



**Susan Simms Marsh**  
Deputy General Counsel  
852 Wesley Drive | Mechanicsburg, PA 17055  
Phone: 717-550-1570 | Fax: 717-550-1255  
E [susan.marsh@amwater.com](mailto:susan.marsh@amwater.com)

**VIA** e-filing

August 26, 2020

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

**Re: Pennsylvania-American Water Company – Wastewater Division  
Tariff Changes Related to Taxes on Deposits for Construction,  
Customer Advances and Contributions in Aid of Construction  
Docket No. R-2018-3002504**

Dear Secretary Chiavetta:

Attached please find Supplement No. 22 to Tariff Wastewater-Pa P.U.C. No. 16 for Pennsylvania-American Water Company, which bears the issue date of August 26, 2020, filed in accordance with the Pennsylvania Utility Commission's Order at Docket No. R-2018-3002504, entered August 6, 2020.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Susan Simms Marsh

Attachment

cc: C.M. Hoover, Office of Consumer Advocate w/Attachment **VIA** Email  
J.R. Evans, Office of Small Business Advocate w/Attachment **VIA** Email  
R.A. Kanaskie, Bureau of Investigation and Enforcement w/Attachment **VIA** Email  
P.T. Diskin, Bureau of Technical Utility Services w/Attachment **VIA** Email  
M. Intrieri, Bureau of Technical Utility Services w/Attachment **VIA** Email

**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,  
NORTHUMBERLAND COUNTY, PIKE COUNTY, WASHINGTON COUNTY AND YORK COUNTY

ALL IN THE COMMONWEALTH OF PENNSYLVANIA

**Issued: August 26, 2020**

**Effective: August 26, 2020**

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

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

# **NOTICE**

**The tariff supplement defines how the Company will record taxes on deposits for construction, customer advances and contributions in aid of construction resulting from the impact of the Tax Cuts and Jobs Act of 2017.  
(Refer to pages 1, 2, 4, 6 and 69.)**

**LIST OF CHANGES**

This Tariff supplement defines how the Company will record taxes on deposits for construction, customer advances and contributions in aid of construction resulting from the impact of the Tax Cuts and Jobs Act of 2017, as approved by the Pennsylvania Public Utility Commission at Docket No. R-2018-3002504.

**PENNSYLVANIA-AMERICAN WATER COMPANY**

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(C) means Change

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(C) means Change

**PENNSYLVANIA-AMERICAN WATER COMPANY**

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**RULES AND REGULATIONS**

**Section X – TAXES ON DEPOSITS FOR CONSTRUCTION, CUSTOMER ADVANCES  
AND CONTRIBUTIONS IN AID OF CONSTRUCTION**

The Company will pay income taxes on any deposit, advance, contribution or other like amounts received from an applicant which shall constitute taxable income to the Company as defined by the Internal Revenue Service. Such income taxes shall be segregated in a deferred account for inclusion in rate base in a future rate case proceeding. Such income tax associated with a deposit, advance or contribution will not be charged to the specific depositor / contributor of the capital.