



April 19, 2019

VIA E-FILE

Jonathan P. Nase

Direct Phone 717-773-4191

Direct Fax 215-372-2340

jnase@cozen.com

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
Harrisburg, PA 17120

**Re: Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement
v. Winola Water Company; Docket Nos. P-2018-3006216 and C-2018-2644592**

**PETITION OF PENNSYLVANIA-AMERICAN WATER COMPANY FOR AMENDMENT
AND DEFERRED ACCOUNTING TREATMENT**

Dear Secretary Chiavetta:

Enclosed for filing with the Commission is Pennsylvania-American Water Company's Petition for Amendment and Deferred Accounting Treatment. Copies of the Petition are being served on the Presiding Officer, Deputy Chief Administrative Law Judge Joel H. Cheskis, and on all parties to the above-referenced proceedings, as indicated on the enclosed Certificate of Service. Out of an abundance of caution, this Petition is being served on the parties to Docket No. I-2018-3006498 as well.

If you have any questions regarding this filing, please direct them to me. Thank you for your attention to this matter.

Sincerely,

COZEN O'CONNOR

By: Jonathan P. Nase

Counsel for *Pennsylvania-American Water Company*

JPN:kmg
Enclosure

cc: Honorable Joel H. Cheskis
Per Certificate of Service
Elizabeth R. Triscari, Esquire
ra-osa@pa.gov (including MS Word version)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
Bureau of Investigation & Enforcement	:	Docket Nos. C-2018-2644592
	:	P-2018-3006216
v.	:	I-2018-3006498
	:	
Winola Water Company	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Petition of Pennsylvania-American Water Company for Amendment and Deferred Accounting Treatment** upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA E-MAIL AND FIRST CLASS MAIL:

Ralph Scartelli
Winola Water Company
724 North Webster Avenue
Scranton, PA 18510
E-mail: sgciralph@comcast.net
Representing *Winola Water Company*

John R. Evans
Office of Small Business Advocate
300 North Second Street
Suite 202, Commerce Tower
Harrisburg, PA 17101-1303
E-mail: jorevan@pa.gov
Representing *Office of Small Business Advocate*

Scott B. Granger, Esq.
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
E-mail: sgranger@pa.gov
Counsel for *Bureau of Investigation and Enforcement*

Christy M. Appleby, Esq.
Christine Maloni Hoover, Esq.
Erin L. Gannon, Esq.
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
E-mail: cappleby@paoca.org
E-mail: choover@paoca.org
E-mail: egannon@paoca.org
Counsel for *Office of Consumer Advocate*

Thomas T. Niesen, Esq.
Thomas Niesen and Thomas LLC
212 Locust Street, Suite 302
Harrisburg, PA 17101
E-mail: tniesen@tntlawfirm.com
Counsel for *Aqua Pennsylvania, Inc.*

Frances P. Orth, Esq.
Aqua Pennsylvania, Inc.
762 West Lancaster Avenue
Bryn Mawr, PA 19010
E-mail: fporth@aquaaamerica.com
Counsel for *Aqua Pennsylvania, Inc.*

Crystal Mickalowski
Department of Environmental Protection
Northeast Regional Office
2 Public Square
Wilkes-Barre PA 18701-1915
E-mail: cmickalows@pa.gov
Representing *Department of Environmental
Protection*

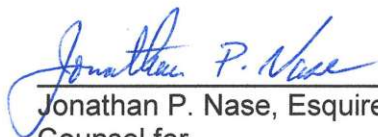
Elizabeth Rose Triscari, Esq.
Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055
E-mail: Elizabeth.Triscari@amwater.com
Counsel for *Pennsylvania-American Water
Company*

Via First Class Mail Only:

Overfield Township
775 Lower Mill City Road
Dalton, PA 18414

SUEZ Water Pennsylvania Inc.
6310 Allentown Boulevard
Harrisburg, PA 17111

DATED: April 19, 2019



Jonathan P. Nase, Esquire
Counsel for
Pennsylvania-American Water Company

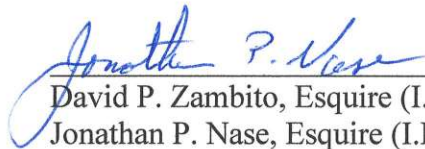
**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement	:	
	:	Docket No. P-2018-3006216
v.	:	C-2018-2644592
	:	
Winola Water Company	:	

NOTICE TO PLEAD

TO: Parties at Docket Nos. P-2018-3006216 and C-2018-2644592

Pursuant to 66 Pa. C.S. § 703(g) and 52 Pa. Code § 5.572(d), you are hereby notified that Pennsylvania-American Water Company (“PAWC”) has filed a Petition for an Amendment of the Ex Parte Emergency Order entered in this proceeding on November 29, 2018, which was ratified by the Commission by Ratification Order entered on December 6, 2018, to which you may file an answer within ten (10) days. Your failure to answer will allow the Commission to rule on the Petition without a response from you, thereby requiring no other proof. All pleadings such as an Answer to this Petition must be filed with the Secretary of the Pennsylvania Public Utility Commission at P.O. Box 3265, Harrisburg, PA 17105-3265, with a copy served on the undersigned counsel for PAWC.



David P. Zambito, Esquire (I.D. No. 80017)
Jonathan P. Nase, Esquire (I.D. No. 44003)
17 North Second Street, Suite 1410
Harrisburg, PA 17101
Tel: (717) 703-5892
Fax: (215) 989-4216
E-mail: dzambito@cozen.com
jnase@cozen.com

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement	:	
	:	Docket No. P-2018-3006216
v.	:	C-2018-2644592
	:	
Winola Water Company	:	

**PETITION OF PENNSYLVANIA-AMERICAN WATER
COMPANY FOR AMENDMENT AND DEFERRED
ACCOUNTING TREATMENT**

TO THE HONORABLE MEMBERS OF THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

AND NOW COMES Pennsylvania-American Water Company (“PAWC”), pursuant to 52 Pa. Code §§ 5.572(d) and 5.41, as well as Paragraph 3 of Appendix A to the Ex Parte Emergency Order entered in this proceeding on November 29, 2018 (the “Ex Parte Emergency Order”), which was ratified by the Commission by Ratification Order entered on December 6, 2018 (the “Ratification Order”), to request that the Pennsylvania Public Utility Commission (“Commission”) clarify the Ex Parte Emergency Order on an expedited basis to address certain questions that have arisen since PAWC became the receiver for Winola Water Company (“WWC”). *Inter alia*, PAWC requests that the Commission amend Appendix A to address the recovery of capital expenditures, and operations and maintenance expenses, incurred by PAWC as receiver of WWC in excess of amounts that WWC can re-pay – especially if PAWC is not the capable public utility ordered to acquire WWC in *Pennsylvania Public Utility Commission v. Winola Water Company*, Docket No. I-2018-3006498 (the “Section 529 Proceedings”). In support thereof, PAWC avers as follows:

I. INTRODUCTION

1. PAWC, a subsidiary of American Water Works Company Inc., is the largest regulated public utility corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania. It is engaged in the business of collecting, treating, storing, supplying, distributing and selling water to the public, and collecting, treating, transporting and disposing of wastewater for the public. PAWC furnishes water and wastewater service to the public in a service territory encompassing more than 400 communities in 36 counties.

2. WWC owns a water system (the “System”) providing water service to approximately ten year-round customers and approximately 25 seasonal customers around Lake Winola in Overfield Township, Wyoming County, Pennsylvania.

II. BACKGROUND

3. On October 5, 2018, the Pennsylvania Department of Environmental Protection (“DEP”) directed WWC to issue to its customers a public notification advising that water produced by WWC is not safe for consumption (the “Do Not Consume Order”).

4. On November 28, 2018, the Commission’s Bureau of Investigation and Enforcement (“I&E”), filed a Petition for an Ex Parte Emergency Order (“Emergency Order Petition”) in this proceeding, requesting *inter alia* that the Commission appoint a competent water utility as receiver for WWC pursuant to 66 Pa. C.S. § 529(g).

5. On November 29, 2018, Commissioner Norman J. Kennard issued the Ex Parte Emergency Order granting the Emergency Order Petition with modifications, initiating a Section 529 proceeding, and appointing PAWC as receiver of WWC. PAWC was ordered to manage and

operate WWC beginning December 10, 2018 and continuing throughout the pendency of the Section 529 proceeding. Ex Parte Emergency Order, p. 5.

6. Appendix A to the Ex Parte Emergency Order gave PAWC, as receiver, certain duties and responsibilities, including the following:

a. Operate the System in compliance with all State, Federal and local laws and regulations. Paragraph 1.a.

b. Provide a listing of recommended capital improvements, identifying the capital improvements necessary to improve the performance of the System, to address or anticipate the obsolescence of portions of the System, to reduce the cost of operating the System, to provide cost savings or efficiency innovations to the System, or to comply with existing or anticipated changes to applicable laws or regulations. Paragraph 1.b.

c. Provide for normal routine maintenance and the provision of supplies for the System. Paragraph 1.g.

d. Assume WWC's billing and collection functions. Paragraph 1.i.

e. Borrow money in the name of WWC. Paragraph 1.k.

f. Comply with WWC's effective tariff. Paragraph 1.m.

g. Make a reasonable effort to establish the financial position of WWC at the time PAWC assumed receivership. Paragraph 1.r.

h. Charge WWC reasonable rates for all services rendered by PAWC on behalf of the receivership. Paragraph 1.w.

i. Establish deferred expense accounts for expenses WWC incurs that are payable to the receiver and for expenses incurred by the receiver pursuant to the Ex Parte Emergency Order. Paragraphs 1.s. and 2.b.

j. Loan money to WWC. Paragraph 2.a.

7. On December 6, 2018, the Commission entered the Ratification Order, ratifying and approving the Ex Parte Emergency Order.

8. Based upon PAWC's experience as receiver since December 10, 2018, certain questions have arisen. Many but not all of these questions concern finances because PAWC does not believe that WWC has or will have the financial resources to re-pay PAWC for the costs of operating and maintaining the System during the receivership.

9. PAWC therefore requests that the Commission amend Appendix A to the Ex Parte Emergency Order to clarify PAWC's duties and responsibilities as receiver, to address the repayment of any expenses incurred by PAWC in its capacity as receiver, and to address the accounting and rate-making treatment to be given to any expenses incurred by PAWC in its capacity as receiver that are not repaid by or on behalf of WWC.

III. LEGAL STANDARDS

10. A party may seek relief following the issuance of a final decision pursuant to 66 Pa. C.S. § 703(f) and § 703(g), relating to rehearings, as well as the rescission and amendment of orders. Such requests for relief must be consistent with 52 Pa. Code § 5.572, relating to petitions for relief following the issuance of a final decision.

11. The standards for granting a Petition for Amendment were set forth in *Duick v. Pennsylvania Gas and Water Company*, 56 Pa. P.U.C. 553 (1982). Under the standards of *Duick*, a Petition for Amendment may properly raise any matter designed to convince the Commission that it should exercise its discretion to amend a prior Order, in whole or in part. Such petitions are likely to succeed only when they raise "new and novel arguments" not previously heard or considerations

which appear to have been overlooked or not addressed by the Commission. *Duick*, 56 Pa. P.U.C. at 559.

12. The *Duick* standards have been met in this case, as demonstrated below, because experience since PAWC became receiver for WWC has demonstrated that the Ex Parte Emergency Order overlooked certain critical issues, including but not limited to: PAWC's authority to make the capital improvements necessary to lift DEP's Do Not Consume Order, PAWC's right to bill customers while the Do Not Consume Order remains in effect, and PAWC's recovery of operations and maintenance costs and capital expenses incurred in its capacity as receiver of WWC. The Commission should address those issues at this time.

IV. REQUEST FOR AUTHORITY TO MAKE CAPITAL IMPROVEMENTS

13. Under the facts presented in this case, the duties and responsibilities imposed on PAWC as receiver require clarification. Specifically, Paragraph 1.a. requires PAWC to "operate the [WWC] system in compliance with all State, Federal, and local laws and regulations;" Paragraph 1.b. requires PAWC to "maintain any existing or necessary permits, licenses, approvals authorizations, orders, consents, registrations, or filings;" and Paragraph 1.d. requires PAWC to "provide all supervision and personnel necessary to operate the system in a professional, efficient and economic manner and in accordance with sound operating practices and prudent industry and utility standards." However, Paragraph 1.c. requires and, more importantly, only authorizes, PAWC to provide the Commission with a "listing of recommended capital improvements . . . necessary to improve the performance of the system . . . and to comply with existing or anticipated changes to applicable laws and regulations." It does not explicitly authorize PAWC to make those recommended capital improvements, which are necessary to meet its other duties and obligations as receiver.

14. As previously explained, WWC is currently subject to DEP's Do Not Consume Order and, therefore, is neither complying with regulatory requirements imposed by its existing DEP-issued permits nor furnishing safe, adequate and reasonable service and facilities, as required by the Pennsylvania Public Utility Code ("Code"), 66 Pa. C.S. § 1501. As a stop-gap measure, PAWC, as directed by the Commission, is furnishing bottled water to WWC customers for consumption and personal use. However, the deficiencies with the WWC system that caused DEP to impose the Do Not Consume Order cannot be remedied by PAWC in its capacity as receiver without making substantial capital improvements to assure that the water furnished to customers by WWC's distribution system meets applicable DEP regulatory requirements and otherwise satisfies the requirements of Section 1501 of the Code.

15. Appendix A to the Ex Parte Emergency Order currently does not provide PAWC with clear authority to undertake the improvements that, as explained above, would be necessary for PAWC to discharge the duties and responsibilities that Appendix A explicitly imposes on PAWC as receiver to assure WWC is providing safe and reasonable service and, most importantly, is providing, through its distribution system, water that is safe for human consumption. Therefore, PAWC, by this Petition is seeking clarification of its duties and responsibilities. PAWC believes that the Commission's clarification should be consistent with PAWC's interpretation of the Commission's intent, namely, that PAWC should be authorized to undertake the capital improvements necessary for DEP to lift the Do Not Consume Order.

16. In its initial status report filed with the Commission on February 7, 2019 ("February 2019 Status Report"), PAWC identified three categories of improvements: Immediate Improvements, Short-Term Improvements, and Future Improvements. PAWC has completed the Immediate Improvements and has determined which of the Short-Term Improvements would be

needed to have DEP lift the Do Not Consumer Order.¹ After submitting such recommended improvements out to bid, PAWC currently estimates the cost to lift the Do Not Consume Order to be \$163,734.88. An updated cost estimate of the capital improvements necessary to lift the DEP's Do Not Consume Order is attached to this Petition as **Exhibit A**. Accordingly, for the reasons set forth above, PAWC requests authority from the Commission to make the recommended capital improvements described in **Exhibit A**, contingent upon the Commission also approving the cost-recovery measures set forth below.²

V. REQUEST FOR AUTHORITY TO BILL CUSTOMERS

17. As stated above, Appendix A to the Ex Parte Emergency Order gives PAWC the duty and responsibility to assume WWC's billing and collection functions, Paragraph 1.i., and to comply with WWC's effective tariff for WWC's customers, Paragraph 1.m.

18. In the February 2019 Status Report, PAWC advised the Commission that "it appears that any existing financial and operational records have been turned over to PAWC. However, the documentation is outdated (circa 2013-2015) and incomplete." February 2019 Status Report p. 2. Among the documentation that is incomplete is the list of customers of WWC.

19. PAWC is in the process of identifying the customers of WWC.

20. Due to the poor documentation described above, and the Do Not Consume Order, PAWC has not billed customers of WWC since being named receiver of the System.

¹ However, PAWC notes that, under Section 529(j) of the Code, the Commission shall provide DEP with the opportunity to comment on recommended improvements, which would also provide DEP the opportunity to address PAWC's determination that its recommended improvements would be sufficient to lift the Do Not Consume Order.

² The February 2019 Status Report also contained additional suggested Short-Term and Future Improvements. These are operational and capital improvements that PAWC would likely make post-acquisition if ultimately directed to acquire WWC.

21. PAWC is concerned about the possibility that a customer of WWC may file a complaint against PAWC for billing customers of WWC for water service that was furnished during a period when the System is subject to the Do Not Consume Order.

22. Since WWC's tariff states that customers are to be charged one annual amount for service rendered, PAWC requests authority from the Commission to begin billing customers for service rendered on and after January 1, 2019, and to collect such bills as they become due.

23. The amounts collected from WWC's customers will be placed in a separate account.

24. If the Commission orders WWC to be sold in the Section 529 Proceedings, PAWC requests that the Commission as part of such order, also expressly authorize the amounts held in the separate account to be used first to re-pay PAWC, as the receiver for WWC, for all amounts it incurred on behalf of WWC during the receivership.

VI. REQUEST FOR RIGHT TO SEEK RECOVERY IN RATES

25. The Ex Parte Emergency Order required PAWC to provide bottled water during the period from November 29, 2018 (the date that order was entered) through December 10, 2018. Ordering Paragraph No. 5. In addition, PAWC advised the Commission in its February 2019 Status Report that it will continue to provide water delivery until DEP lifts its Do Not Consume Order for the System.

26. As receiver, PAWC must incur other operations and maintenance expenses pursuant to the Ex Parte Emergency Order and the Code, in order to provide safe, adequate and reasonable service and facilities. Through April 9, 2019, PAWC has incurred operations and maintenance expenses totaling \$20,457.15. PAWC has not recovered any of these expenses from

WWC or WWC's customers and, therefore, as permitted by the terms of Appendix A, those expenses have been recorded in a deferred account established by PAWC.

27. Through April 9, 2019, PAWC has made expenditures totaling \$5,017.36 that are properly classified as capital costs consistent with Generally Accepted Accounting Principles and the Uniform System of Accounts for Water Utilities. Additionally, if the Commission clarifies Appendix A to grant PAWC the authority to make the improvements identified in **Exhibit A**, PAWC will, hereafter, have to make capital expenditures of approximately \$163,734.88.

28. In view of WWC's incomplete financial records, discussed above, WWC's financial position is unclear. Nevertheless, at this time, it appears that WWC will have the ability to re-pay PAWC a *de minimus* amount of the operations and maintenance costs and capital expenditures incurred by PAWC.

29. PAWC believes that, having been directed by the Commission to be the statutory receiver for WWC and, as such, to be required to expend funds to satisfy the duties and obligations imposed upon it in that capacity, PAWC should be entitled to full and complete recovery of all of the prudent and reasonable costs it incurs as receiver. However, Appendix A does not address the specific procedures that would be available for PAWC to recover its costs if, as appears likely, neither WWC nor WWC's customers will be able to reimburse PAWC for those costs.

30. PAWC is concerned that, despite its right to be made whole for the reasonable and prudent costs it incurs in its capacity as WWC's receiver, the absence of clear authority and specific cost recovery procedures could become an obstacle to its full and complete recovery of those costs. This concern is particularly acute if the Commission does not direct any capable public utility to acquire WWC in the Section 529 proceedings, or if the Commission directs a capable public utility other than PAWC to acquire WWC.

31. If the Commission orders WWC to be sold to PAWC in the Section 529 Proceedings, PAWC requests that the Commission order the purchase price to be used first to repay PAWC as receiver for WWC for all of the operating and maintenance expenses it incurred on behalf of WWC during the receivership in excess of the amounts collected by PAWC from WWC's customers and recorded in a separate account. *See* Paragraph 24. If the purchase price, together with the amount deposited in the separate account, is not sufficient to reimburse PAWC for all of the expenses it incurred on behalf of WWC during the receivership, then the Commission should permit PAWC to invoice WWC for the remainder. Further, PAWC should be permitted to defer all unreimbursed operations and maintenance expenses and record such deferred expenses as a regulatory asset that PAWC may recover in its next base rate proceeding following the acquisition, to the extent that such expenses are found to have been reasonably and prudently incurred.

32. Additionally, if the Commission orders WWC to be sold to PAWC in the Section 529 Proceedings the Commission should authorize PAWC:

A. To record at closing all unreimbursed capital expenditures it incurred on behalf of WWC during the receivership in the proper plant accounts for the property added by such expenditures and to include such expenditures in its next rate base proceeding following the acquisition, to the extent such expenditures are found to be reasonably and prudently incurred;

B. To defer the depreciation and capital costs PAWC incurs with respect to: (1) the capital expenditures addressed in A., above, and (2) non-DSIC-eligible capital expenditures incurred between the date of closing on the acquisition and the effective date of base rates established in PAWC's first base rate case after the acquisition; and

C. Allow PAWC to defer the transaction and closing costs of the acquisition, and record these deferred amounts as a regulatory asset that PAWC is authorized to recover in

such next base rate proceeding to the extent that the underlying transaction and closing costs are found to be reasonably and prudently incurred.

33. If the Commission orders WWC to be sold to a capable public utility other than PAWC in the Section 529 Proceedings, PAWC requests that the Commission order the purchase price to be used first to reimburse PAWC, as receiver for WWC, for all amounts (both operations and maintenance expenses and capital expenditures) it incurred on behalf of WWC during the receivership in excess of the amounts collected by PAWC from WWC's customers and recorded in a separate account. *See* Paragraph 24. If the purchase price, together with the amount deposited in the separate account, is not sufficient to reimburse PAWC for all of its expenses, then the Commission should permit PAWC to invoice WWC for the remainder. Further, PAWC should be permitted to record any amounts unpaid by WWC as a regulatory asset to be recovered in future base rate proceedings to the extent that the underlying costs are found to be reasonably and prudently incurred.

VII. THE PUBLIC INTEREST SUPPORTS PAWC'S REQUESTS

34. By ratifying the Ex Parte Emergency Order, the Commission found that the public interest favored the appointment of a receiver for WWC.

35. The public interest requires that a Commission-appointed receiver be permitted to recover the reasonable and prudent costs it incurs in its capacity as receiver, as is its entitlement under Constitutional principles of due process and applicable principles of public utility law affirmed by Pennsylvania's Appellate Courts.³

³ *See, e.g., UGI Corp. v. Pa. Pub. Util. Comm'n*, 49 Pa. Cmwlth. 69, 86, 410 A.2d 923, 932 (1980) ("A public utility is entitled to recover all of its reasonably incurred expenses.").

36. If PAWC, as receiver of WWC, is unable to recover its costs from WWC and/or from the customers of WWC, then the following is in the public interest: (a) if PAWC is the capable public utility directed to acquire WWC's System, PAWC should be permitted to recover those costs, in the manner set forth above, from all of its customers, including WWC customers, in a subsequent base rate case; and (b) if another public utility is the capable public utility directed to acquire the WWC System, then PAWC should be permitted to recover those costs, in the manner set forth above, from the purchaser of the WWC System and if necessary, from PAWC's customers in a subsequent base rate case.

VIII. REQUEST FOR EXPEDITED CONSIDERATION

37. Due to the need for PAWC to promptly begin billing customers and making the capital improvements necessary to lift the Do Not Consume Order, PAWC respectfully requests that the Commission render a decision on this Petition for Amendment and Deferred Accounting Treatment on an expedited basis.

IX. CONCLUSION

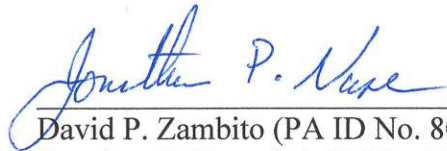
WHEREFORE, for the foregoing reasons, PAWC respectfully requests that the Commission GRANT this Petition and amend Appendix A to the Ex Parte Emergency Order to:

(1) Clarify Appendix A to the Ex Parte Emergency Order in a manner consistent with PAWC's interpretation of the terms of Appendix A to authorize PAWC to make the capital improvements described in **Exhibit A**, subject to the Commission's approval of the cost-recovery measures also requested by PAWC in this Petition.

(2) Authorize PAWC to begin billing customers for service rendered on and after January 1, 2019, and to collect such bills as they become due.

(3) In the event that WWC is sold in the Section 529 Proceedings, authorize the repayment of PAWC, and, if necessary, authorize PAWC to defer and recover any remaining reasonably and prudently-incurred unreimbursed costs incurred as WWC's receiver in the manner set forth hereinbefore in Paragraphs 24 and 31-33 of this Petition.

Respectfully submitted,



David P. Zambito (PA ID No. 80017)
Jonathan P. Nase (PA ID No. 44003)
Cozen O'Connor
17 North Second Street, Suite 1410
Harrisburg, PA 17101
Telephone: 717-703-5892
Facsimile: 215-989-4216
E-mail: dzambito@cozen.com
jnase@cozen.com

Elizabeth Rose Triscari (PA ID No. 306921)
Director, Corporate Counsel
Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055
Tel: (717) 550-1574
E-mail: Elizabeth.triscari@amwater.com

Dated: April 19, 2019

Counsel for *Pennsylvania-American Water Company*

EXHIBIT A

Winola Water Company: Groundwater Compliance	
Preliminary Estimated Construction Costs	
Engineering & Permitting	\$ 250
Geotechnical	\$ -
Real Estate	\$ -
Contractor (Bid)	\$ 79,380.00
PAW Labor	\$ 10,000
Materials	\$ 50,314
Subtotal	\$ 139,944
Overhead & Contingency (15%)	\$ 20,992
AFUDC (2%)	\$ 2,799
Total Project Cost	\$ 163,734.88

VERIFICATION

I, MAUREEN V. BOWER, hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 4/19/19



A handwritten signature in blue ink, appearing to read 'Maureen V. Bower', is written over a horizontal line.