



PENNSYLVANIA
AMERICAN WATER

800 West Hersheypark Drive
Hershey, PA 17033
P 717-531-3362
F 717-531-3399
Seth.mendelsohn@amwater.com

Seth A. Mendelsohn
Corporate Counsel

February 20, 2013

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

**In Re: Application of Pennsylvania-American Water Company for
approval of the right to offer, render, furnish or supply wastewater service
in an additional portion of Clarion Township, Clarion 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
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 Clarion Township, Clarion 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 Clarion Township, Clarion County, Pennsylvania.

2. This Application is being filed to extend wastewater service to the public in the proposed service territory in a portion of Clarion Township, Clarion 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 January 30, 2013, Pennsylvania-American provided water service to approximately 641,164 customers in the following classifications:

Residential:	590,977
Commercial:	44,261
Industrial:	515
Municipal, Resale and Other:	2,296
Fire Protection:	3,115

In addition, Pennsylvania-American furnishes wastewater service to approximately 17,078 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 Clarion Township, Clarion 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 the Clarion Limestone School District along with approximately one hundred (100) residential customers. Pennsylvania-American is certificated to serve portions of Clarion Township, Clarion County under Docket No. A-230079F0009.

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 Clarion Limestone School District and approximately one hundred residential customers will include approximately 28,000 linear feet of 6" force main, 5,700 linear feet of 8" gravity sewer main and 2,400 linear feet of 2" and 3" low pressure sewer line. In addition, the Company will be installing two wastewater lift stations. Water service for this area is 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 September 30, 2012.

12. There is attached hereto, as Exhibit D, a statement of income and retained earnings of Pennsylvania-American for the 12 months ended September 30, 2012.

13. Pennsylvania-American will charge its then existing rates for service in the Application Territory as set forth in Pennsylvania-American's Wastewater Tariff. Current 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 Clarion Limestone School District along with approximately 100 residential customers. This extension will replace the current wastewater treatment plant owned and used by the Clarion Limestone School District and replace the on-lot systems used by the residential customers. Letters from Clarion Township and Clarion County supporting this application are marked Exhibit G. Pennsylvania American Water is requesting this service territory to fulfill the requirements of Clarion County's Act 537 Plan.

17. The cost of the wastewater main installation will be approximately \$4,200,000 and will be borne by Pennsylvania America Water Company.

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 Clarion Township, Clarion 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.

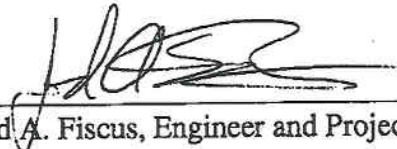
PENNSYLVANIA-AMERICAN WATER COMPANY

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: 2/20/2013

VERIFICATION

I, JED A. FISCUS, hereby state that the facts set forth in the Application to extend water service to an additional portion of Clarion Township, Clarion 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).



Jed A. Fiscus, Engineer and Project
Manager
Pennsylvania-American Water Company

Date: 2-19-13

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 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-Donegal 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); Wallaceton 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); Estate of George Spangenberg d/b/a Lake Spangenberg Water Company (Lackawanna County, May 3, 2012); North Fayette County Municipal Authority-Balsinger Public Water System and Springfield Pike Public Water System (Fayette County, October 4, 2012); All Seasons Water Company (Pike County, December 20, 2012) and Ha Ra Corporation-Fernwood Community Water System (Monroe County, December 31, 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 641,070 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;

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 Wallaceton 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, German, 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, Whitemarsh, 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, Morris, 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 17,083 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.

[395 municipalities in 36 counties.]

12/31/2012

**PENNSYLVANIA AMERICAN WATER
APPLICATION FOR PUC SERVICE TERRITORY
CLARION TOWNSHIP
CLARION COUNTY**

EXHIBIT B-1

Beginning at a point, said point being the intersection of centerline of SR 1009 (Stone House Road) and the Strattanville Borough Boundary, in the Township of Clarion, Clarion County. From said point, extending 500 feet on the North side of SR 1009 (Stone House Road), in a south-westerly direction extending along the centerline of SR 1009 (Stone House Road) to the intersection of the existing Pennsylvania American Water certificated PUC franchise territory and extending 500 feet on the South side of SR 1009 (Stone House Road) to the centerlines of SR 1007 (Greenville Pike) and SR 1009 (Stone House Road), thence in a north-westerly direction along the centerline of SR 1007 (Greenville Pike) to the intersection of the existing Pennsylvania American Water certificated PUC franchise territory.

Also, beginning at a point, said point being the intersection of centerlines of SR 322 and T-534 (Pioneer Road), in the Township of Clarion, Clarion County. From said point, extending 500 feet on each side, in an easterly direction along the centerline of SR 322 to the intersection of the centerlines of SR 322 and SR 2015 (C-L School Road). Thence in a southerly direction along the centerline of SR 2015 (C-L School Road) to the intersection of the centerlines of SR 2015 (C-L School Road), SR 2014 (Waterson Road) and T-566 (Simpson Road).

Pennsylvania-American Water Company, Inc.
Condensed Balance Sheet
September 30, 2012 (Unaudited)
(Dollars in thousands)

	September 30, 2012 (Unaudited)
Property, plant and equipment	
Utility plant - at original cost less accumulated depreciation	\$2,816,957
Utility plant acquisition adjustments, net	\$14,693
Total Non-Utility Plant, net	\$275
Construction Work in Progress	\$64,902
Total property plant and equipment	\$2,896,827
Current assets	
Cash and cash equivalents	\$1,813
Accounts receivable:	
Billed, net of allowance for doubtful accounts	\$45,985
Unbilled	\$26,015
Other current assets	\$12,994
Total current assets	\$86,807
Long-term assets	
Regulatory assets	\$178,628
Goodwill	\$39,782
Other	\$39
Total long-term assets	\$218,449
Total assets	\$3,202,083
Capitalization and Liabilities	
	September 30, 2012 (Unaudited)
Capitalization	
Stockholder's equity:	
Common stock	\$21,507
Paid-in capital	\$684,214
Retained earnings	\$391,126
Total stockholder's equity	\$1,096,847
Long-term debt	\$1,038,395
Preferred stock without mandatory redemption requirements	\$1,720
Preferred stock with mandatory redemption requirements	\$11,252
Total capitalization	\$2,148,214
Current liabilities	
Notes payable - associated companies	
Short-term debt	\$85,279
Current portion of long-term debt	\$3,752
Other	\$114,759
Total current liabilities	\$203,790
Long-term liabilities	
Deferred income taxes	\$591,745
Other	\$138,863
Total long-term liabilities	\$730,608
Contributions in aid of construction	\$119,471
Total capitalization and liabilities	\$3,202,083

Pennsylvania-American Water Company, Inc.
Consolidated Condensed Statement of Income
For period ending September 30, 2012 (Unaudited)
(Dollars in thousands)

	Period Ending September 30, 2012
Operating revenues	<u>\$547,969</u>
Operating expenses	
Operation and maintenance	\$216,964
Depreciation and amortization	\$74,053
General taxes	\$13,046
Total Operating Expenses	<u>\$304,063</u>
Operating income	<u>\$243,906</u>
Other income (deductions)	
Other income, net	(\$1,482)
Interest expense, net	\$62,438
	<u>\$60,955</u>
Income before income taxes	<u>\$182,951</u>
Provision for income taxes	<u>\$75,084</u>
Net income	<u>\$107,866</u>
Dividends on preferred stock	<u>\$77</u>
Income to common stock	<u>\$107,789</u>

Part I: Rates

Schedule of Rates for Service

Metered Charges

Service Charges

All metered customers shall be subject to a monthly service charge.

<u>Bill Class</u>	<u>Monthly Service Charge</u>
Residential	\$ 7.50
Commercial	20.00
Industrial	20.00
Municipal	20.00

Usage Charge For All Bill Classes

(Based on water or wastewater usage)

Usage Charge \$.689 per hundred gallons

Unmetered Charges

Flat rate fees for customers not metered for water or wastewater usage.

<u>Unmetered Rates</u>	<u>Monthly Rate</u>
Residential Flat Rate	\$30.44 per tap
Commercial Flat Rate	42.94 per tap
Municipal Flat Rate	2,470.00 Flat Fee

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

Wastewater

Estimated Annual Revenue

100 Residential Customers with 5/8" meters @ \$365.32	\$36,532
1 Commercial Secondary School with 2-2" meters	\$12,024
1 Commercial Elementary School with 1-2' meter	\$4,992
Total Annual Revenues	\$53,548

Estimated Annual Expenses

100 Residential Customers with 5/8" meters @ \$81.65	\$8,165
1 Commercial Secondary School with a 2-2" meters	\$2,687
1 Commercial Elementary School with 1-2" meter	\$1,116
Total Annual Expenses	\$11,968
Net	\$41,580

EXHIBIT F

Supervisor
BERGEN DILLEY

Clarion Township

Supervisor
ROBERT DEEMER

P.O. Box 270

Strattanville, PA 16258

Supervisor
FRANK WILSON

Phone 814-764-5222 - Fax 814-764-6368
email: 12clartwp@clartwp.comcastbiz.net

Secretary/Treasurer
WENDY CHAPMAN

February 14, 2013

Pennsylvania American Water
425 Waterworks Road
Clarion, PA 16214

To Whom It May Concern:

Please consider this letter as the Clarion Township's support regarding the proposed sewage line extension down Route 322 and to Clarion Limestone Schools.

This project includes the C-L extension, and improvements to the existing Clarion WW WWTP Liberty Street Lift Station and collection system. The proposed territory to be acquired will extend from PAW existing territory along Greenville Pike to the intersection of Greenville Pike and Stone House Road, continuing along Stone House Road, continuing along Stone House Road to the Strattanville Borough Boundary. The east side of the proposed territory would begin at the intersection of SR 322 and Pioneer Road and continue along SR 322 to C-L School Road and to continue along C-L School Road to the C-L School District WWTP.

This extension to the C-L School and the residence along Route 322 is greatly needed and appreciated. We request sewage service to be extended to the residents along SR 322 to C-L School.

Thank you for your continued support in providing sewage service to our rural communities.

CLARION TOWNSHIP

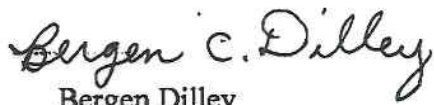

Bergen Dilley
Chairman of the Board

Exhibit G



OFFICE OF THE
Commissioners

330 Main Street, 2nd Floor
CLARION, PA 16214

(814) 226-4000, Ext. 3004, Fax (814) 297-7806, Web Site: www.co.clarion.pa.us

Wayne R. Brosius
Commissioner

G. Butch Campbell
Commissioner

Gregory A. Faller
Commissioner

Anjanette M. Keller
Chief Clerk

February 12, 2013

PA American Water
Attn. Jed A Fiscus, P.E.
Engineering Project Manager
425 Waterworks Road
Clarion, PA 16214

Dear Mr. Fiscus,

The County of Clarion would like to express its support of a sewer extension by PA American Water (PAW) to Clarion Limestone School District located in Clarion Township of Clarion County.


We understand that PAW is currently working on the design and permitting of this extension as part of the overall Act 537 Implementation Project. The project includes the C-L extension, and improvements to the existing Clarion Wastewater Treatment Plant (WWTP), Liberty St. Lift Station and collection system. We are fully supportive of PAW applying and getting approval from the PUC for franchise territory from Greenville Pike along Stone House Road to the Strattanville Borough line. The east side of the project would begin at the intersection of State Route 322 and Pioneer Road just east of Strattanville, and continue along 322 to C-L School Road and then continue along C-L School Road to the C-L School District WWTP.


We request that sewer service be extended in this project to serve the school and customers along the proposed route.

The Clarion County Commissioners would like to thank you for your continued support in providing service to our rural communities.

Sincerely,


Wayne Brosius, Chairman


G. Butch Campbell


Gregory A. Faller

Strattanville Borough
PO Box 139
Strattanville, PA 16258-0139
Phone (814) 764-5359
Fax (814) 764-6100

February 15, 2013

Pennsylvania American Water
ATTN: Jed A. Fiscus, Engineering Project Manager
425 Waterworks Road
Clarion, PA 16214

Dear Mr. Fiscus:

Please let this letter serve to inform you that the Strattanville Borough Council supports your proposed sewer line extension to the Clarion - Limestone Area Schools.

The members of the Strattanville Borough Council are pleased that you are providing the opportunity for our neighbors to connect to your proposed sanitary sewer line.

If you should need any further information, please feel free to contact me at (814) 764-5359 at the Strattanville Borough Office between 8:30 a.m. and 4:30 p.m., Monday through Friday.

Sincerely,



Karen L. Wilson, Secretary