

**Application of Pennsylvania-American Water Company for Acquisition of
the Wastewater Assets of Upper Pottsgrove Township
66 Pa. C.S. § 1329
Application Filing Checklist – Water/Wastewater
Docket No. A-2020-3021460**

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.

SECOND AMENDED RESPONSE:

See enclosed **Second Amended Appendix A-12**, *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 Upper Pottsgrove at the time of the acquisition.

The APA does not contain any rate commitments, other than the adoption of Upper Pottsgrove’s effective rates as set forth in Section 7.03 and on **Schedule 7.03(a)** of the APA, attached at **CONFIDENTIAL Appendix A-24-a** 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 P. Nevirauaskis, PAWC St. No. 3, pp. 18-20, 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,
MCKEAN COUNTY, MONROE COUNTY, **MONTGOMERY COUNTY, (C)**
NORTHUMBERLAND COUNTY, PIKE COUNTY, WASHINGTON COUNTY AND YORK COUNTY
ALL IN THE COMMONWEALTH OF PENNSYLVANIA

Issued: xxxxxx, xx, xxxx

Effective: xxxxxx, 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 portions of Upper Pottsgrove Township, Montgomery County and Douglass Township, Berks County, Pennsylvania.

(Refer to pages 2, 4, 5, 6, 8, 11.X, 18.1, 21, 21.1, 68.X, 68.X and 68.X)

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 Upper Pottsgrove Township, Montgomery County and Douglass Township, Berks County, as ordered by the Pennsylvania Public Utility Commission at Docket No. A-2020-3021460 entered xxxxxxx, xx, xxxx.

PENNSYLVANIA-AMERICAN WATER COMPANY

TABLE OF CONTENTS

	<u>Page</u>		
	<u>Number</u>		
Title Page	1	Supplement No. XX	(C)
List of Changes.....	2	XXXXX Revised Page	(C)
List of Changes (cont'd).....	3	First Revised Page	
Table of Contents	4	XXXXX Revised Page	(C)
Table of Contents (cont'd).....	5	XXXXX Revised Page	(C)
Table of Contents (cont'd).....	6	XXXXX Revised Page	(C)
Reserved Page for Future Use.....	7	First Revised Page	
List of Territories Served.....	8	XXXXX Revised Page	(C)
Reserved Page for Future Use.....	9	First Revised Page	
Reserved Page for Future Use.....	10	First Revised Page	
 <u>Schedule of Rates</u>			
Rate Zone 1 – Metered and Unmetered	11.1	Second Revised Page	
Rate Zone 1 – Metered and Unmetered.....	11.2	First Revised Page	
Rate Zone 2 – Metered (New Cumberland).....	11.3	First Revised Page	
Rate Zone 3 – Metered and Unmetered (Scranton)	11.4	First Revised Page	
Rate Zone 4 – Metered and Unmetered (Koppel)	11.5	Original Page	
Rate Zone 5 – Metered and Unmetered (Franklin)	11.6	Original Page	
Rate Zone 6 – Metered and Unmetered (McKeesport)..	11.7	Original Page	
Rate Zone 6 – Metered and Unmetered McKeesport)	11.8	Original Page	
Rate Zone 7 – Metered and Unmetered (Sadsbury)	11.9	Original Page	
Rate Zone 8 – Metered and Unmetered (Turbotville).....	11.10	Original Page	
Rate Zone 9 – Metered and Unmetered (Exeter).....	11.11	Original Page	
Rate Zone 10 – Metered and Unmetered (Kane).....	11.12	Original Page	
Rate Zone 10 – Metered & Unmet. (Upper Pottsgrove)..	11.X	Original Page	(C)
Miscellaneous Fees and Charges	12	First Revised Page	
Miscellaneous Fees and Charges (cont'd)	13	First Revised Page	
Miscellaneous Fees and Charges (cont'd)	14	First Revised Page	
Miscellaneous Fees and Charges (cont'd)	15	Third Revised Page	
Miscellaneous Fees and Charges (cont'd)	15.1	Original Page	
Low-Income Rider – All Rate Zones – Residential	16	First Revised Page	
State Tax Adjustment Surcharge (STAS)	17	First Revised Page	
Distribution System Improvement Charge (DSIC).....	18.1	XXXXX Revised Page	(C)
DSIC (cont'd)	18.2	First Revised Page	
DSIC (cont'd)	18.3	First Revised Page	
DSIC (cont'd)	18.4	First Revised Page	
TCJA Voluntary Surcharge.....	19	Second Revised Page	

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

TABLE OF CONTENTS

	<u>Page</u>	
	<u>Number</u>	
<u>Rules and Regulations</u>		
Section A – Definitions	20	First Revised Page
Definitions (cont'd)	21	XXXXX Revised Page (C)
Definitions (cont'd).....	21.1	XXXXX Revised Page (C)
Definitions (cont'd).....	22	First Revised Page
Definitions (cont'd).....	23	First Revised Page
Section B – The Wastewater Tariff	24	First Revised Page
Section C – Applications for Service	25	First Revised Page
Applications for Service (cont'd).....	26	First Revised Page
Section D – Construction and Maintenance of Facilities.....	27	First Revised Page
Construction and Maintenance of Facilities (cont'd)	28	First Revised Page
Section E – Discontinuance, Termination and Restoration of Service.....	29	First Revised Page
Discontinuance, Termination and Restoration of Service (cont'd).....	30	First Revised Page
Section F – Billing and Collection.....	31	First Revised Page
Section G – Credit/Deposits	32	First Revised Page
Credit/Deposits (cont'd)	33	First Revised Page
Section H – Line Extensions.....	34	First Revised Page
Section I – Service Continuity.....	35	First Revised Page
Section J – Waivers.....	36	First Revised Page
Section K – Amendment of Commission Regulations	36	First Revised Page
Section L – Privilege to Investigate/Rights of Access	37	First Revised Page
Section M – Main Extensions for Bona Fide Service Applicants.....	38	First Revised Page
Main Extensions Bona Fide (cont'd)	39	First Revised Page
Main Extensions Bona Fide (cont'd)	40	First Revised Page
Main Extensions Bona Fide (cont'd)	41	First Revised Page
Section N – Extension Deposit Agreements for Bona Fide Service Applicants	42	First Revised Page
Extension Deposit Agreements Bona Fide (cont'd)	43	First Revised Page
Extension Deposit Agreements Bona Fide (cont'd)	44	First Revised Page

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

TABLE OF CONTENTS

	<u>Page</u>	
	<u>Number</u>	
<u>Rules and Regulations (cont'd)</u>		
Extension Deposit Agreements Bona Fide (cont'd)	45	First Revised Page
Extension Deposit Agreements Bona Fide (cont'd)	46	First Revised Page
Section O – Special Utility Service	47	First Revised Page
Special Utility Service (cont'd)	48	First Revised Page
Special Utility Service (cont'd)	49	First Revised Page
Special Utility Service (cont'd)	50	First Revised Page
Section P – Grinder Pumps for Paint Elk Wastewater	51	First Revised Page
Section Q – Liability of Company (General).....	52	First Revised Page
Section R – Wastewater Control Regulations.....	53	First Revised Page
Wastewater Control Regulations (cont'd).....	54	First Revised Page
Wastewater Control Regulations (cont'd).....	55	First Revised Page
Section S – Stormwater Connection to Sanitary or Combined Sewer System	56	First Revised Page
Section T – Industrial Pretreatment Program (Coatesville) (IPP-C).....	57	First Revised Page
IPP-C (cont'd)	58	First Revised Page
IPP-C (cont'd)	59	First Revised Page
Section U – Industrial Pretreatment Program (Scranton Area) (All Service Areas under Rate Zones 1 (Except Coatesville), 2, 3, 7-Sadsbury and 8-Turbotville) (IPP-S)	60	Fourth Revised Page
IPP-S (cont'd)	61	Fourth Revised Page
IPP-S (cont'd)	62	Fourth Revised Page
Section V – Industrial Pretreatment Program (McKeesport) (IPP-M)	63	Original Page
IPP-M (cont'd).....	64	Original Page
IPP-M (cont'd).....	65	Original Page
Section W – Industrial Pretreatment Program (Exeter) (IPP-E)	66	Original Page
IPP-M (cont'd).....	67	Original Page
IPP-M (cont'd).....	68	Original Page
Section W – Industrial Pretreatment Program (Upper Pottsgrove) (IPP-UP)	68.X	Original Page (C)
IPP-UP (cont'd).....	68.X	Original Page (C)
IPP-UP (cont'd).....	68.X	Original Page (C)
Section X - Taxes on Deposits for Construction, Customer Advances and Contributions in Aid of Construction	69	Original Page

(C) means Change

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).

Upper Pottsgrove District – Rate Zone XX

Montgomery County. Portions of Upper Pottsgrove Township.

Berks County. A portion of Douglass Township.

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.

Kane District – Rate Zone 10

McKean County. Borough of Kane and portions of Wetmore Township.

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.

(C) means Change

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 XX – Upper Pottsgrove.

(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.

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

RULES AND REGULATIONS

Section A – DEFINITIONS (cont'd)

12. Equivalent Dwelling Units (EDU): Except for customers in the Upper Pottsgrove service area, (C) the EDU is a measure based upon the estimated average daily wastewater flow for the type of business, as calculated by the PaDEP Regulation at 25 Pa Code: 73.17 divided by the typical estimated average daily wastewater flow from a current single-family unit.

For customers in the Upper Pottsgrove Township service area, the number of equivalent dwelling units is determined as follows. The minimum EDU allocation is one EDU. Fractional EDU values shall be rounded to the next highest whole value. (C)

Each dwelling unit or living unit (Including each single family home, whether attached or detached; each townhouse; each condominium; and each apartment. Excluding living units in a hotel or motel)	1 EDU
Each fire house and municipal building	1 EDU per lateral
Each church	1 EDU
Each store (retail or wholesale)	1 EDU per 3,500 square feet
Each enclosed shopping mall (in lieu of separate calculations for retail stores and restaurants)	1 EDU per 2,200 square feet
Each office, office building, or portion of a building used for business and/or professional use	1 EDU per 3,500 square feet
Each warehouse, in addition to office space	1 EDU per 25,000 square feet
Each industrial establishment, excluding process waste	1 EDU per 10 employees
Industrial process waste or any wastewater discharge other than normal domestic waste	1 EDU per 200 gallons per day of water consumption
Each doctor's office (other than dentist's office)	1 EDU per 2 examining rooms
Each dentist's office	1 EDU per 3 dental chairs
Each retail gas station without car washing facilities	2 EDUs per lateral
Each retail gas station with car washing facilities	3 EDUs per lateral
Each repair garage without car washing facilities and public restroom(s)	1 EDU per lateral
Each repair garage with public restroom(s) but without car washing facilities	2 EDUs per lateral
Each repair garage with car washing facilities	3 EDUs per lateral
Hotel or motel, in addition to restaurant or bar: Each living unit without kitchen and laundry facilities in unit Each living unit with kitchen and/or laundry facilities in unit Each living unit with kitchen and/or laundry facilities in unit and more than one bedroom	1 EDU per 2.5 suites 1 EDU per 1.75 suites 1 EDU per each suite
Each restaurant (other than meal caterers, barroom, or other commercial establishment (not otherwise classified herein) which regularly dispenses food and/or beverages	1 EDU per 10 seats
Each meal caterer where all meals are served on the premises	1 EDU per 30 seats of seating capacity
Each meal caterers where all meals are served off the premises	1 EDU per 2,500 square feet
Each nonprofit general hospital	1 EDU per 1.5 beds
Each rest home or nursing home	1 EDU per 2.5 beds
Each funeral home	1 EDU per 2 viewing rooms
Each day school (public or private) (in accordance with rated capacity)	1 EDU per 15 teachers, employees and pupils
Each boarding school	1 EDU per 3 pupils

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

RULES AND REGULATIONS

Section A – DEFINITIONS (cont'd)

Upper Pottsgrove service area equivalent dwelling units, continued

(C)

Each day care school, preschool or nursery school (in accordance with rated capacity)	1 EDU per 20 teachers, employees and pupils
Each self-service laundromat	1 EDU/2 clothes washing machines
Each theater	1 EDU per 100 seats
Each bowling alley, in addition to restaurant facilities	1 EDU per 5 lanes
Each greenhouse	1 EDU per lateral
Each auto salvage yard or establishment	1 EDU per lateral

13. **Garbage:** The solid wastes from domestic cooking and dispensing of food, and from the handling and storage of produce.
14. **Garbage Properly Shredded:** The term “Properly Shredded Garbage”, as used herein, shall mean the wastes from the preparation, cooking, and dispensing of food that have been shredded to such degree that all particles will be carried freely under the flow conditions normally prevailing in public sewers, with no particle greater than one-half inch in dimension.
15. **Grinder pump:** Any mechanical or powered device, owned by the Customer, used to grind, macerate or fluidize garbage so that it can be discharged into the Sanitary Sewer.
16. **Industrial/Commercial Wastes:** Any liquid, gaseous or water borne wastes from industrial processes or commercial establishments, as distinct from domestic wastewater.
17. **Industrial/Commercial Waste Permit:** A wastewater permit issued as required by the Company to an Industrial/Commercial user which discharges Industrial/Commercial Waste.
18. **Industrial/Commercial Waste Pretreatment Program:** A program established by the Company that requires industrial and commercial dischargers to monitor, test, treat and control as necessary pollutants in their wastewater prior to discharge into the Sanitary or Combined Sewer.
19. **Line extension (for line extension purposes):** An addition to the Company’s main line which is necessary to serve the premises of a Customer. Refer to Section H.
20. **Main:** The Company’s pipe, excluding service connections, located in a public highway, street, alley or private right-of-way which pipe is used in transporting wastewater.
21. **Meter:** Any device supplied by the Company or other for the purpose of measuring water consumption or wastewater discharge.
22. **Nonresidential Service:** Wastewater service supplied to a commercial or industrial building, including a hotel or motel, or to a master-metered trailer park or multi-tenant apartment building, or to any customer who purchases wastewater service from the Company for the purpose of resale.
23. **Pretreatment:** The application of physical, chemical and/or biological processes to reduce the amount pollutants in, or alter the nature of the polluting properties of, an industrial/commercial process wastewater prior to discharging such wastewater into the Sanitary or Combined Sewer.

(C) means Change

RULES AND REGULATIONS

Section W – Industrial Pretreatment Program (Upper Pottsgrove-Area) Compliance

This Section applies to Industrial and Commercial customers served under Rate Zone 9 of this tariff. All such customers shall comply with the “Industrial Pretreatment Program (Upper Pottsgrove)” (“IPP-UP”) 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-UP 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-UP, 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-UP. Pursuant to the IPP-UP, IPP-UP fees are set by this tariff. IPP-M 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-UP -1 below will be in effect for customers subject to the IPP-UP Terms as defined by IPP-UP.

SCHEDULE IPP-UP-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.

PENNSYLVANIA-AMERICAN WATER COMPANY

RULES AND REGULATIONS

Section V – Industrial Pretreatment Program (Upper Pottsgrove -Area) Compliance (cont'd)

- 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.

1.2 Specific Fees

1.2.1 The rental and charges for collection and treatment of industrial wastes discharged into the collection system shall be made in accordance with this chapter. In addition thereto, further charges shall be made for all wastewater discharged into the collection system having total suspended solids, biochemical oxygen demand and ammonia, in excess of the following concentrations:

- A. Total suspended solids (TSS): 250 mg/l.
- B. Biochemical oxygen demand (BOD): 250 mg/l.
- C. Ammonia: 25 mg/l.

The additional charge for wastewater having concentration in excess of the foregoing shall be based upon the compatible surcharge factor determined according to the following formula:

$$.17 + (\text{BOD}/250) \times .29 + (\text{TSS}/250) \times .39 + (\text{NH}_3\text{-N}/25) \times .15$$

The compatible surcharge factor determined by the above formula shall be multiplied by the total flow for the quarter determined under this chapter to determine the total charge for industrial waste.

RULES AND REGULATIONS

Section V – Industrial Pretreatment Program (Upper Pottsgrove -Area) Compliance (cont'd)

- 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, 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 and 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.

- 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.