



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

Seth A. Mendelsohn
Corporate Counsel

June 12, 2014

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, or furnish or supply wastewater service to the public in an additional portion of East Fallowfield 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
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 East Fallowfield 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 East Fallowfield 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 East Fallowfield 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 March 31, 2014 Pennsylvania American furnished water service to 649,127 customers, as follows:

Residential	597,062
Commercial	44,775
Industrial	528
Fire service	2,368
Municipal, sales for resale and others	4,390

In addition, Pennsylvania-American furnishes wastewater service to approximately 16,746 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 East Fallowfield 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 a new middle school (South Brandywine Middle School) to be located on Doe Run Road in the Coatesville Area School District. Pennsylvania-American is certificated to serve portions of East Fallowfield 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 newly constructed middle school will be provided through an extension of the existing Pennsylvania-American wastewater system at the intersection of Doe Run Road and Crossing Boulevard, East Fallowfield Township, Chester County. A 10 inch PVC gravity sewer main installed from the school property and traveling 1,750 feet east through a proposed easement in the East Fallowfield Township Park. At this low point in the park a sewage pumping station will be required to be constructed. The station will boost the sewage flow through 1,700 feet of 4 inch PVC force main to an existing sewer manhole at the Branford Village subdivision. The school is the only proposed service, however, the Township has requested additional franchise territory for the properties adjacent to the school property located on Doe Run Road, Strasburg Road and Buck Run Road, so they could be served as the need arises. 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, 2013.

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, 2013.

13. Pennsylvania-American will charge its then existing rates for service in the Application Territory as set forth in Pennsylvania-American's 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 wastewater service available for the new middle school in the Coatesville Area School District. Letters from East Fallowfield Township, the Coatesville Area School District and Chester County Health Department supporting this application and indicating that the Township has reviewed the engineer's plans and has given preliminary approval is marked Exhibit G.

17. The cost of the main installation will be approximately \$460,000 and will be borne by Coatesville Area School District.

18. Upon approval of the Application, receipt of a certificate of public convenience, and installation of the proposed facilities, Pennsylvania-American will provide water 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 East Fallowfield 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: *Velma A. Redmond*
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: *6/12/2014*

VERIFICATION

I, GERALD DeBALKO, hereby state that the facts set forth in the Application to extend wastewater service to an additional portion of East Fallowfield 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).



Gerald DeBalko, Engineer
Pennsylvania-American Water Company

Date: 6/12/2014

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); 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); 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); Ha Ra Corporation-Fernwood Community Water System (Monroe County, December 31, 2012); Olwen Heights Water Service Company, Inc. (Lackawanna County, February 4, 2013); Indian Rocks Water Association (Wayne County, March 13, 2013); Koppel Borough (Beaver County, May 31, 2013); Pocono Mountain Lake Forest Community Association (Pike County, July 22, 2013); Clean Treatment Sewage Company (Pike County, August 21, 2013) and Franklin Township Municipal Authority (Adams County, August 29, 2013). 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 641,664 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 Applegold 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, Donegal, 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, Roaring Brook, 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 Watsonstown 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;

Portions of the Townships of Clinton and Salem 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 18,064 customers in the following municipalities:

Portions of the Township of Franklin, Adams County;

All of the Borough of Koppel in Beaver County;

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;

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

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

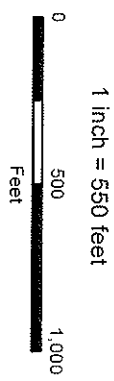
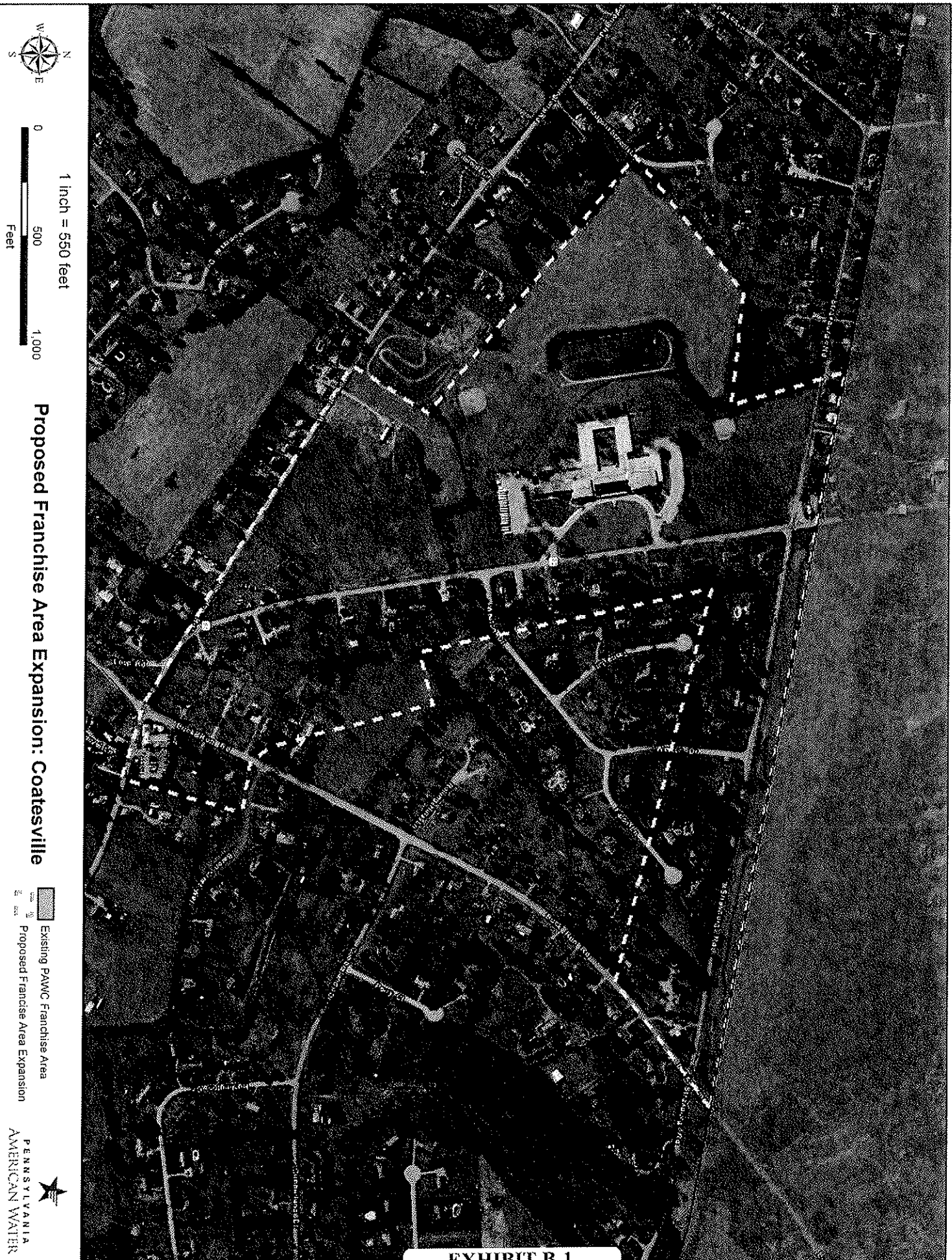
¹ West Fairview Borough was merged into East Pennsboro Township in 1998.

² Wyomissing Hills was merged into Wyomissing Borough in 2002.

³ West Lawn was merged into Spring Township in 2006.

[399 municipalities in 36 counties.]

01/31/2014



Proposed Franchise Area Expansion: Coatesville

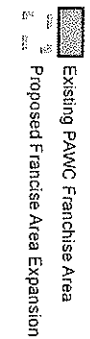


EXHIBIT B-1

Description Provided by Gerald DeBalko PAWC Engineer

Coatesville School District
South Brandywine Middle School

Public water service will be provided through an extension of the existing PAWC water system at the intersection of Doe Run Road and Crossing Boulevard, East Fallowfield Township, Chester County, Pennsylvania. A 12- inch DIP water main will be extended approximately 3,100 feet south of the intersection, fronting the existing school property so an 8 - inch service and meter pit can provide public water service to the entire campus. Two public fire hydrants are proposed to be installed along the route to the school. The school is the only proposed service, however, the township has requested additional franchise territory for the properties adjacent to the school property, so they could be served if the need arises. Estimates construction cost \$380,000.

Pennsylvania-American Water Company, Inc.
Condensed Balance Sheet
December 31, 2013 (Unaudited)
(Dollars in thousands)

	December 31, 2013 <u>(Unaudited)</u>
Property, plant and equipment	
Utility plant - at original cost less accumulated depreciation	\$3,104,247
Utility plant acquisition adjustments, net	\$14,531
Total Non-Utility Plant, net	\$235
Construction Work in Progress	\$44,795
Total property plant and equipment	<u>\$3,163,808</u>
Current assets	
Cash and cash equivalents	(\$1,377)
Accounts receivable:	
Billed, net of allowance for doubtful accounts	\$42,701
Unbilled	\$36,111
Other current assets	\$10,366
Total current assets	<u>\$87,801</u>
Long-term assets	
Regulatory assets	\$182,074
Goodwill	\$39,782
Other	\$553
Total long-term assets	<u>\$222,409</u>
Total assets	\$3,474,018
Capitalization and Liabilities	
	December 31, 2013 <u>(Unaudited)</u>
Capitalization	
Stockholder's equity:	
Common stock	\$21,507
Paid-in capital	\$719,496
Retained earnings	\$428,388
Total stockholder's equity	<u>\$1,169,391</u>
Long-term debt	\$1,147,870
Preferred stock without mandatory redemption requirements	\$0
Preferred stock with mandatory redemption requirements	\$10,051
Total capitalization	<u>\$2,327,312</u>
Current liabilities	
Notes payable - associated companies	
Short-term debt	\$63,046
Current portion of long-term debt	\$3,917
Other	\$120,037
Total current liabilities	<u>\$187,000</u>
Long-term liabilities	
Deferred income taxes	\$694,084
Other	\$137,774
Total long-term liabilities	<u>\$831,858</u>
Contributions in aid of construction	\$127,848
Total capitalization and liabilities	\$3,474,018

Pennsylvania-American Water Company, Inc.
 Consolidated Condensed Statement of Income
 For period ending December 31, 2013 (Unaudited)
 (Dollars in thousands)

	Period Ending December 31, 2013
Operating revenues	<u>\$556,222</u>
Operating expenses	
Operation and maintenance	\$211,619
Depreciation and amortization	\$78,163
General taxes	<u>\$13,285</u>
Total Operating Expenses	<u>\$303,067</u>
Operating income	<u>\$253,155</u>
Other income (deductions)	
Other income, net	(\$294)
Interest expense, net	<u>\$37,321</u>
	<u>\$37,027</u>
Income before income taxes	<u>\$216,128</u>
Provision for income taxes	<u>\$78,447</u>
Net income	<u>\$137,681</u>
Dividends on preferred stock	<u>\$77</u>
Income to common stock	<u>\$137,604</u>

Pennsylvania-American Water Company

PART I:

RATES FOR RATE ZONE 1 - The rates as set forth below will be in effect for all Coatesville, Claysville and Clean Treatment wastewater customers. (C)

Metered Charges (Based on Water Usage or Sewage Flows, determined at PAWC's discretion)

All metered customers shall be subject to a monthly service per equivalent dwelling unit (EDU).

A. Residential ***

Service Charge per month: \$ 7.50
Usage Charge per 100 gallons \$1.2880 (D)

B. Commercial

Service Charge per month: \$20.00

Service Charge per month Coatesville only:
5/8" meter \$ 7.50
3/4" - 1 1/2" meter \$10.00
2" meter and up \$20.00

Usage Charge per 100 gallons \$1.1194 (D)

C. Industrial

Service Charge per month: \$20.00

Usage Charge per 100 gallons \$1.1194

D. Municipal

Service Charge per month: \$20.00

Usage Charge per 100 gallons \$1.1194

Issued: December 19, 2013

Effective: January 1, 2014

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

Wastewater

Estimated Annual Revenue

1 Municipal Customer with 4" Meter (Middle School)	\$11,765
35 Residential Customers with 5/8" meters @ \$731.42	\$24,570

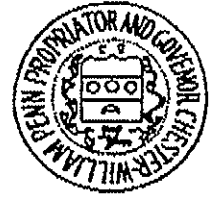
Estimated Annual Expenses

1 Municipal Customer with 4" Meter (Middle School)	\$2,690
35 Residential Customers with 5/8" meters @ \$160.48	\$5,617

Net	<u>\$28,028</u>
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THE COUNTY OF CHESTER



COMMISSIONERS

Terence Farrell
Carol Aichele
Kathi Cozzone

CHESTER COUNTY HEALTH DEPARTMENT

Chester County Government Services Center
Water and Sewage
601 Westtown Road, Suite 288
West Chester, PA 19380-0990
610-344-6526 FAX: 610-344-5934
www.chesco.org/health

MARGARET C. RIVELLO, M.B.A.
County Health Director

January 4, 2011

Ms. Denise Miller
East Fallowfield Township
2264 Strasburg Road
East Fallowfield, PA 19320

Re: South Brandywine Middle School
PAWC PUC Request
East Fallowfield Township

Dear Ms. Miller:

The Chester County Health Department has been asked to comment on the expansion of the PAWC franchise area to include the South Brandywine Middle School in the Coatesville Area School District. The District proposes the demolition of the old School and creation of a new School including storm water facilities and playing fields and a track on 52.2 acres of land located along Doe Run Road in East Fallowfield Township.

There is no permit data available for the existing on site sewage disposal system since it was installed in 1957. The original plumbing plan indicates that the system utilizes siphons and the field is made of agricultural tile with open joints. There is no documentation of the system capacity. It can also be assumed that after this amount of time the system capacity is very likely diminished. This Department cannot approve of a Change in Use/Amended Sewage Flow for this project to continue use of the existing system due to the increased flows resulting from the increased student/teacher/staff population that is expected. Additionally, we assume that the population has increased over the years since 1957.

In order to ensure that the facility can meet the long term sewage disposal needs for this project we recommend the Township consider allowing for a public sewage connection for this project. This would ensure a means of providing adequate, on-going, long-term sewage facilities for the school.

Please do not hesitate to call me at 610-344-6241 if you have any questions.

Sincerely,

Patty Lynch
Environmental Health Specialist

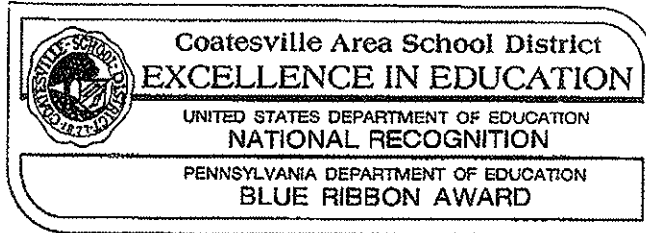
cc: K&W Engineers ✓
East Fallowfield Township Planning Commission
Mr. John Venezia, Pennsylvania Department of Environmental Protection
File

Exhibit G

Robert Foley
Manager of Maintenance

Keith Davis
Manager of Energy

Pedro Quinones, Jr.
Manager of
Custodial & Grounds



Matthew Como
Night Custodial
Supervisor

William V. Androwick
Project Manager

Facilities Department
1029 E. Lincoln Highway
Coatesville, PA 19320
(610) 466-2416 - (610) 466-2417
Fax (610) 466-2472

October 20, 2010

Pennsylvania American Water
Attn: James Kelly
100 Cheshire court suite 104
Coatesville, PA 19320

Re: Coatesville Area School District – South Brandywine Middle School
Extending franchise area

Dear James:

The Coatesville Area School District (CASD) is planning the construction of a new middle school to replace the existing facility with a new building. The existing building would remain in service, pending completion of the new facility and then be removed. The proposed construction is targeted for completion prior to the start of the 2012 / 2013 school year.

As part of the design development process it was determined that providing public water to the site would be a great benefit to the District in assuring that we would have an adequate water supply for fire suppression as well as quality water for consumption. Through the land development process it was determined by the PA department of environmental protection that the existing onsite septic system would no longer be adequate and public sewer service was recommended for the new building.

We respectfully request that the franchise area be expanded to include the Coatesville Area School District property to allow the proposed improvements providing the District with public water and sewer to the new South Brandywine Middle School. Open communication has allowed for more efficient and effective planning, review and approvals on a number of projects. We look forward to discussing this with you.

If you should have any questions or require any additional information regarding this matter, please do not hesitate to contact me.
Thank you.

Respectfully,

William V. Androwick
Coatesville Area School District

cc: Mr. Kenneth R. Johnson Gilbert Architects
Mr. Doug Parkins K&W Engineers

East Fallowfield Township
2264 Strasburg Road
East Fallowfield, PA 19320

BOARD OF SUPERVISORS
Chris Makely, Chairman
Chris Amentas, Vice Chairman
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Joseph Pomorski, Member

TOWNSHIP SECRETARY
Denise Miller

February 2, 2012

Mr. James Kelly – Field Operations Supervisor
Pennsylvania American Water – Coatesville District
100 Cheshire Court, Suite 104
Coatesville, PA 19320

Re: Coatesville Area School District – South Brandywine Middle School
Expansion of Sewer and Water Franchise Service Areas

Dear Mr. Kelly:

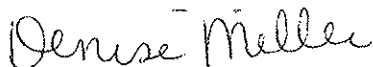
Please consider this letter confirmation that East Fallowfield Township is in support of an amendment to the Pennsylvania American Water Company sewer and water franchise areas to include the South Brandywine Middle School project and certain areas along the route of the proposed sewer and water main extensions as shown on the plan titled "Proposed Sanitary Sewer/Water Facilities Area Expansion", prepared by Kurowski & Wilson, LLC, dated October 10, 2011 (see enclosed exhibit). The project is located in East Fallowfield Township and will include the construction of a new middle school with associated site improvements.

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 service to the South Brandywine Middle School. This action was taken at a meeting of the East Fallowfield Township Board of Supervisors on December 20, 2011.

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

Very truly yours,

**East Fallowfield Township
Board of Supervisors**



Denise Miller
Township Secretary

Attachment

East Fallowfield Township – Board of Supervisors
Pennsylvania American Water Company – Mr. James Kelly
February 2, 2012
Page 2 of 2

Enclosure

cc: Mr. William Androwick – CASD
Mr. Kenneth R. Johnson – Gilbert Architects
Mr. John Coles and Mr. Chip Abrams – Rhoads & Sinon LLP
Mr. J. Marc Kurowski, P.E. – K&W
Mr. Christopher Della Penna, P.E. – Della Penna Engineering
Mr. James MacCombie, P.E. – MacCombie Associates
Mr. Vince Pompo – Lamb McErlane PC