

A-2021-3024681

Dear sirs;

I protest the sale of the York City Waste water treatment plant to Pennsylvania - American Water Company. First I think Water Companies should only Buy Water Companies. Second IN the enclosed letter from Mayor of York on place it say York City Wastewater system, the other place it says York City Wastewater treatment plant, the first entity could include York City sewer Lines (the sewer Lines could be in Bad Shape as York City government could have delayed necessary and prudent maintanke and upgrades) other municipalities use the Wastewater treatment plant and I don't Believe they are included in the three year rate increase moratorium. Also Sewer rate increases will increase poverty especially for the elderly on Social security. Another reason to protest the sales is currently York City only needs to recovery cost of operations. If sold to Pennsylvania - American the cost of the sale will be recovered By rate INcreases plus Pennsylvania - American may be a stock company and will need to charge customers more to pay stockholder dividend and also pay a CEO probably over ~~one~~ million a year.

Enclosure: Mayor of York Letter
 Enclosure: Notice of proposed Wastewater
 COPY to: PUC
 COPY to: David Zambito Esq.

Sincerely
 Gary E Lehman
 Gary E Lehman

Gary Lehman
 335 Pattison St
 York PA 17403-2416

PA PUC
 SECRETARY'S OFFICE

2021 DEC - 8 AM 10:39

RECEIVED

**The City of York
Pennsylvania**

The Honorable Michael R. Helfrich, Mayor



Office of the Mayor

101 South George Street
York, PA 17401
www.yorkcity.org

October 1, 2021

Dear Neighbor:

I am writing to notify you that on July 1, 2021, Pennsylvania-American Water Company (Pennsylvania-American) filed the required application with the Pennsylvania Public Utility Commission (PUC) for approval to acquire the York City wastewater system.

As you may recall, last year the York City government was facing a financial crisis. Years of increasing expenses for healthcare and pensions not paid in the past all came to a head, and then COVID hit the City's tax and parking revenue. There were two budgets on the table. One proposal included a 48% tax increase, an immediate 41% sewer fee increase, and increases on many other fees. The other proposal was to sell the York City wastewater treatment plant. I proposed selling the wastewater system, and the majority of York City Council agreed.

I wanted to include this letter from me to remind our residents and businesses of the reasons for making this very difficult decision in December 2020. The agreement between York City and Pennsylvania-American to engage in the process of completing this sale stopped the need for an immediate and devastating tax increase that would have surely caused the loss of homes and closing of businesses in York City. We were able to stop an immediate 41% sewer increase and include a three-year freeze on sewer rates in the proposed sales agreement. In addition, the \$235 million in revenues from the sale of the wastewater system will allow the City to finally dig itself out from decades of financial distress. Not only will we be able to pay on long-standing debts and keep taxes stable for residents and businesses, but we will also be able to invest in our city's future.

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TO PUC
SECRETARY'S BUREAU

(over)

Since that vote last December, we have been working through the many steps required to complete a deal of this size and complexity. One of the last steps to complete the sale is the buyer, Pennsylvania-American, going to the Pennsylvania Public Utility Commission for approval. As part of the PUC review process, Pennsylvania-American is required to send this "Notice of Proposed Wastewater Acquisition and Rate Base Addition" to all affected customers and to provide a non-binding calculation of potential future rate impacts to wastewater monthly bills as a result of the acquisition.

Despite the fact that the attached Notice includes potential rate increases, it's ~~important to know that Pennsylvania-American is not proposing a rate increase as part of the acquisition.~~ In fact, many City residents will actually benefit from Pennsylvania-American's low-income assistance programs that offer grant funds and bill credits to reduce monthly sewer bills. Any actual future wastewater rate increases that would come after the three-year moratorium would be subject to review and approval by the PUC, just like most of your other utility bills.

In closing, York City was at a crossroads last year. One road led to a downward spiral of taxes and falling property values and empty store fronts. The other led to a place of greater financial stability and having choices for our future, instead of struggling each year in survival mode. To take that second road we did need to sacrifice some control, trading fee increase votes of a City Council and Mayor, for votes from the PA PUC. There was no perfect choice here. But I am confident that we are making a good choice. And I am confident that York City and Pennsylvania-American will have a bright future working together to provide the necessary services that the people of York City rely on. Thank you for taking the time to read my thoughts on this difficult, but positive, change for the people and businesses of York City.

Please see the enclosed Notice for additional information.

Thank you.

Sincerely,



Michael Helfrich
Mayor
City of York

(over)

NOTICE OF PROPOSED WASTEWATER ACQUISITION AND RATE BASE ADDITION

(Docket No. A-2021-3024681)



PENNSYLVANIA
AMERICAN WATER

Dear York City Sewer Authority Customer:

On August 12, 2021, the Pennsylvania Public Utility Commission ("PUC") conditionally accepted for filing the application of Pennsylvania-American Water Co. ("Pennsylvania-American") for approval to acquire the York City Sewer Authority ("York") wastewater system assets. York serves approximately 13,740 customers in York County. Pennsylvania-American's application also requests that the PUC authorize an addition of \$235 million to Pennsylvania-American's rate base pursuant to 66 Pa. C.S. § 1329. A utility's rate base is the value of property used by the utility to provide service to its customers and is one of many components used to establish customer rates.

This acquisition will not immediately, but may in the future, affect water and/or wastewater bills of Pennsylvania-American customers, including the York wastewater customers. Pennsylvania-American is not requesting a rate increase as part of the acquisition. Your current wastewater rates will not change until the conclusion of Pennsylvania-American's first base rate case, filed after closing on the acquisition, where Pennsylvania-American requests and receives PUC approval to increase its rates. Based on a non-binding estimate of the potential rate impacts, Pennsylvania-American anticipates that the potential wastewater rate impact could be as follows:

Rate Class	Average Usage	WASTEWATER		
		Average Monthly Bill at York Rates at Closing	Potential Average Monthly Bill	Potential Increase
Residential	3,458 gal/month	\$31.66	\$46.70	\$15.04 or 47.6%
Commercial	23,692 gal/month	\$221.25	\$326.35	\$105.10 or 47.5%
Industrial	404,500 gal/month	\$3,790.17	\$5,590.50	\$1,800.33 or 47.5%

Please note: Bulk water customer rates may be impacted by the acquisition. To learn more about the potential impact, please contact Pennsylvania American Water at 1-800-565-7292.

These amounts could change and will depend on how the PUC chooses to apportion any increase among different types of utility service, rate zones and classes of customers and the period of time over which such rate increases could occur.

PUC ROLE

The state agency that approves acquisitions and rates for regulated public utilities is the PUC. The PUC will review and investigate the proposed acquisition. After examining the evidence, the PUC may approve, modify or deny the acquisition and may approve, modify or deny the requested addition to rate base.

ACTIONS YOU CAN TAKE

You can support or challenge Pennsylvania-American's request by:

- 1. Sending a letter to the PUC.** You can tell the PUC why you support or object to the application in your letter. This information can be helpful when the PUC investigates the application. Send your letter to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
- 2. Attending or presenting testimony at a PUC public input hearing.** You can attend or be a witness at a PUC public input hearing. The PUC holds public input hearings if it opens an investigation of Pennsylvania-American's transaction and if there is enough interest in the case. At these hearings, you can present your views in person to the PUC judge and to company representatives. Testimony under oath becomes part of the application case record. The PUC holds these hearings in the service area of the company. For more information, call the PUC at 1-800-692-7380.

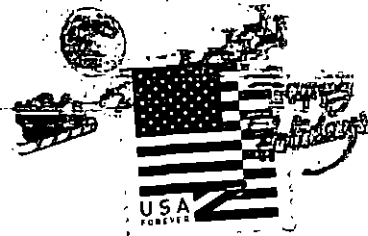
- 3. Filing a protest or a petition to intervene.** If you want to be a party to the case, you must file a protest or a petition to intervene. You then have an opportunity to take part in all the hearings about the proposed acquisition. You can receive copies of all materials distributed by the other parties. Protests and petitions to intervene must be filed in accordance with 52 Pa. Code (relating to public utilities) on or before December 13, 2021. Filings must be made with the Secretary of the Pennsylvania Public Utility Commission at P.O. Box 3265, Harrisburg, PA 17105-3265, with a copy served on Pennsylvania-American's counsel at:

David P. Zambito, Esq.
Cozen O'Connor
17 North Second Street, Suite 1410
Harrisburg, PA 17101

The documents filed in support of the application are available on the PUC's website at www.puc.pa.gov, and for inspection and copying at the Office of the Secretary of the PUC between 8 a.m. and 4:30 p.m., Monday through Friday, and at Pennsylvania-American's offices at 852 Wesley Drive, Mechanicsburg, PA 17055. Inspection times may vary based on the COVID-19 state of emergency. The PUC docket number is A-2021-3024681. For more information, you may contact the PUC's Bureau of Consumer Services at 1-800-692-7380.

HARRISBURG PA 171

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Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

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