

**Application of Pennsylvania-American Water Company for Acquisition of Assets of
The Municipal Authority of the City of McKeesport
66 Pa. C.S. §1329
Application Filing Checklist – Water/Wastewater
Docket No. A-2017-_____**

19. Cost of Service.
- d. Provide calculations quantifying the projected revenues and expenses for the acquisition.

RESPONSE:

- d. PAWC estimates McKeesport's annual revenues to be approximately \$13.2 million and annual operating expenses, excluding depreciation to be approximately \$6.7 million. These amounts are based on pages 3 and 4 of Exhibits B and C (respectively) appended to McKeesport's 2014 and 2015 audited financial statements (average of the two years) enclosed at Appendix 19-a.