



PENNSYLVANIA
AMERICAN WATER

800 West Hershey Park Drive
Hershey, Pa 17033

P 717-531-3258
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September 16, 2016

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

Dear Secretary Chiavetta,

Attached please find the calculation for Pennsylvania American Water's wastewater DSIC calculation effective at October 1, 2016 for Tariff Wastewater-PA P.U.C. No. 15. Because the Company reached the DSIC wastewater cap of 5% for the DSIC rate effective January 1, 2016, there will be no change to the DSIC rate and it will remain capped at the 5% rate.

Sincerely,

John Cox

Manager of Rates and Regulations

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

WASTEWATER DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

PA AMERICAN WATER

October 1, 2016

Applicable to :

Rate Zone 1 - Coatesville, Claysville and Clean Treatment

Rate Zone 2 - Clarion and Pocono

Rate Zone 3 - Lehman Pike, Winona Lakes and Blue Mountain

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WASTEWATER DISTRIBUTION SYSTEM IMPROVEMENT CHARGE
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DESCRIPTION	SURCHARGE EFFECTIVE October 1, 2016
APPLICABLE NET ADDITIONS	\$ 9,800,613
LESS:	
ACCUMULATED DEPRECIATION	(191,481)
RETIREMENTS	401,775
NET RATE BASE INCLUDED IN DISTRIBUTION SYSTEM IMPROVEMENT CALCULATIONS	(DSI) 10,010,907
ANNUAL REVENUE REQUIREMENT RATE	11.74%
QUARTERLY REVENUE REQUIREMENT RATE	(PTRR) 2.94%
QUARTERLY CAPITAL COST RECOVERY	(DSI X PTRR) 294,321
QUARTERLY DEPRECIATION EXPENSE	(DEP) 46,604
REVENUE REQUIREMENT PRIOR TO ANNUAL RECONCILIATION AND PRIOR YEAR E FACTOR	340,925
ANNUAL RECONCILIATION	(e) 2,641
RECONCILIATION OF PRIOR YEAR E FACTOR	0
REVENUE REQUIREMENT FOR ANNUAL RECONCILIATION AND PRIOR YEAR E FACTOR	2,641
TOTAL QUARTERLY DISTRIBUTION SYSTEM IMPROVEMENT CHARGE REVENUE REQUIREMENT	343,566
MONTHLY RECOVERABLE AMOUNT FOR REVENUE REQUIREMENT	113,642
MONTHLY RECOVERABLE AMOUNT FOR ANNUAL RECONCILIATION AND PRIOR YEAR E FACTOR	880
BASE RATE REVENUE TO BE COLLECTED DURING OCTOBER THROUGH DECEMBER	(PQR) 3,739,841
CURRENT YEAR DISTRIBUTION SYSTEM IMPROVEMENT CHARGE	9.12%
ANNUAL RECONCILIATION AND PRIOR YEAR E FACTOR CHARGE	0.07%
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE	(DSIC) 9.19%
LESS: DISTRIBUTION SYSTEM IMPROVEMENT CHARGE - ADJUSTMENT TO CAP	-4.19%
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE - CAP 5%	5.00%

TYPE	AMOUNT (\$000)	CAPITAL STRUCTURE	COST RATE	WEIGHTED AVERAGE COST RATE	REVENUE MULTIPLIER	REVENUE REQUIREMENT
DEBT	\$ 1,159,146	44.38%	5.69%	2.53%		2.53%
PREFERRED	7,652	0.29%	8.62%	0.02%	1.70921	0.03%
EQUITY	1,445,220	55.33%	9.70%	5.37%	1.70921	9.18%
TOTAL	\$ 2,612,018	100.00%		7.92%		11.74%

REVENUE MULTIPLIER BASED UPON CURRENTLY EFFECTIVE TAX RATES USED IN COMPANY'S MOST RECENT RATE FILING. EQUITY COST RATE TAKEN FROM COMMISSION'S MOST RECENT QUARTERLY EARNINGS REPORT. DEBT AND PREFERRED COST RATES AND CAPITAL STRUCTURE BASED UPON INFORMATION AS OF: AUGUST 31, 2016. PREFERRED STOCK AND DEBT FIGURES DO NOT REFLECT THE REQUIREMENTS OF FAS150.

ANTICIPATED REVENUES

OCTOBER 2016	\$ 1,253,221
NOVEMBER	\$ 1,254,760
DECEMBER	\$ 1,231,860
TOTAL	<u>\$ 3,739,841</u>

STATE ACCOUNT	DESCRIPTION	JANUARY 2015	FEBRUARY 2015	MARCH 2015	APRIL 2015	MAY 2015	JUNE 2015	JULY 2015	AUGUST 2015	SEPTEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015	JANUARY 2016	FEBRUARY 2016	MARCH 2016	APRIL 2016	MAY 2016	JUNE 2016	JULY 2016	AUGUST 2016	TOTAL
360000	Mains - Force								\$131,436	\$0	\$14	(2,225)	\$51	-\$242	\$0	\$75,518	\$14,926	-\$8,884	\$164	\$8,187	\$33,434	268,149
361100	Mains - Gravity	2,296	4,189	5,864	10,144	1,548,198	314,210	130,774	229,840	31,862	2,455,121	2,856,611	120,642	(112,065)	182,363	(12,169)	1,993	155,370	29,542	24,402	653,907	8,633,104
361200	Manholes																					-
363000	Service Laterals	50,089	19,369	55,929	41,369	46,263	33,533	40,215	55,256	37,428	37,743	284,718	23,936	4,840	8,927	3,399	33,157	43,245	43,682	51,389	(3,733)	910,754
364000	Flow Measuring Devices																					-
365000	Flow Measuring Installs																					-
354300	Other Related Capitalized Costs (Lift Station - Structure)								202,017	40,158	44,501	6,496	(250)	3,574								296,495
371000	Other Related Capitalized Costs (Lift Station - Pumping Equipment)			15,723	3,444	8	72	9	-	18,705	15,993	7,368	(1,366)	1,945	331							62,232
380000	Other Related Capitalized Costs (Lift Station-Treatment Equipment)									3,741	744	824	844	(5)	66	9,734	6,285	1,507	2,946	964	4,003	31,664
	ADDITIONS	52,385	23,568	77,516	54,958	1,594,469	347,815	170,999	416,532	293,753	2,549,773	3,191,797	150,603	(105,777)	195,260	76,483	56,361	209,006	76,335	82,942	687,610	10,202,388
	RETIREMENTS	-	(17,610)	(6)	-	(32,966)	-	(2,429)	(65,573)	-	(9,684)	(73,066)	-	(1,134)	(2,426)	(0)	(8,582)	(1,967)	(169,042)	-	(17,289)	(401,775)
	NET ADDITIONS	\$ 52,385	\$ 5,958	\$ 77,510	\$ 54,958	\$ 1,561,503	\$ 347,815	\$ 168,570	\$ 350,959	\$ 293,753	\$ 2,540,089	\$ 3,118,731	\$ 150,603	\$ (106,911)	\$ 192,834	\$ 76,483	\$ 47,780	\$ 207,039	\$ (92,708)	\$ 82,942	\$ 670,321	\$ 9,800,613

RETIREMENTS

	JANUARY 2015	FEBRUARY 2015	MARCH 2015	APRIL 2015	MAY 2015	JUNE 2015	JULY 2015	AUGUST 2015	SEPTEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015	JANUARY 2016	FEBRUARY 2016	MARCH 2016	APRIL 2016	MAY 2016	JUNE 2016	JULY 2016	AUGUST 2016	TOTAL	
360000			\$ 6					\$ 13						\$ 82	\$ -	\$ 1,286	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ 1,387
361100							2,429	61		9,684			1,134	245	0	0	187	164,331	-	-	-	175,071
363000		17,610			32,966			65,500			66,891			2,099	0	7,296	1,779	4,711	-	-	17,289	216,141
364000											6,175											6,175
365000																						-
354300																						-
371000																						-
380000																						-
	\$ -	\$ 17,610	\$ 6	\$ -	\$ 32,966	\$ -	\$ 2,429	\$ 65,573	\$ -	\$ 9,684	\$ 73,066	\$ -	\$ 1,134	\$ 2,426	\$ 0	\$ 8,582	\$ 1,967	\$ 169,042	\$ -	\$ 17,289	\$ 401,775	

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STATE ACCOUNT	DESCRIPTION	DEPRECIATION RATE	JANUARY 2015	FEBRUARY 2015	MARCH 2015	APRIL 2015	MAY 2015	JUNE 2015	JULY 2015	AUGUST 2015	SEPTEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015	JANUARY 2016	FEBRUARY 2016	MARCH 2016	APRIL 2016	MAY 2016	JUNE 2016	JULY 2016	AUGUST 2016	TOTAL
360000	Mains - Force	1.84%	\$ -	\$ -	\$ -	\$ -	\$ -	\$0	\$0	\$606	\$0	\$0	-\$10	\$0	-\$1	\$0	\$348	\$80	\$41	\$1	\$29	\$154	\$ 1,237
361100	Mains Gravity	1.62%	9	17	24	41	6,273	1,273	530	931	129	9,848	11,575	489	-454	739	-49	8	630	120	99	2,650	34,982
361200	Manholes	2.88%	-	-	-	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-
363000	Service Laterals	2.92%	366	142	409	302	338	245	294	404	274	276	2,081	175	35	65	25	242	316	319	376	-27	6,667
364000	Flow Measuring Devices	4.20%	-	-	-	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-
365000	Flow Measuring Installations	4.14%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
354300	Other Related Capitalized Costs (Lift Station - Structure)	3.68%	-	-	-	-	-	-	-	-	1,859	389	409	60	(2)	33	-	-	-	-	-	-	2,728
371000	Other Related Capitalized Costs (Lift Station - Pumping Equipment)	4.80%	-	-	188	41	-	1	-	-	224	182	88	(18)	23	4	-	-	-	-	-	-	745
380000	Other Related Capitalized Costs (Lift Station-Treatment Equipment)	3.19%	-	-	-	-	-	-	-	-	30	6	7	7	-	1	78	50	12	24	8	32	255
	APPLICABLE DEPRECIATION																						
	FIRST QTR 2015		375	159																			534
	SECOND QTR 2015		375	159	621	384	6,611																8,150
	THIRD QTR 2015		375	159	621	384	6,611	1,519	824	1,941													12,434
	FOURTH QTR 2015		375	159	621	384	6,611	1,519	824	1,941	2,516	10,791	14,150										39,891
	FIRST QTR 2016		375	159	621	384	6,611	1,519	824	1,941	2,516	10,791	14,150	715	-399	842							41,049
	SECOND QTR 2016		375	159	621	384	6,611	1,519	824	1,941	2,516	10,791	14,150	715	-399	842	402	389	999				42,819
	THIRD QTR 2016		375	159	621	384	6,611	1,519	824	1,941	2,516	10,791	14,150	715	-399	842	402	399	999	464	512	2,809	46,604
	ACCUMULATED DEPRECIATION		\$ 2,625	\$ 1,113	\$ 3,726	\$ 2,304	\$ 39,666	\$ 7,595	\$ 4,120	\$ 9,705	\$ 10,064	\$ 43,164	\$ 56,600	\$ 2,145	\$ (1,197)	\$ 2,526	\$ 804	\$ 738	\$ 1,998	\$ 454	\$ 512	\$ 2,809	\$ 191,481

PA AMERICAN WATER - TOTAL COMPANY
SCHEDULE OF DEBT AT August 31, 2016

DATE OF ISSUE	DATE OF MATURITY	AMOUNT ISSUED	AMOUNT OUTSTANDING	COUPON RATE	ANNUAL INTEREST	NOTE #	ISSUANCE EXPENSE	NET PROCEEDS	NET PROCEEDS Ratio	SINKING REQUIR.	PERCENT TO TOTAL	EFFECTIVE COST RATE (1)	WEIGHTED COST RATE
Bonds and Notes													
11/01/93	11/01/33	38,000,000	38,000,000	6.780%	2,576,400		174,946	37,825,054	99.54%		3.28%	6.81%	0.223%
09/01/96	09/01/26	150,000,000	150,000,000	7.800%	11,700,000		2,069,648	147,930,352	98.62%		12.94%	7.92%	1.025%
02/15/91	01/15/21	20,000,000	20,000,000	9.690%	1,938,000		116,061	19,883,939	99.42%		1.73%	9.75%	0.168%
11/01/91	11/01/31	10,000,000	10,000,000	8.820%	882,000		88,352	9,911,648	99.12%		0.86%	8.90%	0.077%
08/15/95	08/01/25	10,000,000	10,000,000	8.150%	815,000		60,119	9,939,881	99.40%		0.86%	8.20%	0.071%
11/01/97	11/01/17	33,000,000	33,000,000	7.080%	2,336,400		573,687	32,426,313	98.26%		2.85%	7.25%	0.206%
01/31/07	12/21/16	13,800,000	13,800,000	5.520%	761,760		45,774	13,754,226	99.67%		1.19%	5.56%	0.066%
01/31/07	12/21/18	65,900,000	65,900,000	5.620%	3,703,580		218,587	65,681,413	99.67%		5.69%	5.66%	0.322%
01/31/07	12/21/21	100,300,000	100,300,000	5.770%	5,787,310		332,690	99,967,310	99.67%		8.65%	5.80%	0.502%
03/29/07	03/29/22	80,000,000	80,000,000	5.770%	4,616,000	18	261,178	79,738,822	99.67%		6.90%	5.80%	0.400%
05/15/08	05/15/18	81,000,000	81,000,000	6.250%	5,062,500		293,994	80,706,006	99.64%		6.99%	6.30%	0.440%
12/21/12	03/29/19	37,540,000	37,540,000	2.200%	825,880	30	1,969,698	35,570,302	94.75%		3.24%	3.13%	0.101%
12/21/12	12/01/42	23,015,000	23,015,000	4.300%	989,645	31	895,945	22,119,055	96.11%		1.99%	4.54%	0.090%
12/17/12	12/01/42	45,000,000	45,000,000	4.300%	1,935,000	32	475,650	44,524,350	98.94%		3.88%	4.36%	0.169%
12/01/09	12/01/39	80,000,000	80,000,000	5.500%	4,400,000	21	1,340,809	78,659,191	98.32%		6.90%	5.62%	0.388%
12/01/09	12/01/39	13,165,000	13,165,000	5.500%	724,075	21	351,823	12,813,177	97.33%		1.14%	5.69%	0.065%
04/01/09	04/01/39	80,000,000	80,000,000	6.200%	4,960,000		1,033,848	78,966,152	98.71%		6.90%	6.30%	0.435%
11/21/11	10/15/37	35,000,000	35,000,000	5.050%	1,767,500		0	35,000,000	100.00%		3.02%	5.05%	0.152%
11/21/11	10/15/37	15,500,000	15,500,000	5.050%	782,750		740,260	14,759,740	95.22%		1.34%	5.39%	0.072%
11/20/13	03/01/24	67,000,000	67,000,000	3.850%	2,579,500		791,901	66,208,099	98.82%		5.78%	3.99%	0.231%
08/14/14	03/01/25	36,200,000	36,200,000	3.400%	1,230,800		1,189,364	35,010,636	96.71%		3.12%	3.78%	0.118%
08/14/14	12/01/42	65,700,000	65,700,000	4.300%	2,825,100		4,429,775	61,270,225	93.26%		5.67%	4.73%	0.268%
Pennvest Loans													
08/01/01	05/01/18	6,656,399	621,922	1.384%	8,607	5	110,176	6,546,223	98.34%		0.05%	1.50%	0.001%
01/01/00	01/01/18	1,391,436	129,193	2.566%	3,315	4	69,942	1,321,494	94.97%		0.01%	2.93%	0.000%
07/01/00	02/01/19	2,926,847	438,187	2.905%	12,729	6	28,660	2,898,187	99.02%		0.04%	2.97%	0.001%
01/01/03	12/01/22	3,945,656	1,377,249	2.774%	38,205	12	8,480	3,937,176	99.79%		0.12%	2.79%	0.003%
10/01/00	10/01/19	1,728,997	404,037	2.795%	11,293	7	0	1,728,997	100.00%		0.03%	2.80%	0.001%
10/01/01	02/01/20	3,470,505	726,443	1.184%	8,601	9	17,155	3,453,350	99.51%		0.06%	1.21%	0.001%
04/01/00	03/01/22	3,366,155	1,125,356	3.237%	36,428	8	56,803	3,309,352	98.31%		0.10%	3.35%	0.003%
04/01/00	03/01/22	3,623,800	1,211,089	3.237%	39,203	10	25,430	3,598,370	99.30%		0.10%	3.28%	0.003%
08/30/00	09/01/22	4,322,665	1,524,263	3.237%	49,340	11	25,445	4,297,220	99.41%		0.13%	3.27%	0.004%
08/01/04	07/01/24	1,559,205	572,333	2.774%	15,877	15	13,749	1,545,456	99.12%		0.05%	2.83%	0.001%
06/01/05	11/01/24	5,721,348	2,410,594	1.156%	27,866	16	29,484	5,691,864	99.48%		0.21%	1.19%	0.002%
01/01/06	12/01/25	5,670,111	2,179,001	2.763%	60,206	17	34,130	5,635,981	99.40%		0.19%	2.80%	0.005%
09/01/04	08/01/24	5,240,631	2,326,995	2.774%	64,551	13	7,951	5,232,680	99.85%		0.20%	2.78%	0.006%
11/01/04	10/01/24	3,099,441	1,391,444	2.432%	33,840	14	5,660	3,093,781	99.82%		0.12%	2.44%	0.003%
10/01/09	09/01/29	2,359,891	1,615,402	2.547%	41,144	19	0	2,359,891	100.00%		0.14%	2.55%	0.004%
06/01/11	02/01/31	12,150,000	9,148,772	2.690%	246,102	24	0	12,150,000	100.00%		0.79%	2.69%	0.021%
01/05/12	12/01/31	9,936,500	8,371,371	2.414%	202,085	25	0	9,936,500	100.00%		0.72%	2.41%	0.017%
01/05/12	12/01/31	1,606,709	1,293,617	2.376%	30,736	26	0	1,606,709	100.00%		0.11%	2.38%	0.003%
03/23/12	03/01/41	1,724,610	1,500,554	1.000%	15,006	27	0	1,724,610	100.00%		0.13%	1.00%	0.001%
03/20/12	04/01/31	1,675,790	1,491,329	1.799%	26,829	28	0	1,675,790	100.00%		0.13%	1.80%	0.002%
03/26/12	03/01/32	1,273,465	938,932	1.559%	14,638	29	0	1,273,465	100.00%		0.08%	1.56%	0.001%
03/22/13	04/01/33	1,378,357	1,128,762	1.591%	17,959	33	0	1,378,357	100.00%		0.10%	1.59%	0.002%
04/01/15	09/01/32	14,955,574	13,896,727	1.000%	138,967	34	0	14,955,574	100.00%		1.20%	1.00%	0.012%
10/15/15	07/01/40	123,663	119,978	1.000%	1,200	35	0	123,663	100.00%		0.01%	1.00%	0.000%
10/15/15	07/01/40	969,823	940,922	1.000%	9,409	35	0	969,823	100.00%		0.08%	1.00%	0.001%
04/21/16	11/01/26	4,152,000	2,141,062	1.356%	29,033	36	0	4,152,000	100.00%		0.18%	1.36%	0.003%
		\$1,205,149,579	\$1,159,145,537		\$64,382,369		\$17,887,173	\$1,187,262,406		\$0	100.00%		5.69%

Notes to Debt Schedule

- (4) Clarion Township Pennvest Loan. Interest rate increases to 2.566% in 2003.
- (5) Pocono Regionalization Pennvest Loan. Interest 1.00% from 1998 to 2003 and 1.384 from 2004 to 2018.
- (6) Independence Twp Municipal Authority and Cedar Grove Water Assoc. Interest 1.453% from 1999 thru 2004 and 2.905% from 2005 thru 2019.
- (7) Clark Summit Regionalization (Abington). Interest 1.409% from 1999 to 2004 and 2.795% from 2005 to 2019.
- (8) Strattanville Pennvest Loan. Interest 1.619% from 2002 to 2007 and 3.237% starting March 2007.
- (9) Pocono Country Place. Interest 1.00% from 2000 to 2005 and 1.184% from 2006 to 2020.
- (10) Franklin Township. Interest 1.619% from 2002 to 2007 and 3.237% starting April 2007.
- (11) Jackson Township. Interest 1.619% from 2001 to 2006 and 3.237% starting Oct 2007
- (12) Eldersville, Jefferson, and Crosscreek, interest 1.387% for first 70 months and 2.774% (12/2007) for remainder.
- (13) Ellwood/Butler Interconnect, Interest rate 1.387% for first 74 months and 2.774% (08/2009) for remainder
- (14) Mahoning & Union Twp, Interest rate 1.305% for first 82 months and 2.432% (10/2009) for remainder
- (15) Farmington Twp., Interest rate 1.387% for first 70 months and 2.774% (07/2009) for remainder
- (16) Sandy Ridge, Interest rate 1.000% for first 60 months and 1.156% (07/2010) for remainder
- (17) Sligo/Shippensburg, Interest rate 1.385% for first 86 months and 2.763% (06/2013) for remainder
- (18) Rate was 4.75% rate until March 1, 2014. Has been reset to 5.77%.
- (19) Hanover & Collier 1.274% first 2009 - 2014 and 2.547% starting Oct 2014.
- (21) Remarketed Dec 09 with a 30 year term.
- (24) Mount Pleasant Water System Extension 1.559% first 2011 - 2016 and 2.69% starting March 2016.
- (25) Rock Run WTP 2.414% first 2011 - 2016 and 3.117% starting Dec 2017
- (27) Wallaceton Municipal Authority 1.00% for 30 years starting March 2012.
- (28) Pittsburgh Meter Improvements 1.799% first 2012 - 2017 and 2.81% starting April 2017.
- (29) Pittsburgh Meter Improvement Project Phase II 1.559% first 2012 - 2017 and 2.69% starting April 2017.
- (30) Refinancing for 6.3 years at a coupon rate of 2.20% - Interest paid twice a year on 29th of March & October
- (31) Re-issuance 12/21/12 from Parent at a coupon rate of 4.30% for 30 years
- (32) New unsecured borrowing at a coupon rate of 4.30% for 30 years
- (33) Southwest PA Pipeline Exts Phase II - Interest 1.591% first 5 years - 2.196% starting April 2018
- (34) Clarion WW Act 537 Implementation Project - Interest rate is 1.0% for the life of the loan
- (35) Paint Twp #1 - Interest rate is 1% for the remaining life of the Bond
- (35) Paint Twp #2 - Interest rate is 1% for the remaining life of the Bond
- (36) Fairview Water Main Extension - Interest rate is 1.356% for the first 5 years, 1.985% April 2021 for remaining 15 years

PENNSYLVANIA AMERICAN WATER COMPANY
SCHEDULE OF PREFERRED STOCK
AUGUST 31, 2016

DATE OF ISSUE	DATE OF MATURITY	SHARES ISSUED	SHARES OUTSTANDING	AMOUNT ISSUED	AMOUNT OUTSTANDING	EXPENSE	NET PROCEEDS	SINKING REQUIR.	DIVIDEND RATE	ANNUAL DIVIDEND	PERCENT TO TOTAL	EFFECTIVE COST RATE	WEIGHTED COST RATE
23-Apr-71	--	3,000	1,780	300,000	178,000	5,473	294,527	0	9.750%	17,355	2.33%	9.96%	0.23%
23-Apr-71	--	4,250	2,735	425,000	273,500	7,275	417,725	0	9.350%	25,572	3.57%	9.54%	0.34%
21-Nov-91	--	120,000	72,000	12,000,000	7,200,000	82,714	11,917,286	0	8.490%	611,280	94.10%	8.55%	8.05%
		127,250	76,515	12,725,000	7,651,500	95,462	12,629,538	0	8.550%	654,207	100.00%		8.62%

PENNSYLVANIA AMERICAN WATER COMPANY
 2016 FORECASTED WASTEWATER REVENUES
 NO DSIC OR STAS

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
RES	675,510	694,904	689,755	687,531	685,786	668,422	687,161	701,584	684,635	670,840	679,427	660,761	8,186,316
COM	142,905	142,028	144,777	151,520	167,997	169,184	175,868	170,938	169,069	165,630	153,549	150,883	1,904,348
IND	70,357	80,973	70,725	97,099	75,780	66,276	66,925	69,547	72,466	68,071	70,621	69,548	878,389
PUB AUTH	60,365	58,703	61,229	66,759	58,910	41,696	47,018	47,212	56,478	60,267	60,823	59,273	678,732
BULK	303,275	315,321	327,156	387,099	418,428	460,011	405,069	321,803	267,546	288,414	290,339	291,395	4,075,857
	1,252,412	1,291,930	1,293,642 3,837,985	1,390,009	1,406,901	1,405,588 4,202,498	1,382,040	1,311,084	1,250,195 3,943,318	1,253,221	1,254,760	1,231,860 3,739,841	15,723,643 15,723,643

Pennsylvania American Water Company
Qualifying DSIC Expenditures
Transferred Amounts
June - August 2016

WORK ORDER	Utility Account	Work Order Number	Jun-16	Jul-16	Aug-16
REPLACE COLLECTION MAINS - FORCE	360000	R24-47B1.15		66	
REPLACE COLLECTION MAINS - FORCE	360000	R24-47H1.16		3,938	
REPLACE COLLECTION MAINS - FORCE	360000	R24-67B1.15	164		33,434
REPLACE COLLECTION MAINS - FORCE	360000	R24-67C1.16		1,788	
REPLACE COLLECTION MAINS - FORCE	360000	R24-67F1.16		395	
TOTAL REPLACE COLLECTION MAINS - FORCE			\$164	\$6,187	\$33,434
REPLACE COLLECTIONS MAINS - GRAVITY	361100	I24-670004		716	261,684
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-47A1.15		1,839	
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-47B1.15	(8,224)		
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-58B1.15		795	
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-58B1.15		3,361	211
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-58B1.16	28,145	16,659	
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-67B1.15		98	22,717
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-67B1.15	1,256		(33,434)
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-67B1.15	(4,106)		
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-67B1.15			
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-67B1.16			96,315
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-67B1.16	1,215	754	6,221
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-67B1.16			203,734
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-67B1.16			77,153
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-67C1.16	2,772	575	15,776
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-67F1.16	8,021	(395)	
REPLACE COLLECTIONS MAINS - GRAVITY	361100	R24-69C1.16		463	3,528
TOTAL REPLACE COLLECTIONS MAINS - GRAVITY			\$29,542	\$24,402	\$653,907
REPLACE SERVICE LATERALS	363000	R24-47B1.15			(59,195)
REPLACE SERVICE LATERALS	363000	R24-58H1.16	(2)	241	2,601
REPLACE SERVICE LATERALS	363000	R24-60H1.16			6,447
REPLACE SERVICE LATERALS	363000	R24-67H1.16	12,360		4,325
REPLACE SERVICE LATERALS	363000	R24-69H1.16	29,351	51,148	42,088
REPLACE SERVICE LATERALS	363000	R24-85F1.16		1,973	
TOTAL REPLACE SERVICE LATERALS			\$43,682	\$51,389	-\$3,733
REPLACE OTHER RELATED CAPITAL COSTS - LIFT STATION (PUMPING EQUIP.)	380000	R24-58Q1.15	2,946	964	4,003
REPLACE OTHER RELATED CAPITAL COSTS - LIFT STATION (PUMPING EQUIP.)	380000	R24-58Q1.15			261
REPLACE OTHER RELATED CAPITAL COSTS - LIFT STATION (PUMPING EQUIP.)	380000	R24-58Q1.15			(468)
REPLACE OTHER RELATED CAPITAL COSTS - LIFT STATION (PUMPING EQUIP.)	380000	R24-58Q1.15			206
TOTAL REPLACE OTHER RELATED CAPITAL COSTS			\$2,946	\$964	\$4,003
TOTAL DSIC EXPENDITURES			\$76,335	\$82,942	\$687,610