

**Application of Pennsylvania-American Water Company for Acquisition of
the Wastewater Assets of Royersford Borough
66 Pa. C.S. §1329
Application Filing Checklist – Water/Wastewater
Docket No. A-2020-3019634**

12. Provide a proposed tariff containing a rate equal to the existing rates of the seller at the time of the acquisition and a rate stabilization plan, if applicable to the acquisition.

RESPONSE: See enclosed *pro forma* Tariff Supplement No. XX to Tariff Wastewater PA P.U.C. No. 16 of PAWC, Wastewater Division, containing an initial base rate equal to the existing rates of the Borough at the time of the acquisition.

The APA provides that base rates shall not be increased until the second anniversary of the Closing Date as set forth in Section 7.03 and on **Schedule 7.03(a)** of the APA, attached at **CONFIDENTIAL Appendix A-24-a**. The Borough is not included in PAWC's base rate case that is currently pending before the Commission. The Company does not anticipate that the Borough's rates will be held constant after the next base rate case and therefore does not technically fall within the definition of a "rate stabilization plan" as defined by 66 Pa. C.S. § 1329. See Direct Testimony of Rod Neviraskas, PAWC St. No. 3, p. 16, enclosed at **Appendix A-14-a**.

PENNSYLVANIA-AMERICAN WATER COMPANY
Wastewater Division
(hereinafter referred to as the "Company")
D/B/A
Pennsylvania American Water

RATES, RULES AND REGULATIONS

GOVERNING THE FURNISHINGS OF

WASTEWATER COLLECTION AND DISPOSAL SERVICE

IN CERTAIN MUNICIPALITIES AND TERRITORIES LOCATED IN:

ADAMS COUNTY, ALLEGHENY COUNTY, BEAVER COUNTY, BERKS COUNTY, CHESTER
COUNTY, CLARION COUNTY, CUMBERLAND COUNTY, LACKAWANNA COUNTY, MONROE
COUNTY, **MONTGOMERY COUNTY**, NORTHUMBERLAND COUNTY, PIKE COUNTY, (C)

WASHINGTON COUNTY AND YORK COUNTY

ALL IN THE COMMONWEALTH OF PENNSYLVANIA

Issued: xxxxx xx, xxxx

Effective: xxxxx xx, xxxx

Issued by:
F. Michael Doran, President
Pennsylvania American Water
852 Wesley Drive
Mechanicsburg, PA 17055

<https://www.amwater.com/paaw/>

NOTICE

**This tariff authorizes Pennsylvania American Water Company to furnish wastewater services to the public in Royersford Borough and portions of Upper Providence Township, Montgomery County, Pennsylvania.
(Refer to pages 2, 4, 6, 8, 11.x, 18.1 69, 70, 71)**

PENNSYLVANIA-AMERICAN WATER COMPANY

LIST OF CHANGES

This tariff supplement authorizes Pennsylvania American Water Company – Wastewater Division, to begin to offer or furnish wastewater service to the public in the Royersford Borough and portions of Upper Providence Township, Montgomery County as ordered by the Pennsylvania Public Utility Commission at Docket No. A-2020-3014248 entered xxxxxx xx, xxxx.

PENNSYLVANIA-AMERICAN WATER COMPANY

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PENNSYLVANIA-AMERICAN WATER COMPANY

TERRITORIES SERVED

**(By State Region and Company Wastewater System District)
(All territories are subject to Rate Zone 1 unless otherwise noted)**

Central Pennsylvania

Fairview District

York County. Portions of Fairview Township.

Franklin District – Rate Zone 5

Adams County. Portions of the Townships of Franklin, Hamiltonban and Highland.

McEwensville District

Northumberland County. McEwensville Borough.

New Cumberland District – Rate Zone 2

Cumberland County. The Borough of New Cumberland.

Turbotville District – Rate Zone 8

Northumberland County. Portions of The Borough of Turbotville.

Northeastern Pennsylvania

Northeast District – Lehman Pike, Blue Mountain Lakes and Clean Treatment

Monroe County. Portions of the Townships of Middle Smithfield, Smithfield and Stroud.

Pike County. Portions of Delaware and Lehman Townships.

Pocono District

Monroe County. A portion of Coolbaugh Township.

Scranton Sewer District – Rate Zone 3

Lackawanna County. The City of Scranton and the Borough of Dunmore.

Southeastern Pennsylvania

Coatesville District - Rate Zone 1 and Rate Zone 7 (Sadsbury Township)

Chester County. The City of Coatesville, the Borough of Parkesburg and portions of the Borough of South Coatesville and portions of the Townships of Caln, East Fallowfield, Highland, Sadsbury, Valley, West Caln and West Sadsbury.

Exeter Sewer District – Rate Zone 9

Berks County. Portions of the Townships of Exeter, Alsace and Lower Alsace (and related points of bulk service interconnection).

Royersford District – Rate Zone X

Montgomery County. Royersford Borough and portions of Upper Providence Township.

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Western Pennsylvania

Clarion District

Clarion County. Clarion Borough and portions of the Townships of Clarion and Monroe.

Claysville District

Washington County. Claysville Borough and portions of the Townships of Donegal.

Koppel District – Rate Zone 4

Beaver County. Koppel Borough.

McKeesport District – Rate Zone 6

Allegheny County. The City of McKeesport, the City of Duquesne, Port Vue Borough, the Borough of Dravosburg, and a portion of West Mifflin Borough (and related points of bulk service interconnection).

Paint-Elk District

Clarion County. Shippenville Borough and portions of the Townships of Elk and Paint.

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PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

RATE ZONE X – METERED AND UNMETERED **(C)**

APPLICABILITY

The rates as set forth below will apply in the Royersford service territory (former territory served by Royersford Borough) served under this tariff for service rendered on and after the Effective Date shown at the bottom of this page.

AVAILABILITY

The rates under this schedule are available to customers in all classes.

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

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

All Customer Classes

Minimum Charge per Month	\$30.00	
Volumetric Charge per Month	<u>Per CCF</u>	<u>Per 100 Gallons</u>
	\$4.20	\$0.5615

UNMETERED CHARGES

This charge is a flat rate fee for customers not metered for water consumption.

All Customer Classes

Flat Rate per Month, per EDU \$43.50

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PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

In addition to the net charges provided for in this Tariff, a charge of 5.00% will apply to bills rendered on or after the Effective Date shown on the bottom of this page.

This Charge will be applicable to:

All Rate Zones except Rate Zone 7 – Sadsbury, Rate Zone 8 – Turbotville, Rate Zone 9 – Exeter, and Rate Zone X – Royersford. **(C)**

The above charge will be recomputed quarterly using the elements prescribed by the Commission as shown on pages 18.2, 18.3 and 18.4 of this tariff.

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PENNSYLVANIA-AMERICAN WATER COMPANY

RULES AND REGULATIONS

Section X– Industrial Pretreatment Program (Royersford Area) (IPP-R)

This Section applies to Industrial and Commercial customers served throughout the Company's service territory under Rate Zone XX of this tariff. All such customers shall comply with the "Industrial Pretreatment Program (Royersford-Area)" ("IPP-R") as required by and submitted to the Pennsylvania Department of Environmental Protection and as may be amended from time to time. The currently effective IPP-R will be made available on the Company's website.

Such customers shall be responsible for the charges and fees scheduled below related to the implementation, administration, and enforcement of the IPP-R, and for the additional costs for treatment of wastewaters from such customers who have loadings and characteristics that are in excess of Domestic Sewage as defined by the IPP-R. Pursuant to the IPP-R, IPP-R fees are set by this tariff. IPP-R fees are separate from and in addition to all other rates chargeable by the Company under this tariff.

The fees as set forth in Schedule IPP-R-1 below will be in effect for customers subject to the IPP-R. Terms are as defined by IPP-R.

SCHEDULE IPP-R-1

1.1. General Fees

1.1.1. IWDP Application Fee: \$1,000.00

1.1.2. IWDP Transfer/Modification/Renewal Fee: \$250.00

1.1.3. Facility Inspection Fee: \$250.00 per inspection

1.1.4. Monitoring Report Review Fee: \$250.00 per monitoring report

1.1.5. Sampling and Analysis Fee: Actual cost of sampling and laboratory analysis plus 25% to cover administrative costs.

1.1.6. Accidental Discharge, Slug Control, and/or Monitoring Fee: Actual cost of response to accidental discharges or discharges of slugs loads, including but not limited to the costs incurred for any additional treatment or other actions required to manage such discharges, monitoring and response to such discharges, correction of any resulting contamination or other impacts to the Treatment Works, including the Collection System and Treatment Plant.

1.1.7. Compliance and Enforcement Fee - Administrative and Legal: Actual cost incurred by the Company for investigation and actions to address a User's non-compliance with the terms of this IPP or any IWDP.

1.1.8. Damage Repair: Actual cost for cleaning, repair, replacement and/or correction of any damage to the Treatment Works, including the Collection System and the Treatment Plant, caused or contributed to by a User's discharge.

PENNSYLVANIA-AMERICAN WATER COMPANY

RULES AND REGULATIONS

Section U – Industrial Pretreatment Program (Royersford -Area)

1.2. Specific Fees

1.2.1. **Industrial Loading Fee** - applicable on a quarterly basis to discharges with loadings above typical Domestic Sewage loadings up to but not exceeding any applicable Local Limit or IWDP limit, based on sampling and analysis by the Company and sampling required to be reported by the User under an IWDP:

$$\text{Quarterly Fee (\$)} = 0.00834 \times Q \times \{((\text{BOD5 Actual} - \text{BOD5 Domestic}) \times \text{BOD5 Cost Factor}) + ((\text{TSS Actual} - \text{TSS Domestic}) \times \text{TSS Cost Factor}) + ((\text{DS Actual} - \text{DS Domestic}) \times \text{DS Cost Factor})\}$$

Where:

BOD5 Actual = actual concentration of BOD5 in mg/l as measured by the Company or the Industrial User

BOD5 Cost Factor = Treatment cost for BOD5 for the system = \$71.60

BOD5 Domestic = 300 mg/l, the typical concentration in Domestic Sewage

TSS Actual = actual concentration of TSS in mg/l as measured by the Company or the Industrial User

TSS Cost Factor = treatment cost for TSS for the system = \$106.41

TSS Domestic = 250 mg/l, the typical concentration in Domestic Sewage

DS Actual = actual concentration of Dissolved Solids in mg/l as measured by the Company or the Industrial User

DS Cost Factor = Treatment cost for Dissolved Solids for the system = \$12.07

DS Domestic = 500 mg/l, the typical concentration in Domestic Sewage

Q = Total flow for the quarter measured in million gallons

1.2.2. **Excess Loading Fee** - applicable to discharges with loadings that exceed a Local Limit or IWDP limit:

If in any monthly period, the loading of BOD5, DS, or TSS exceeds a Local Limit or IWDP limit, then for the applicable parameter, in calculating the Industrial Loading Fee under §1.2.1, the BOD5 Cost Factor, DS Cost Factor and/or TSS Cost Factor, applicable to the total loading of that parameter will be 125% of the value set forth in §1.2.1 to compensate for the additional administrative, oversight and management costs associated with managing such excessive loadings.

PENNSYLVANIA-AMERICAN WATER COMPANY

RULES AND REGULATIONS

Section U – Industrial Pretreatment Program (Royersford - Area)

1.2 Specific Fees (cont'd)

- 1.2.3. **Special Discharge Fee** - applicable to discharges with loadings or concentrations that exceed a Local Limit or IWDP limit and that impact sludge handling or disposal methods and costs, necessitate acquisition of nutrient credits, result in damages to the facility, or require extraordinary measures:

Fee = Actual cost incurred by the Company, including but not limited to: (1) additional costs of managing impacted sludge (including costs related to use of alternative disposal facilities, additional monitoring, etc.), (2) costs of acquiring nutrient credits to meet NPDES Permit cap limits; (3) costs of repairs to and restoration of the Treatment Works, including the Collection System and Treatment Plant; or (4) costs of implementing any other measures required to control, manage and address such excessive loadings or concentrations.