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January 26, 2022

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

**Re: Assignment and Assumption with Support Agreement
between Pennsylvania-American Water Company,
Borough of Pottstown Authority, Upper Pottsgrove
Township and Borough of Pottstown
Docket No. U-2022-**

Dear Secretary Chiavetta:

On behalf of Pennsylvania-American Water Company ("PAWC"), I am electronically filing according to Section 507 of the Public Utility Code, a copy of the above referenced agreement. Please note this assignment is a condition to the Commission's approval of PAWC's acquisition of the Upper Pottsgrove wastewater system by Order entered September 21, 2021, at Docket No. A-2020-3021460.

If you should have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Elizabeth Rose Triscari".

Elizabeth Rose Triscari

jrh
Enclosure
cc: All Parties on the Attached Certificate of Service (*via electronic mail*)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Assignment and Assumption with Support :
Agreement between Pennsylvania-American Water : Docket No. U-2022-
Company, Borough of Pottstown Authority :
Upper Pottsgrove Township and Borough of :
Pottstown :

CERTIFICATE OF SERVICE

I hereby certify that I have this 26th day of January served a true copy of the foregoing filing upon the parties, listed below in accordance with the requirements of 52 Pa. Code §1.54 (relating to service by a party).

SERVED VIA ELECTRONIC MAIL ON JANUARY 26, 2022

Erin Fure, Esquire
Office of Small Business Advocate
555 Walnut Street
Forum Place, First Floor
Harrisburg, PA 17101-1923

Vincent M. Pompo, Esquire
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Erin L. Gannon, Esquire
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Gina Miller, Prosecutor
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Pennsylvania Public Utility Commission
400 North Street, F West
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Robert M. Tucker, Esquire
Gregg I. Adelman, Esquire
Kaplin, Stewart, Meloff, Reiter and
Stein, P.C.
Union Meeting Corporate Center
910 Harvest Drive
P.O. Box 3037
Blue Bell, PA 19422-0765

Respectfully Submitted,



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**Attorneys for
Pennsylvania-American Water Company**

ASSIGNMENT AND ASSUMPTION WITH SUPPORT AGREEMENT

This Assignment and Assumption Agreement (“Assignment”) is made and entered into this 20th day of January, 2022, by and among **BOROUGH OF POTTSTOWN AUTHORITY**, a municipal authority organized and existing under and pursuant to the laws of the Commonwealth of Pennsylvania having an address at 100 East High Street, Pottstown, Pennsylvania 19464 (the “Authority”), **UPPER POTTS GROVE TOWNSHIP**, Montgomery County, a body corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania having an address at 1409 Farmington Avenue, Pottstown, Pennsylvania 19464 (the “Township”), **BOROUGH OF POTTSTOWN**, Montgomery County, a body corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania having an address at 100 East High Street, Pottstown, Pennsylvania 19464 (the “Borough”) and **PENNSYLVANIA-AMERICAN WATER COMPANY**, a corporation organized and existing under the laws of the Commonwealth of Pennsylvania having an address at 852 Wesley Drive, Mechanicsburg, Pennsylvania 17055 (“PAWC”).

WHEREAS, the Authority owns a collection system, common transportation facilities and a treatment plant for rendering sanitary sewage collection, transportation, treatment and disposal service in and for the Borough as well as rendering transportation, treatment and disposal service for the Township and several other townships;

WHEREAS, the Township owns and operates a sewage collection system for rendering sanitary sewage collection and transportation, but not treatment or disposal, service in the Township;

WHEREAS, the Township, the Borough and the Authority are parties to a Sewage Treatment Service Agreement dated September 13, 2004 and an Agreement Amending the Sewage Treatment Service Agreement dated October 18, 2011, as amended (collectively the “Service Agreement”) providing, among other things, the terms and conditions under which the Authority provides sewage treatment to the Township;

WHEREAS, the Township and PAWC have entered into a written Sanitary Sewer Asset Purchase Agreement dated as of April 28, 2020 (the “APA”) for the sale and purchase of the Township’s sanitary wastewater collection and conveyance system by PAWC (the “Acquisition”) and for the assignment of contracts associated with the sewer system, including the Service Agreement, to PAWC;

WHEREAS, the Township instituted civil litigation against the Authority and Borough before the Montgomery County Court of Common Pleas at Docket No. 2022-06705, seeking a preliminary and permanent injunction to enjoin the Authority and Borough from blocking the Acquisition (the “Litigation”);

WHEREAS, the Township, Authority and Borough have entered into a Settlement Agreement dated January 20, 2022, settling the Litigation in consideration of the payment by the Township of \$470,184.22 to the Authority upon the closing of the Acquisition;

WHEREAS, the Borough and the Authority are willing to consent to the assignment of the Service Agreement from the Township to PAWC in accordance with the terms and conditions of this Assignment;

WHEREAS, the Parties desire to make certain amendments and revisions to the Service Agreement so as to permit PAWC to assume and perform the rights, title, interest, duties and obligations of the Township, and for the Township to retain certain obligations pursuant to a separate Support Agreement attached hereto as Exhibit A (“the Support Agreement”), all on the terms and conditions set forth herein; and

WHEREAS, the Township desires to assign to PAWC, and PAWC desires to assume the rights, title, interest, duties and obligations of the Township under the Service Agreement as amended and modified by the terms and conditions set forth in this Assignment.

NOW THEREFORE, in consideration of the recitals set forth above, and for other good and valuable consideration, the adequacy and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

1. Recitals. The recitals of this Agreement are incorporated herein as if set forth in full.

2. Occurrence of the Effective Date. The Parties acknowledge and agree that this Assignment must be approved by the Pennsylvania Public Utility Commission (“PUC”) and shall not become effective and the Parties shall have no obligation hereunder until the occurrence of the Effective Date. For purposes of this Assignment, the “Effective Date” shall be the date upon which all of the following events shall have occurred: (i) the approval of this Assignment by the PUC, (ii) the payment of \$470,184.22 to the Authority upon the closing of the Acquisition and (iii) the closing of the Acquisition. Upon execution of this Assignment by the Parties, PAWC agrees that it will seek approval of the Assignment from the PUC.

3. Support Agreement. Concurrent with the Effective Date of this Assignment, the Parties shall enter into the Support Agreement whereby the Township agrees to take certain actions and obligations of a governmental nature that will be necessary to support the Parties under the Service Agreement and this Assignment.

4. Assignment by the Township. Subject to the terms of the Support Agreement, Township hereby assigns, grants, conveys and transfers to PAWC, effective immediately upon the occurrence of the Effective Date, all of Township’s right, title and interest in and to the Service Agreement from and after the Effective Date, as amended and modified by the terms and conditions of this Assignment.

Notwithstanding the assignment set forth above, the Township shall remain responsible for and discharge and perform the duties, obligations and liabilities of the Township as provided in the Support Agreement.

5. Assumption by PAWC. PAWC hereby assumes from Assignor, effective as of the Effective Date, all of the Township's rights, title, interest, duties, liabilities and obligations in and to the Service Agreement (excluding liabilities occurring prior to the Effective Date), as amended and modified by the terms and conditions of this Assignment. The Township shall be released from all duties, liabilities and obligations under the Service Agreement, which accrue or arise on or after the occurrence of the Effective Date.

6. Consent of the Borough and the Authority. The Borough and Authority hereby irrevocably consent to the assignment and assumption of the rights, title, interest, duties, liabilities and obligations in and to the Service Agreement as set forth in Section 4 and 5 above, as the Service Agreement is amended and modified by the terms and conditions of this Assignment and the attached Support Agreement.

7. Revisions to the Service Agreement. The terms and conditions of the Service Agreement are hereby amended as follows:

a. Section 1.01. Defined Terms.

From and after the Effective Date, the term "Township" and "Upper Pottsgrove Township" as defined in Section 1.01, whenever used or referred to in this Service Agreement, shall mean Pennsylvania-American Water Company (PAWC), a public utility as that term is defined in the Pennsylvania Public Utility Code, 66 Pa.C.S.A §101 et seq.

From and after the Effective Date, the term "Municipality" or "Municipalities" shall mean, individually or collectively, as applicable and appropriate, PBA, the Borough, the Townships, and/or PAWC.

b. Section 1.01 Corrective Action Plan definition is amended to read:

"Corrective Action Plan (CAP)" shall mean a Plan required to address the planning, design, financing, construction and operation of the Sewage Facilities that may be necessary to provide a Requested Capacity that will meet anticipated demands for a reasonable time in the future and resulting in a project that is consistent with this Agreement and applicable official Plans approved under the Pennsylvania Sewage Facilities Act (Act 537). A CAP shall include, but not be limited to, setting forth steps to be taken by PAWC with the support of Upper Pottsgrove Township as set forth in the Support Agreement to prevent the Requested Capacity from being exceeded, and a Schedule showing the dates each step toward compliance with the Agreement shall be completed. If necessary, to address exceedance of the Requested Capacity, it will include limitations on, and a program for control of, new connections to the Sewage Facilities. A CAP may include a projection of the anticipated flow reduction. Where flow reduction projections are applicable, they shall be determined by the PBA Engineer. PAWC will be required to provide data, as requested, to the PBA Engineer to assist in determination of the flow reduction. Upon completion of elements of a CAP, PAWC shall receive the

flow reduction credit associated with the improvements, as listed in the CAP, and the Flow of Record shall be modified for planning purposes. The Modified Flow of Record will remain in effect for a three (3) year period after the completion of the CAP. At the end of the three (3) year period, the Modified Flow of Record calculation, associated with the particular CAP, will be terminated, and the Flow of Record will be recalculated as defined in this Section.

- c. The fifth and six paragraphs of Section 4.01 Allocation of Requested Capacity are amended to read:

On a quarterly basis for each calendar year, the Borough shall advise PAWC of the current Unused Requested Capacity, based on Flow of Record and Projected Flow. When the Flow of Record plus the Projected Flow is within ninety-three percent (93%) of the Requested Capacity, PAWC shall with the support of Upper Pottsgrove Township as set forth in the Support Agreement, within one hundred twenty (120) days, provide an acceptable CAP to the Borough.

While a CAP is being prepared and/or implemented, and is following the approved and practical time schedule, the Borough will continue to certify Planning Modules for Chapter 94 consistency in accordance with the terms of this Agreement. If Flow of Record plus Projected Flow exceeds the Requested Capacity, further Planning Modules will not be certified by the Borough.

- d. Section 5.10 Long-Term I/I Plan is amended to read:

The Borough and PAWC with the support of Upper Pottsgrove Township as set forth in the Support Agreement shall develop a Long-Term I/I Plan that shall address, for a minimum five (5) year period, the following:

- (a) Identify the sources of I/I through a comprehensive meter program.
- (b) Ongoing program to address I/I.
- (c) Other items proposed by PAWC.

The first Plan shall be due six (6) months following the execution of this Agreement.

Annual Chapter 94 Reports prepared by PAWC shall include steps taken under the Long-Term I/I Plan.

- e. Section 7.08 Billing of Township Customers is amended to read as follows:

PAWC will prepare and issue all bills for Sewage service to the customers of Upper Pottsgrove Township and collect funds due in accordance with its tariff

as of the Effective Date.

f. Section 7.09 Remedies in the Event of Default is amended to read as follows:

If PAWC defaults in the payment of any charge required to be paid hereunder, or otherwise defaults in the performance of the terms hereof, PBA and any or all of the other Municipalities may bring an action in law or equity in the Court of Common Pleas of Montgomery County, Pennsylvania, or other Court or tribunal of competent jurisdiction, to obtain any or all of the following: (a) an order directing PAWC to pay the amount in arrears and any expected future deficiencies, in a lump sum or in annual installments during subsequent years as the Court may require; (b) a temporary restraining order, preliminary and/or permanent injunction and any other appropriate equitable relief; (c) appointment of a special trustee or receiver to collect, segregate and distribute the revenues of PAWC and/or to enter and take possession of the facilities thereof; (d) set off against the amounts due the Borough and PBA hereunder any sums otherwise required to be remitted to PAWC under Section 7.08; (e) obtain a money judgment against PAWC and liquidate same as may be authorized by law; and/or, (f) any other relief deemed just and appropriate under the circumstances. If PAWC is determined by final judgment to have violated this Agreement, PAWC agrees to pay the costs and expenses, including legal fees, of any such legal action.

g. Section 8.02 Compelling Compliance with Standards is amended to read as follows:

In the Support Agreement, Upper Pottsgrove Township covenants to enact or maintain an ordinance, in a form acceptable to the Borough, and to keep such ordinance in full force and effect at all times, prohibiting, and providing adequate penalties for, the discharge into PAWC's Sewage Collection System of anything violating the above-mentioned effluent quality restrictions of the Borough, and hereby covenants to enforce, and request the enforcement of, as applicable, the provisions thereof when brought to its attention. Such ordinance shall also prohibit and/or regulate the discharge into PAWC's Sewage Collection System by any Person of industrial waste, as defined in the applicable regulations of the Borough. PAWC will not permit any discharge into its Sewage Collection System except in the manner and in accordance with the provisions of said ordinance, as applicable.

h. Section 9.01 Mandatory Connection Ordinance is amended to read as follows:

Upper Pottsgrove Township has adopted an Ordinance in a form satisfactory to the Borough and PBA, requiring all owners of improved property which legally can be required to be connected to such Sewage Collection System to connect therewith, and providing for enforcement of such Ordinance as is permitted by law. In the Support Agreement, Upper Pottsgrove Township

covenants that it will keep or cause to be kept such Ordinance or subsequent Ordinance or Ordinances requiring such connections in full force and effect continuously during the term hereof, and to enforce or cause to be enforced the same as may be permitted by law.

i. Section 9.02 User Charges is amended to read as follows:

PAWC covenants that it will adopt rates as set forth in a tariff and approved by the Pennsylvania Public Utility Commission imposing sewer charges upon owners of improved property which shall be connected to its Sewage Collection System for use thereof. PAWC also covenants to thereafter keep such rates as set forth in its tariff, as may be amended from time to time with the approval of the PUC in full force and effect continuously during the term hereof.

j. Section 9.03 Enforcement is amended to read as follows:

PAWC covenants to enforce its tariff then in effect with respect to the collection of all amounts becoming due thereunder.

k. Section 9.04 Level of Charges is amended to read as follows:

PAWC covenants that it is responsible for all costs it is obligated to pay pursuant to the Service Agreement regardless of the rates set forth in its tariff and approved by the PUC, including:

(1) Payment by PAWC in each Fiscal Year of debt service, operating expenses and other necessary costs and expenses relating to its Sewage Collection System and/or any capital contribution made hereunder; and,

(2) Payment by PAWC to the Borough in each Fiscal Year of the Debt Service Charge, O&M Charge, Transportation Charge and/or any other charges payable hereunder to the extent applicable and appropriate for services rendered in connection herewith.

l. Section 10.10 Successors and Assigns is amended to read as follows:

PAWC will not voluntarily assign this Service Agreement without the prior written consent of PBA and the Borough. Subject to the foregoing, this Service Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

8. Service Agreement Remains Unchanged. Except as expressly set forth in this Assignment and in the Support Agreement, the Parties agree that nothing contained herein shall in any way supersede, modify, replace or amend, any of the rights and remedies, and any of the obligations, set forth in the Service Agreement.

9. Applicable Law. The law of the Commonwealth of Pennsylvania shall govern all questions concerning the construction, validity, interpretation, and enforceability of this Agreement, without giving effect to any choice of law or conflict of law, rules or provisions (whether of the Commonwealth of Pennsylvania or other jurisdiction) that would cause the application of the laws of any jurisdiction other than the Commonwealth of Pennsylvania.

10. Severability. The invalidity or unenforceability of any portion or provision of this Assignment shall in no way affect the validity or enforceability of any other portion or provision hereof. Any invalid or unenforceable portion or provision shall be deemed severed from this Assignment and the balance of the Assignment shall be construed and enforced as if the Assignment did not contain such invalid or unenforceable portion or provision. If any such provision of this Assignment is so declared invalid, the Parties shall promptly negotiate in good faith new provisions to eliminate such invalidity and to restore this Assignment as near as possible to its original intent and effect.

11. Headings for Convenience Only. The headings contained herein are not part of this Assignment and are included solely for the convenience of the Parties.

12. Further Assurances. Assignor, Assignee, the Borough and the Authority will each use its reasonable best efforts to implement the provisions of this Assignment, and for such purpose each Party, at the request of the other Party, will, without further consideration, promptly execute and deliver or cause to be executed and delivered to the other such assistance, or assignments, consents or other instruments in addition to those required by this Assignment, in form and substance satisfactory to the other, as the other may reasonably deem necessary or desirable to implement any provision of this Assignment.

13. Counterpart Execution. This Assignment may be executed by the Parties hereto in any number of counterparts (and by each of the Parties hereto on separate counterparts), each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

14. Drafting Interpretations. Preparation and negotiation of this Assignment has been a joint effort of the Parties and the resulting documents shall not be construed more severely against one Party than against the other Party.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Assignment and Consent on the day and year first written above.

CONSENTING PARTIES:

BOROUGH OF POTTSTOWN AUTHORITY

By: 

Name: Jeff Chomnuk

Title: Authority Chairman

BOROUGH OF POTTSTOWN

By: 

Name: Dan Weand

Title: Borough Council President

ASSIGNOR:

UPPER POTTS GROVE TOWNSHIP

By: 

Name: Trace Slinkerd

Title: Board President

ASSIGNEE:

PENNSYLVANIA-AMERICAN WATER COMPANY

By: 

Name: F. Michael Moran

Title: President

Exhibit A

SUPPORT AGREEMENT

This **SUPPORT AGREEMENT** (this “SUPPORT AGREEMENT”) is made and entered into this 20th day of January, 2022 by and between **BOROUGH OF POTTSTOWN AUTHORITY**, a municipal authority organized and existing under and pursuant to the laws of the Commonwealth of Pennsylvania having an address at 100 East High Street, Pottstown, Pennsylvania 19464 (the “Authority”), **UPPER POTTSBORO TOWNSHIP**, Montgomery County, a body corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania having an address at 1409 Farmington Avenue, Pottstown, Pennsylvania 19464 (the “Township”), **BOROUGH OF POTTSTOWN**, Montgomery County, a body corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania having an address at 100 East High Street, Pottstown, Pennsylvania 19464 (the “Borough”) and **PENNSYLVANIA-AMERICAN WATER COMPANY**, a corporation organized and existing under the laws of the Commonwealth of Pennsylvania having an address at 852 Wesley Drive, Mechanicsburg, Pennsylvania 17055 (the “PAWC”).

BACKGROUND

WHEREAS, the Township and PAWC have entered into a Sanitary Sewer Asset Purchase Agreement dated as of April 28, 2020 (the “APA”) for the sale and purchase of the Township’s sanitary wastewater collection and conveyance system (the “Sale”); and

WHEREAS, the Township, the Borough and the Authority are parties to a Sewage Treatment Service Agreement dated September 13, 2004 as amended (the “Service Agreement”) which the Township is required to assign to PAWC pursuant to the APA at or prior to the closing of the Sale; and

WHEREAS, it is contemplated in the Assignment and Assumption Agreement that PAWC will assume all obligations it is able to assume from the Township under the Service Agreement and that the Assignment and Assumption Agreement has provided for such amendments as the Borough, the Authority and the Township have agreed; and

WHEREAS, the Township and PAWC submitted to the Authority and the Borough an Assignment and Assumption Agreement, among other things requesting the consent to assign the Service Agreement in connection with the Sale from the Township to PAWC; and

WHEREAS, the Authority has requested the Township agree to continue to take certain actions of a governmental nature that will be necessary to support the parties hereto under the Service Agreement after the Sale; and

WHEREAS, the Authority, the Township, the Borough and PAWC are mutually desirous of memorializing their understanding with regard to the foregoing.

NOW, THEREFORE, for and in consideration of the mutual promises set forth in this Agreement and other good and valuable consideration, the receipt and lawful sufficiency of which is hereby acknowledged, the parties hereto agree as follows. Terms used but not defined herein are defined in the Service Agreement.

Incorporation of Agreement. The Recitals set forth in the Background Section of this SUPPORT AGREEMENT are incorporated herein as if here set forth in their entirety.

Assumption of the Township's Obligations by PAWC. In accordance with the APA, PAWC shall assume on the date hereof the obligations of the Township under the Service Agreement pursuant to an Assignment and Assumption Agreement dated January 20, 2022 (the "Assignment and Assumption Agreement").

Covenants of the Township.

A. Maintenance, Enforcement and Enactment of Ordinances. The Township covenants and agrees:

1. to maintain and enforce all Ordinances which relate to the Sewage Collection System, including but not limited to all Ordinances which have been codified in Chapter 275 of the Upper Pottsgrove Code, provided that such Ordinances are not pre-empted by or in conflict with PAWC's tariff as it may be amended from time to time, until the earlier of (i) the termination of the Service Agreement, as it may be extended from time to time or (ii) the agreement of the parties hereto that such Ordinance(s) are no longer necessary for the fulfillment of the terms of the Service Agreement; and
2. to enact any and all Ordinances required by any law, regulation, rule, order, administrative or regulatory decree of the Commonwealth of Pennsylvania in order for PAWC and the Authority to fulfill their obligations under the Service Agreement;

B. Act 537 Planning. The Township shall continue to be responsible for sewage disposal planning within the Township pursuant to the Pennsylvania Sewage Facilities Act, 35 P.S. §750.1 *et seq.* ("Act 537") and, in coordination with PAWC, for timely preparation, submission and implementation of its Act 537 Plan (plan updates, exemptions or waivers) to DEP as required under the Service Agreement or Act 537. In preparing such plan, the Township and PAWC shall consult with the Authority as appropriate.

C. Notice to PAWC, the Borough, the Township and the Authority. The Township agrees to promptly notify the parties hereto of any material information related to the Sewer Collection System required under the Service Agreement. The other parties agree to notify the Township of any material information related to its continued responsibilities as set forth herein.

D. Cooperation. The Parties hereto shall reasonably cooperate with each other including their employees, attorneys, accountants and other agents and, generally, do such other acts and things in good faith as may be reasonable

1. to effectuate the undertaking, completion and implementation of any Corrective Action Plan (CAP) required under Sections 4.01 or 5.08 of the Service Agreement;
2. to effectuate the undertaking, completion and implementation of any Long-Term I/I Plan under Section 5.10 of the Service Agreement; and
3. to effectuate the assignment from the Township to PAWC of the Service Agreement.

Notwithstanding anything herein to the contrary, the provisions of the APA will govern which party as between PAWC and the Township is financially responsible to carry out the requirements set forth in D. 1. and 2. above.

E. Township Payments, Billing and Review Charges. The Township covenants and agrees:

1. to pay to the Borough any amounts owed under the Service Agreement prior to the Effective Date at or before the closing of the Acquisition;
2. The Township will assume collection of all outstanding sewer rental amounts due at the time of closing of the Sale including those delinquent accounts at Portnoff Law Associates. The Township will arrange to have Portnoff remit collections directly to the Township on sewer accounts in collections. The Borough shall provide the Township with a report of all outstanding accounts as of the closing date of the Sale. As of the closing date of the Sale, the Borough shall no longer be responsible for collecting outstanding amounts due the Township.
3. to reimburse the Borough for reasonable costs incurred by the Borough related to the final billing for sewage services to customers of the Township, whether incurred prior to or after the Effective Date; and
4. to reimburse the Authority any amounts properly and duly owed under the Review Escrow Agreement by and between the Authority, Township and PAWC, at or before the closing of the Acquisition.

Remedies in the Event of Default. If the Township defaults in the performance of the terms hereof, the Authority, the Borough, PAWC and any or all of the other Municipalities as defined under the Service Agreement, after providing not less than 30 days notice of such alleged default and the failure of the Township to cure such default within 30 days thereafter, may bring an action in law or equity in the Court of Common Pleas of Montgomery County, Pennsylvania, or other Court or tribunal of competent jurisdiction to

obtain any or all of the following: (a) a writ of mandamus; (b) a temporary restraining order, preliminary and/or permanent injunction and any other appropriate equitable relief; and/or, (b) any other relief deemed just and appropriate under the circumstances. If the Township is determined by final judgment to have violated this Agreement, the Township agrees to pay the costs and expenses, including legal fees, of any such legal action.

Miscellaneous.

Termination of Agreement. This Agreement shall terminate upon the termination of the Service Agreement, as it may be extended from time to time.

Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Pennsylvania without regard to principles of conflicts of law.

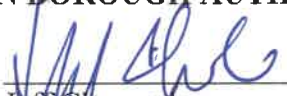
Entire Agreement; Binding Effect. This Agreement represents the entire Agreement among the parties hereto with regard to the subject matter hereof and shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

PUC Approval. This Agreement shall become effective thirty (30) days after PAWC has filed a copy thereof with the Pennsylvania Public Utility Commission or, in the event that the said Commission institutes an investigation, at such time as the said Commission grants its approval thereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Authority, the Township, the Borough and PAWC caused this SUPPORT AGREEMENT to be executed the day and year first above written.


POTTSTOWN BOROUGH AUTHORITY

By: 
Name: Jeff Chumnuak
Title: Authority Chairman

UPPER POTTS GROVE TOWNSHIP

By: 
Name: Trace Slinker
Title: Board President

BOROUGH OF POTTSTOWN

By: 
Name: Dan Weand
Title: Borough Council President

PENNSYLVANIA-AMERICAN WATER COMPANY

By: 
Name: P. Michael Doran
Title: President