

**Appendix K**

Pennsylvania-American Water Company  
Estimated Annual Revenues and Expenses of New Service Area  
Year 1  
(Dollars in thousands)

Operating Revenues	\$	852
Operating Expenses		
Operation and Maintenance		373
Depreciation and Amortization		398
General Taxes and Other		31
Total Operating Expenses		<u>802</u>
Operating income		50
Other Income/(Expenses)		
Other Income/(Expense), Net		7
Interest Expense, Net		(321)
Total Other Expenses		<u>(314)</u>
Income Before Income Taxes		(264)
Provision for Income Taxes		(107)
Net Income	\$	<u><u>(157)</u></u>