

**Application of Pennsylvania-American Water Company for Acquisition of
the Wastewater Assets of the Township of Sadsbury
66 Pa. C.S. §1329
Application Filing Checklist – Water/Wastewater
Docket No. A-2018-_____**

7. Provide a verification statement that one utility valuation expert was selected by the buyer and the other utility valuation expert was selected by the seller.

RESPONSE: See enclosed verifications of Jerome C. Weinert, P.E., Principal and Director for AUS Consultants, Inc. on behalf of PAWC and by Adrienne M. Vicari, P.E., Practice Area Leader, Financial Services, for Herbert, Rowland, and Grubic, Inc., on behalf of the Township.

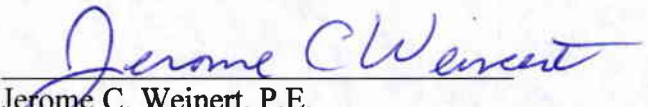
VERIFICATION OF UTILITY VALUATION EXPERT

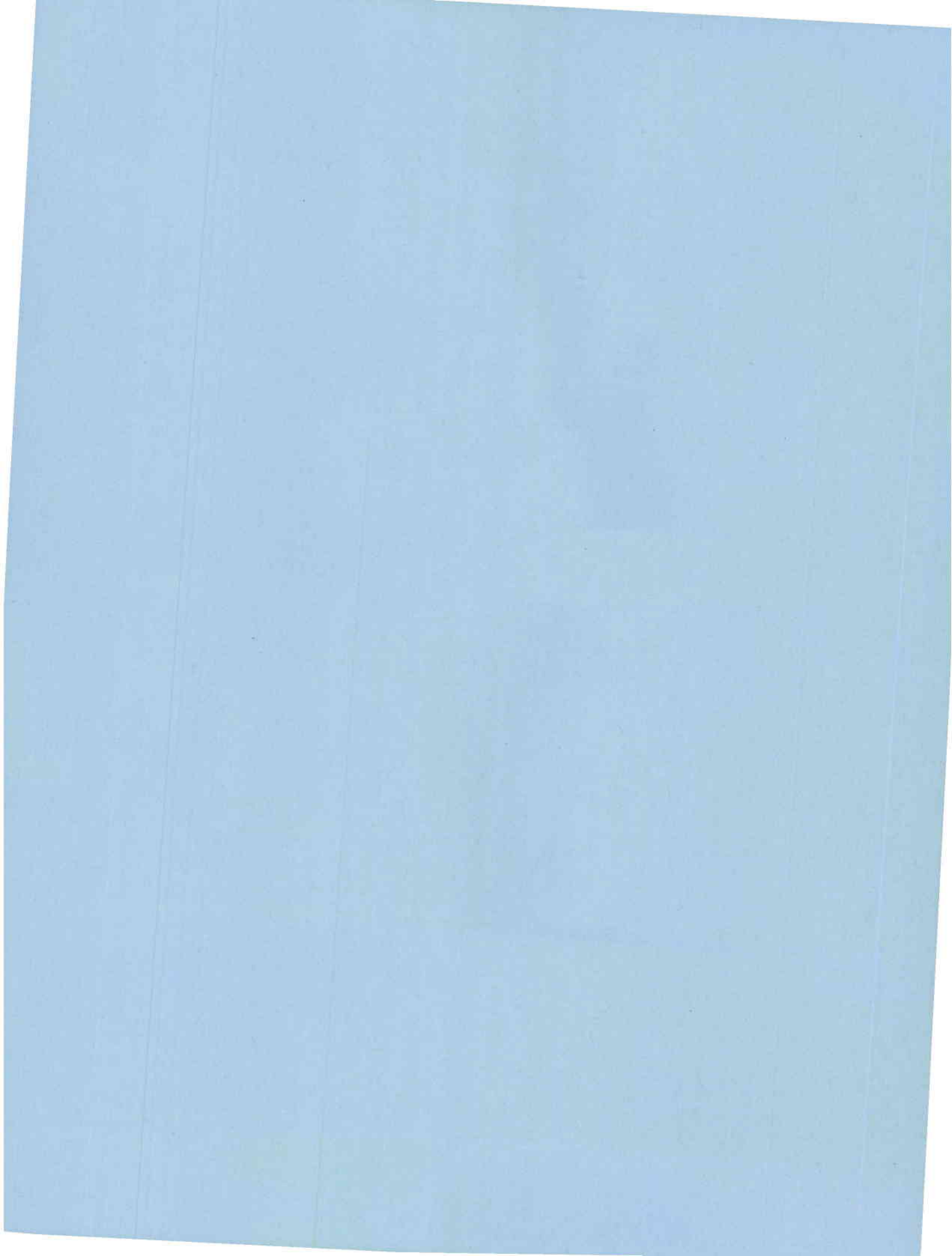
I, Jerome C. Weinert, P.E., am Principal and Director for AUS Consultants, Inc. (“AUS”). AUS is a Utility Valuation Expert (“UVE”) in the Commonwealth of Pennsylvania approved by the Pennsylvania Public Utility Commission (Utility Code 9919181). In connection with the foregoing application, I hereby state the following:

1. Pennsylvania-American Water Company (“PAWC”) as buyer selected AUS to perform a fair market value appraisal of the sewer system and related assets (the “System”) of Sadsbury, Pennsylvania (“Sadsbury”).
2. Sadsbury as seller selected Herbert, Rowland, & Gubric, Inc. (“HRG”), a UVE in the Commonwealth of Pennsylvania approved by the Pennsylvania Public Utility Commission (Utility Code 9919250), to perform a fair market value appraisal of the Sadsbury System.
3. As Principal and Director for AUS, I and my staff prepared a fair market value appraisal of the System on PAWC’s behalf dated November 20, 2017 (the “Fair Market Value Appraisal”).
4. The facts set forth in the Fair Market Value Appraisal are true and correct to the best of my knowledge, information, and belief.
5. As Principal and Director for AUS, I and my staff determined the fair market value of the System in compliance with the Uniform Standards of Professional Appraisal Practices, employing the cost, market and income approaches, as required by 66 Pa. C.S. § 1329(a)(3).
6. Neither AUS nor I nor any AUS staff derived any material benefit from the sale of Sadsbury’s System other than fees for services rendered.

7. Neither I nor any members of AUS staff are an immediate family member of a director, officer or employee of either PAWC or Sadsbury within a 12-month period of the date PAWC engaged AUS to perform the Fair Market Value Appraisal.
8. I make this verification subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Date: May 29, 2018


Jerome C. Weinert, P.E.
Principal and Director
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VERIFICATION OF UTILITY VALUATION EXPERT

I, Adrienne Vicari, P.E., Financial Services Area Practice Leader for Herbert, Rowland, and Grubic, Inc. (“HRG”). HRG is a Utility Valuation Expert (“UVE”) in the Commonwealth of Pennsylvania approved by the Pennsylvania Public Utility Commission (Utility Code 9919250). In connection with the foregoing application, I hereby state the following:

1. The Township of Sadsbury (“Township”) as seller selected HRG to perform a fair market value appraisal of the sewer system and related assets (the “System”) owned by the Township.
2. Pennsylvania-American Water Company (“PAWC”) as buyer selected AUS Consultants, Inc. (“AUS”), a UVE in the Commonwealth of Pennsylvania approved by the Pennsylvania Public Utility Commission (Utility Code 9919181), to perform a fair market value appraisal of the System.
3. As Financial Services Practice Leader for HRG, I and my staff prepared a fair market value appraisal of the System on the Township’s behalf dated April 26, 2017 and updated December 19, 2017 (the “Fair Market Value Appraisal”).
4. The facts set forth in the Fair Market Value Appraisal are true and correct to the best of my knowledge, information, and belief.
5. As Financial Services Practice Leader for HRG, I and my staff determined the fair market value of the System in compliance with the Uniform Standards of Professional Appraisal Practices, employing the cost, market and income approaches, as required by 66 Pa. C.S. § 1329(a)(3).
6. Neither HRG nor I nor any members of HRG staff derived any material benefit from the sale of the Township’s System other than fees for services rendered.
7. Neither I nor any members of HRG staff are an immediate family member of a

director, officer or employee of either PAWC, or the Township within a 12-month period of the date the Township engaged HRG to perform the Fair Market Value Appraisal.

8. I make this verification subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 6/1/18

Adrienne M Vicari
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