



**Susan Simms Marsh**  
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***CONTAINS CONFIDENTIAL APPENDICES***

**VIA ELECTRONIC FILING – VIA PUC SHAREPOINT SITE**

Ms. Rosemary Chiavetta, Secretary  
Commonwealth of Pennsylvania  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

**In re:** In re: Application of Pennsylvania-American Water Company under Section 1102(a) of the Pennsylvania Public Utility Code, 66 Pa C.S. § 1102(a), for approval of (1) the transfer, by sale, to Pennsylvania-American Water Company, of substantially all of the assets, properties and rights related to the wastewater collection and treatment system owned by the York City Sewer Authority and operated by the City of York, (2) the rights of Pennsylvania-American Water Company to begin to offer or furnish wastewater service to the public in the City of York, Pennsylvania, and to three bulk service interconnection points located in North York Borough, Manchester Township and York Township, York County, Pennsylvania, and (3) the rights of Pennsylvania-American Water Company to begin to offer and furnish Industrial Pretreatment Program to qualifying industrial customers in Manchester Township, Spring Garden Township and West Manchester Township, York County, Pennsylvania.  
**Docket No. A-2021-3024681, et al**

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission (“Commission”) are the above-referenced application and related filings for Pennsylvania-American Water Company’s (“PAWC”) acquisition of all of the assets, properties and rights related to the

wastewater collection and treatment system owned by York City Sewer Authority (the “Authority”) and operated by the City of York (the “City”) (collectively “York”). This filing is made pursuant to Sections 507 (related to filing of contracts with municipal corporations), 508 (power of the Commission to vary, reform and revise contracts), 1102 (related to certificates of public convenience), and 1329 (related to determination of fair market value for ratemaking purposes) of the Pennsylvania Public Utility Code (“Code”), 66 Pa. C.S. §§ 507, 508, 1102, 1329.

Copies of the Application have been served upon the statutory advocates in accordance with the attached Certificate of Service and in accordance with the Commission’s *Final Supplemental Implementation Order* entered February 28, 2019 at Docket No. M-2016-2543193. Due to the current closure of the Commission’s offices as a result of the COVID-19 pandemic, the filing and **CONFIDENTIAL** related filings will be uploaded to the Commission’s SharePoint site instead of a hard copy being hand-delivered for filing, as instructed by the Secretary’s office.

Also enclosed on behalf of PAWC as part of the Section 1329 filing requirements are the Direct Testimonies and accompanying exhibits of the following:

1. Direct Testimony of Bernard J. Grundusky, Senior Director of Business Development, Pennsylvania-American Water Company (**PAWC Statement No. 1**)
2. Direct Testimony of Michael J. Guntrum, P.E., Senior Project Engineer, Pennsylvania-American Water Company (**PAWC Statement No. 2**)
3. Direct Testimony of Ashley E. Everette, Senior Director Rates and Regulatory American Water Works Service Company for the Mid-Atlantic Division (**PAWC Statement No. 3**)
4. Direct Testimony of Jerome C. Weinert, Principal and Director, AUS Consultants, Inc., Pennsylvania-American Water Company’s Utility Valuation Expert (**PAWC Statement No. 4**)

In addition, as directed by the *Final Supplemental Implementation Order*, PAWC is submitting the following direct testimony and accompanying exhibits on behalf of the City. PAWC’s submission of this testimony should not be considered support for or sponsoring of such testimony. PAWC anticipates that the City will intervene in this matter and will sponsor its direct testimony and exhibits.

1. Direct Testimony of Mayor Michael Helfrich, City of York Mayor (**City Statement No. 1**) and;
2. Direct Testimony of Dylan W. D'Ascendis, CRRA, CVA, Director of ScottMadden, Inc. on behalf of City of York (**City Statement No. 2**)



Copies of this prepared direct testimony and accompanying exhibits can be found at **Appendix A-13-a and A-13-b (York)** and **Appendix A-14-a and A-14-b (PAWC)** of the Application.

Please note, the map of the System, **Appendix A-16-f, Appendix A-4.2 (AUS Workpapers)** and **Appendix A-4.3 (ScottMadden Workpapers)** are being filed as **CONFIDENTIAL** as are portions of **Appendix A-4.1** due to **CONFIDENTIAL** attachments.

Finally, PAWC has deliberately and thoughtfully chosen today's filing date, in anticipation of a final Commission order at the Public Meeting scheduled for February 24, 2022. PAWC's proposed timeline assumes the following approximate dates:

- 07/01/21 PAWC Files Application
- 07/16/21 TUS Conditionally Accepts PAWC Application for Filing via Secretarial Letter (Conditioned on Completion of Notice Requirements)
- 08/23/21 PAWC Provides Verification of Notice Completion to PUC Secretary/TUS
- 08/30/21 PAWC Application Officially Accepted for Filing via PUC Secretarial Letter /PUC Submits Notice to PA Bulletin for Publication
- 09/11/21 PA Bulletin Notice of PAWC Application
- 10/01/21 End of PAWC Application Protest / Intervention Period
- 02/24/22 PUC Final Action at Public Meeting

Thank you for your attention to this matter. Please do not hesitate to contact me if you have any questions.

Sincerely,

Susan Simms Marsh

cc: Manasi Deshpande (*via overnight mail*)  
All Parties on the Attached Certificate of Service (*via overnight mail*)

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Application of Pennsylvania-American Water Company under Section 1102(a) of the Pennsylvania Public Utility Code, 66 Pa C.S. § 1102(a), for approval of (1) the transfer, by sale, to Pennsylvania-American Water Company, of substantially all of the assets, properties and rights related to the wastewater collection and treatment system owned by the York City Sewer Authority and operated by the City of York, (2) the rights of Pennsylvania-American Water Company to begin to offer or furnish wastewater service to the public in the City of York, Pennsylvania, and to three bulk service interconnection points located in North York Borough, Manchester Township and York Township, York County, Pennsylvania, and (3) the rights of Pennsylvania-American Water Company to begin to offer and furnish Industrial Pretreatment Program to qualifying industrial customers in Manchester Township, Spring Garden Township and West Manchester Township, York County, Pennsylvania.

Docket No. A-2021-3024681

In re: Application of Pennsylvania-American Water Company under Section 1329 of the Pennsylvania Public Utility Code, 66 Pa C.S. § 1329, for approval of the use for ratemaking purposes of the lesser of the fair market value or the negotiated purchase price of the assets related to the wastewater collection and treatment system owned by the York City Sewer Authority and operated by the City of York.

Docket No. A-2021-\_\_\_\_\_

In re: Petition of Pennsylvania-American Water Company, related to its acquisition of the wastewater collection and treatment system owned by the York City Sewer Authority and operated by the City of York, for approval under Section 1329 of the Pennsylvania Public Utility Code, 66 Pa. C.S. § 1329, to (i) for book and ratemaking purposes, accrue Allowance for Funds Used During Construction for post-acquisition improvements not recovered through the distribution system improvement charge, (ii) for book and ratemaking purposes, defer depreciation related to post-acquisition improvements not recovered through the distribution system improvement charge, and (iii) include, in its next base rate case, a claim for transaction and closing costs.

Docket No. P-2021-\_\_\_\_\_

In re: Filing by Pennsylvania-American Water Company :  
under Section 507 of the Pennsylvania Public Utility : Docket Nos. U-2021-\_\_\_\_\_, *et al.*  
Code, 66 Pa. C.S. § 507, of (i) the Asset Purchase :  
Agreement By and Among York City Sewer Authority, :  
the City of York, and Pennsylvania-American Water :  
Company, and (ii) Six agreements with municipal :  
corporations to be assumed by Pennsylvania-American :  
Water Company upon closing of its acquisition of :  
substantially all of the assets related to the wastewater :  
collection and treatment system owned by the York City :  
Sewer Authority and operated by the City of York. :

In re: Petition of Pennsylvania-American Water :  
Company under Section 508 of the Pennsylvania Public : Docket No. P-2021-\_\_\_\_\_  
Utility Code, 66 Pa C.S. § 508, to modify seven :  
agreements with a corporation and municipal :  
corporations to be assumed by Pennsylvania-American :  
Water Company upon closing of its acquisition of :  
substantially all of the assets related to the wastewater :  
collection and treatment system owned by the York City :  
Sewer Authority and operated by the City of York. :

**CERTIFICATE OF SERVICE**

I hereby certify that I have this 1<sup>st</sup> day of July served a true copy of the foregoing Application (*via zip drive*) of Pennsylvania-American Water Company regarding the acquisition of the wastewater treatment, transportation, and distribution facilities owned by the York City Sewer Authority and operated by the City of York upon the parties, listed below in accordance with the requirements of 52 Pa. Code §1.54 (relating to service by a party).

**VIA OVERNIGHT MAIL**

Teresa Reed Wagner, Director  
Office of Small Business Advocate  
555 Walnut Street  
Forum Place, First Floor  
Harrisburg, PA 17101-1923

Chris Hoover, Interim Acting Consumer Advocate  
Erin Gannon, Senior Consumer Advocate  
Office of Consumer Advocate  
555 Walnut Street  
Forum Place, Fifth Floor  
Harrisburg, PA 17101-1923

Alison Kaster, Director  
Bureau of Investigation and Enforcement  
Pennsylvania Public Utility Commission  
400 North Street, F West  
Harrisburg, PA 17120

Respectfully Submitted,



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David P. Zambito, Esquire (PA ID 80017)  
Jonathan P. Nase, Esquire (PA ID 44003)  
Cozen O'Connor  
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**Attorneys for**  
***Pennsylvania-American Water Company***