (Monroe County, May 30, 2008); Claysville-Donnegal Joint Municipal Authority (Washington County, July 31, 2008); Three Lane Utilities, Inc. (Pike County, September 10, 2008); Clarion Area Authority (Clarion County, October 30, 2008); Boggs Township (Centre County, September 10, 2009); Amwell Township Water Authority (Washington County, September 23, 2009); Wallacetown Municipal Authority (Clearfield County, October 1, 2009); Saxonburg Area Authority (Butler County, October 28, 2009); Nittany Water Company (Centre and Clinton Counties, February 3, 2010); Sutton Hills Homeowners Association (Luzerne County, May 5, 2010); Birch Acres Water Works, Inc. (Monroe County, December 7, 2010); Helen Norella and Louis & Isabelle Norella (Lackawanna County, October 5, 2011); Wildcat Park Corporation (Schuylkill County, November 17, 2011) and Estate of George Spangenberg d/b/a Lake Spangenberg Water Company (Lackawanna County, May 3, 2012). On July 2, 1990, Brownsville Water Company (Fayette County) and California Water Company (Washington County) were acquired and merged into the Company. On June 16, 1992, the former Forge Road Acres water system (Cumberland County) was sold to South Middleton Township. On March 24, 2003, Salisbury Water Supply Company (State of Massachusetts) was acquired and merged into the Company.

As a result of the various mergers and acquisitions, the Company furnishes water service to about 640,116 customers in the following municipalities:

All, or portions of, the Townships of Mount Joy, Mount Pleasant and Straban in Adams County;

All, or portions of, the Cities of Clairton and Pittsburgh (16th, 18th, 19th, 20th, 23rd, 29th, 30th, 31st and 32nd Wards), the Boroughs of Baldwin, Bethel Park, Brentwood, Bridgeville, Carnegie, Castle Shannon, Crafton, Dormont, Dravosburg, Elizabeth, Glassport, Greentree, Heidelberg, Homestead, Ingram, Jefferson, Liberty, Lincoln, Mt. Oliver, Munhall, Pleasant Hills, Rosslyn Farms, Thornburg, West Elizabeth, West Homestead, West Mifflin, Whitaker and Whitehall and the Townships of Baldwin, Collier, Elizabeth, Forward, Mt. Lebanon, North Fayette, Robinson, Scott, South Fayette, South Park and Upper St. Clair in Allegheny County;

Exhibit A

All, or portions of, the Boroughs of Applewold and Kittanning and the Townships of Manor and Rayburn in Armstrong County;

All, or portions of, the Boroughs of Big Beaver, Ellwood City, Frankfort Springs and Koppel and the Townships of Franklin, Hanover and North Sewickly in Beaver County;

All, or portions of, the Boroughs of Sinking Spring, St. Lawrence, West Lawn³ and Wyomissing² and the Townships of Amity, Cumru, Earl, Exeter, Lower Heidelberg, Ruscombmanor, South Heidelberg and Spring in Berks County;

All, or portions of, the Borough of Yardley and the Townships of Falls and Lower Makefield in Bucks County;

All, or portions of, the City of Butler, the Boroughs of Connoquenessing, East Butler and Saxonburg and the Townships of Butler, Center, Clinton, Connoquenessing, Forward, Franklin, Jackson, Jefferson, Lancaster, Oakland, Penn and Summit in Butler County;

All, or portions of, the Boroughs of Philipsburg and South Philipsburg and the Townships of Boggs, Rush and Walker in Centre County;

All, or portions of, the City of Coatesville, the Boroughs of Atglen, Parkesburg, South Coatesville and Spring City and the Townships of Caln, East Coventry, East Fallowfield, East Pikeland, East Vincent, Highland, Sadsbury, Schuylkill, Valley, West Caln, West Sadsbury and West Vincent in Chester County;

All, or portions of, the Boroughs of Clarion, Shippenville, Sligo and Strattanville and the Townships of Clarion, Elk, Farmington, Highland, Knox, Limestone, Monroe, Paint and Piney in Clarion County;

All, or portions of, the Boroughs of Chester Hill, Osceola Mills and Wallacetown and the Townships of Boggs, Bradford, Decatur, Graham and Morris in Clearfield County;

All, or portions of, the Township of Porter in Clinton County;

All, or portions of, the Boroughs of Berwick and Briar Creek and the Township of Briar Creek in Columbia County;

All, or portions of, the Boroughs of Camp Hill, Lemoyne, New Cumberland, Shiremanstown, West Fairview¹ and Wormleysburg and the Townships of East Pennsboro, Hampden, Lower Allen, Silver Spring and Upper Allen in Cumberland County;

All, or portions of, the Townships of Conewago, Derry, Londonderry, South Hanover and West Hanover in Dauphin County;

All, or portions of, the Cities of Connellsville and Uniontown, the Boroughs of Brownsville and South Connellsville and the Townships of Brownsville, Bullskin, Connellsville, Dunbar, Jefferson, Luzerne, Menallen, North Union, Redstone and South Union in Fayette County;

All, or portions of, the Borough of Indiana and the Township of White in Indiana County;

All, or portions of, the Boroughs of Big Run and Punxsutawney and the Townships of Bell, Gaskill, Henderson, McCalmont and Young in Jefferson County;

All, or portions of, the Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Abington, Carbondale, Fell, Glenburn, Jefferson, North Abington, Scott and South Abington in Lackawanna County;

All, or portions of, the Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury in Lancaster County;

All, or portions of, the City of New Castle; the Boroughs of Ellport, Ellwood City, New Beaver and South New Castle and the Townships of Hickory, Mahoning, Neshannock, North Beaver, Perry, Shenango, Taylor, Union and Wayne in Lawrence County;

All, or portions of, the Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry in Lebanon County;

All, or portions of, the Cities of Nanticoke, Pittston and Wilkes-Barre, the Boroughs of Ashley, Avoca, Courtdale, Dallas, Dupont, Duryea, Edwardsville, Exeter, Forty Fort, Hughestown, Kingston, Laflin, Larksville, Laurel Run, Luzerne, Nescopeck, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Conyngham, Fairview, Hanover, Hunlock, Jackson, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Salem, Union, Wilkes-Barre and Wright in Luzerne County;

All, or portions of, the Borough of Kane and the Township of Wetmore in McKean County;

All, or portions of, the Borough of Mount Pocono and the Townships of Coolbaugh, Hamilton, Middle Smithfield, Ross, Smithfield and Stroud in Monroe County;

All, or portions of, the Boroughs of Bridgeport, Norristown and Royersford and the Townships of East Norriton, Limerick, Lower Pottsgrove, Lower Providence, Perkiomen, Plymouth, Skippack, Upper Merion, Upper Providence, West Norriton, Whitmarsh, Whitpain and Worcester in Montgomery County;

All, or portions of, the Boroughs of Bangor, Belfast, Nazareth, Pen Argyl, Roseto, Stockertown, Tatamy and Wind Gap and the Townships of Bushkill, Forks, Lower Nazareth, Palmer, Plainfield, Upper Mt. Bethel, Upper Nazareth and Washington in Northampton County;

All, or portions of, the Boroughs of Milton, Northumberland and Watsontown and the Townships of Delaware, East Chillisquaque, Point, Turbot, Upper Augusta and West Chillisquaque in Northumberland County;

Portions of the Townships of Delaware, Lehman and Westfall in Pike County;

All, or portions of, the Borough of Frackville and the Townships of Butler, Mahanoy, New Castle, Walker and West Mahanoy in Schuylkill County;

All, or portions of, the Boroughs of Forest City, Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland in Susquehanna County;

All, or portions of, the Borough of Lewisburg and the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer in Union County;

All, or portions of, the City of Warren and the Townships of Conewango, Glade, Meade, and Pleasant in Warren County;

All, or portions of, the Cities of Monongahela and Washington and the Boroughs of Burgettstown, California, Canonsburg, Claysville, Coal Center, East Washington, Finleyville, Houston, McDonald, Midway, New Eagle, West Brownsville and West Middletown and the Townships of Amwell, Buffalo, Canton, Carroll, Cecil, Chartiers, Cross Creek, Donegal, East Finley, Fallowfield, Hanover, Hopewell, Independence, Jefferson, Mount Pleasant, North Franklin, North Strabane, Nottingham, Peters, Robinson, Smith, Somerset, South Franklin, South Strabane, Union and West Pike Run in Washington County;

Portion of the Township of Clinton in Wayne County; and
All, or portions of, the Townships of Fairview and Newberry in York County.

As a result of acquisitions, the Company furnishes wastewater service to about 17,105 customers in the following municipalities:

All, or portions of, the City of Coatesville, the Boroughs of Parkesburg and South Coatesville and the Townships of Caln, East Fallowfield, Highland, Sadsbury, Valley, West Caln and West Sadsbury in Chester County;

All, or portions of, the Borough of Clarion and the Townships of Clarion and Monroe in Clarion County;

Portions of the Townships of Coolbaugh, Middle Smithfield, Smithfield and Stroud in Monroe County;

Portion of the Township of Lehman in Pike County; and

All, or portions of, the Borough of Claysville and the Township of Donegal in Washington County.

¹ West Fairview Borough was merged into East Pennsboro Township in 1998.

² Wyomissing Hills was merged into Wyomissing Borough in 2002.

³ West Lawn was merged into Spring Township in 2006.

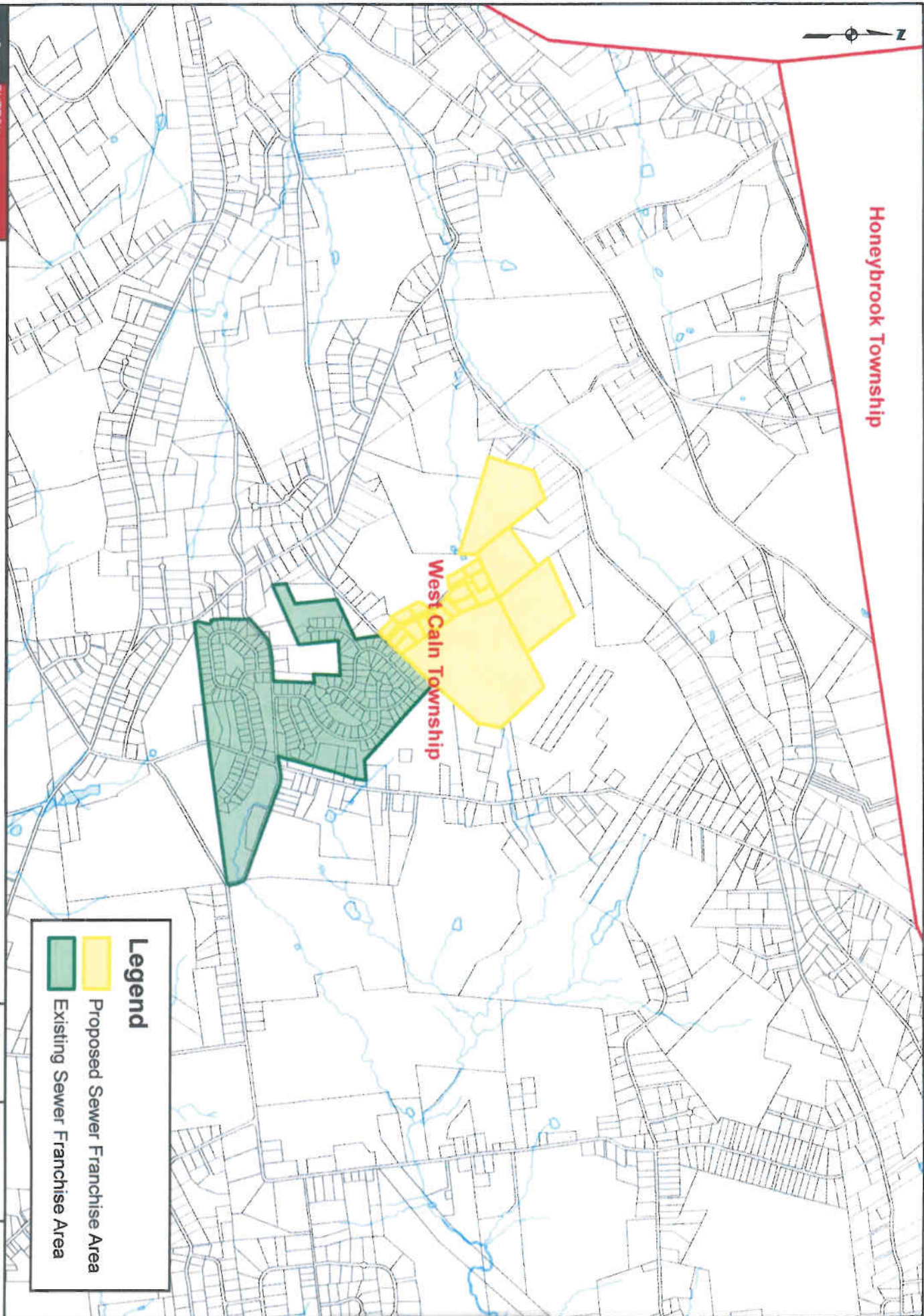
[393 municipalities in 36 counties. Note: Ellwood City Borough is located in Beaver and Lawrence Counties; Hanover Township is located in Beaver and Washington Counties]

8/27/2012



Honeybrook Township

West Cain Township



Legend

- Proposed Sewer Franchise Area
- Existing Sewer Franchise Area



ENTECH
 Environmental Engineering Inc.
 414 E. 10th Street
 Reading, PA 19601
 P: 610-373-8887
 F: 610-373-7551
 entech.com

PENNSYLVANIA AMERICAN WATER
Sewer Franchise Extension - West Cain Township

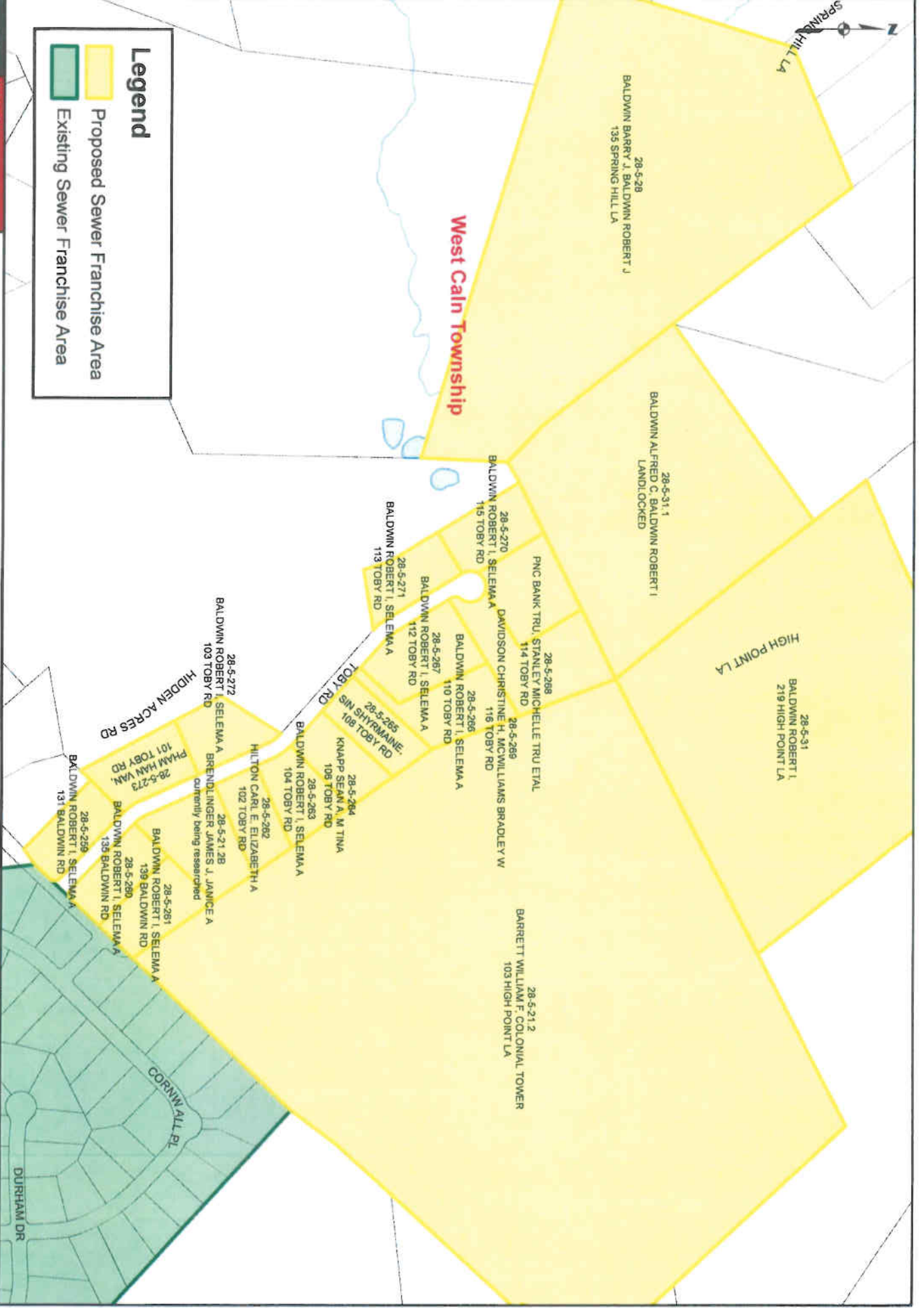
PREPARED BY	DATE	PROJECT NO.	SCALE	PROJECT NUMBER
CTT	4/3/12	5213	1" = 2,000'	EXH-1

Exhibit B-1



Legend

- Proposed Sewer Franchise Area
- Existing Sewer Franchise Area



ENTTECH
 Civil Engineering Inc.
 1400 Spring Hill Rd
 Suite 100
 West Chester, OH 41085
 Phone: 513-333-1100
 Fax: 513-333-1101
 Website: www.enttech.com

PENNSYLVANIA AMERICAN WATER
Sewer Franchise Extension - West Cain Township

DESIGNED BY	PROJECT NO.	SCALE	PROJECT NUMBER
CTT	SER	1" = 400'	SER
DATE	PROJECT NO.	SCALE	PROJECT NUMBER
4/3/12	5213	1" = 400'	EXH-2

Description of Public Sewer Facilities provided by Gerald DeBalko PAWC Engineer

The Highpoint Estates Mobile Home Park (Tax Parcel No. 28-5-31, 22.69 acres), Spring Hill Estates Mobile Home Park (Tax Parcel No. 28-5-28, 25.85 acres), and Hidden Acres Camp Ground (Tax Parcel No. 28-5-31.1, 13.44 acres), are in the process of obtaining the necessary approvals to abandon an existing on lot sewer systems serving each individual lot at these three parcels. West Cain Township as part of its draft Act 537 plan desires this area to be served by public sewer, however the plan has yet to be approved by PaDEP. Attached is a Letter of Support from West Cain Township. The most reasonable alternative is an extension that follows the same route as the proposed water main extension. The existing PAWC 8" PVC gravity sewer system is located on Cornwall Place. A 4,000 foot extension of 8 inch PVC gravity main will be required to serve the existing 16 units at the High Point States Mobile Home Park. This extension would be located on Toby Road as to allow other private residents, sixteen in total, to connect if interested. An additional 1,500 feet of 8 inch PVC gravity main will be required to serve the existing 22 units at the Spring Hill Estates Mobile Home Park and convey the sewage to one central location were it can be pumped to the gravity main extension for High Point Estates. Sewage shall be conveyed through the existing conveyance system for ultimate disposal at the PAWC Coatesville Wastewater Treatment Facility.

<u>Description</u>	<u>Unit Price</u>	<u>Unit Cost</u>	<u>Funding Source</u>
5,500 LF 8" PVC	\$120/LF	\$660,000	Developer Funded
1,500 LF 2" PVC	\$30/LF	\$45,000	Developer Funded
38 Sewer Laterals	\$1,200 each	\$45,600	Developer Funded
1 Pump Station	Lump Sum	<u>\$150,000</u>	Developer Funded
Estimated Total		\$900,600	

Pennsylvania-American Water Company, Inc.
Condensed Balance Sheet
December 31, 2011 (Unaudited)
(Dollars in thousands)

	December 31, 2011 (Unaudited)
Property, plant and equipment	
Utility plant - at original cost less accumulated depreciation	\$2,432,188
Utility plant acquisition adjustments, net	\$18,755
Total Non-Utility Plant, net	\$277
Construction Work in Progress	\$65,392
Total property plant and equipment	\$2,516,612
Current assets	
Cash and cash equivalents	\$1,192
Accounts receivable:	
Billed, net of allowance for doubtful accounts	\$29,836
Unbilled	\$28,070
Other current assets	\$29,551
Total current assets	\$88,649
Long-term assets	
Regulatory assets	\$174,172
Goodwill	\$40,223
Other	\$133
Total long-term assets	\$214,528
Total assets	\$2,819,789
Capitalization and Liabilities	
	December 31, 2011 (Unaudited)
Capitalization	
Stockholder's equity:	
Common stock	\$21,507
Paid-in capital	\$608,407
Retained earnings	\$336,285
Total stockholder's equity	\$966,199
Long-term debt	\$984,819
Preferred stock without mandatory redemption requirements	\$1,720
Preferred stock with mandatory redemption requirements	\$12,452
Total capitalization	\$1,965,190
Current liabilities	
Notes payable - associated companies	
Short-term debt	\$30,848
Current portion of long-term debt	\$6,441
Other	\$83,933
Total current liabilities	\$121,222
Long-term liabilities	
Deferred income taxes	\$508,404
Other	\$114,395
Total long-term liabilities	\$622,799
Contributions in aid of construction	\$110,578
Total capitalization and liabilities	\$2,819,789

Pennsylvania-American Water Company, Inc.
Consolidated Condensed Statement of Income
For the 12 months ended December 31, 2011 (Unaudited)
(Dollars in thousands)

	Twelve Months Ended December 31, 2011
Operating revenues	<u>\$515,529</u>
Operating expenses	
Operation and maintenance	\$222,205
Depreciation and amortization	\$68,172
General taxes	\$12,435
Total Operating Expenses	<u>\$302,812</u>
Operating income	<u>\$212,717</u>
Other income (deductions)	
Other income, net	(\$2,567)
Interest expense, net	\$59,255
	<u>\$56,688</u>
Income before income taxes	<u>\$156,030</u>
Provision for income taxes	<u>\$59,524</u>
Net income	<u>\$96,506</u>
Dividends on preferred stock	<u>\$77</u>
Income to common stock	<u>\$96,429</u>

Exhibit D

Pennsylvania-American Water Company

PART I: RATES - The rates as set forth below will be in effect from
January 1, 2012 through December 31, 2012.

Metered Charges

E. Residential *** (Based on Water Usage or Sewage Flows) (C)

Service Charge per month: \$ 7.50

Usage Charge \$1.1672 per 100 gallons

F. Commercial (Based on Water Usage or Sewage Flows) (C)

Service Charge per month:

5/8" meter \$ 7.50

3/4" - 1 1/2" meter \$10.00

2" meter and up \$20.00

Usage Charge \$.8869 per 100 gallons

G. Municipal and Industrial (Based on Water Usage or Sewage Flows) (C)

Service Charge per month: \$20.00

Usage Charge \$.8869 per 100 gallons

H. Special Rate Charges (Based on Water Usage or Sewage Flows) (C)

1. Bulk Metered Usage

Caln Township, Sadsbury Township, Valley Township, V.A. Hospital
and West Brandywine Township - One Monthly Service Charge Per
Customer of \$250.00 in addition to \$.7032 per 100 gallons of
metered water usage.

Mittal Steel - Monthly Service Charge of \$250.00 in addition to
\$.6765 per 100 gallons of metered water usage.

Unmetered Charges

This charge is a flat rate fee for customers not metered for water
consumption.

Residential *** \$57.14 per month, per EDU

Commercial \$57.14 per month, per EDU

*** As set forth in Page 4F, Residential Rates are subject to a
15% discount for qualifying low income customers.

Issued: February 7, 2011

Effective: April 8, 2011

**Estimated Annual Revenue and Expense
in Application Territory**

Wastewater

Estimated Annual Revenue

38 Residential Customers with 5/8" meters @ \$671.27	\$25,508
1 Commercial Customer with a 2" meter @ \$16,427.70	\$16,428
Total Annual Revenues	\$41,936

Estimated Annual Expenses

38 Residential Customers with 5/8" meters @ \$113.58	\$4,316
1 Commercial Customer with a 2" meter @ \$2,779.57	\$2,780
Total Annual Expenses	\$7,096
Net	\$34,840

EXHIBIT F

BALDWIN BROTHERS
7060 DIVISION HIGHWAY
NARVON, PA 17555
(717) 354-4651

April 19, 2012


Mr. Gerald A. Debalko, P.E.
100 Chesire Court
Coatersville, PA 19320

Dear Mr. DeBalko:

We would hereby like to request thirty eight (38) water services for our mobile home parks. Twenty two (22) services at Spring Hill Estates Mobile Home Park and sixteen (16) at High Point Mobile Home Park. We would also like to request one (1) larger service for Hidden Acres Campground.

Should you have any questions or need our assistance with anything else, please do not hesitate to contact me.

Thank you,


Barry J. Baldwin
Partner

BJB/lf
Cc: File

Exhibit G

WEST CALN TOWNSHIP
BOARD OF SUPERVISORS
CHESTER COUNTY

RECEIVED

721 West Kings Highway
P.O. Box 175
Wagontown, Pa. 19376

MAR 30 2012

Phone: 610 384-5643
Fax: 610 384-9035

March 27, 2012

Pennsylvania American Water Company
PAW-Southeast Region
4 Shillington Blvd.
Wyomissing, Pa. 19610

Re: Baldwin Mobile Home Park. Sewer and Water Expansion. AKA as High Point Estates

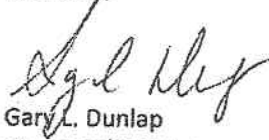
Gentlemen:

Please consider confirmation that West Caln Township is in support of an amendment to the Pennsylvania American Water Company sewer and water franchise area to include the Baldwin Mobile Home Parks as shown on the attached map.

You are authorized to include this letter with any application the Pennsylvania American Water Company may be required to file with the Pennsylvania Public Utility Commission to extend water and sewer service to the above captioned project. This action was taken at a meeting of the West Caln Township Board of Supervisors on March 26, 2012.

If you have any questions or comments, please feel free to contact me.

Sincerely,



Gary L. Dunlap
Manager/Secretary
West Caln Township

GLD/

cc: Board of Supervisors



pennsylvania

DEPARTMENT OF ENVIRONMENTAL PROTECTION

SOUTHEAST REGIONAL OFFICE

RECEIVED

MAR 22 2012

March 19, 2012

Mr. Gerald A. DeBalko, P.E.
Project Manager
PAW - Southeast Region
4 Wellington Boulevard
Wyomissing, PA 19610

Re: Water Service for High Point Estates
PWS ID No. 1150219
West Caln Township
Chester County

Dear Mr. DeBalko:

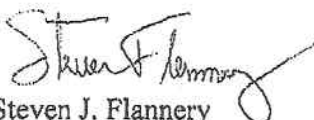
As per your request, this letter will serve as a formal request by the Department of Environmental Protection (DEP) to the Pennsylvania American Water Company (PAW) to provide water service to the above-listed public water supply. It is the understanding of the DEP that the current service territory held by PAW would require expansion to provide service coverage to the above-listed public water supply, as well as other private residents in area who may be interested in connecting to public water.

The High Point Estates public water supply is currently in need of a reliable and safe water source to meet the needs of its residents, which is a result of the recent fouling and loss of one of their two main supply wells. Since High Point Estates is bordered and partially on top of the delineated plume of contamination which has been traced back to the William Dick Lagoons National Priorities List (NPL) site, it has been determined that it is in the best interest of both the public water supplier and the residents served by this system to be connected to public water.

On February 15, 2012, Mr. Steve Flannery (DEP), Mr. Ben Greeley (DEP), Mr. Don Detweiller (DEP), Mr. Barry Baldwin, and Mr. Gary Baldwin met at High Point Estates to site and approve of the location of a new water supply source well to serve the community. The community recently lost use of one of their water supply wells, and drilling a replacement well at that site is impossible due to its location in the delineated plume of contamination originating from the William Dick Lagoons NPL site. An alternate location was approved of and later a well drilling permit was issued by the Chester County Health Department. During this site visit, the question of connection to local public water was raised and is being pursued by the public water supply. This will provide the best long-term option for providing a safe and reliable source of water to the public in this area.

It is the opinion of the DEP that the best option going forward for this water supply is to connect to public water. These wells may be used as monitoring wells for collection of sampling related to the William Dick Lagoons NPL site, as needed by those overseeing the cleanup procedures related to this site. Connection to public water for this community should be completed as soon as possible. The DEP supports PA American-Coatesville in expanding its service territory to extend waterlines to the public in this area. If further information is required of the DEP or if you have any questions concerning this process, please contact me at 484.250.5111 or the mailing address located in the first page footer.

Sincerely,



Steven J. Flannery
Compliance Specialist
Safe Drinking Water

cc: Mr. Johnson
Mr. Flannery
Mr. Greeley
Mr. Detweiler
File
Mr. Baldwin
West Caln Township
Re (dh12sdw) 079-1