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VIA eFiling

March 2, 2022

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

Re: Application of Pennsylvania-American Water Company-Wastewater Division for approval of the rights to: (1) acquire, by sale, certain wastewater system assets of Foster Township; and (2) begin to offer, render, furnish and supply wastewater service to the public in portions of Foster Township, Luzerne County, Pennsylvania

Docket No. A-2021-3028676

Dear Secretary Chiavetta:

On January 18, 2022, Pennsylvania-American Water Company (the "Company") responded to Data Request Set 1 from the Bureau of Technical Utility Services for the above-referenced Application. Enclosed, is the Company's revised response to Question A-17.

A copy of the revised data request has been served upon the parties listed on the enclosed Certificate of Service.

If you have any questions, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Teresa Harrold", is written over a horizontal line.

Enclosures

cc: Certificate of Service
Matthew T. Lamb, P.E. VIA E-Mail at mlamb@pa.gov

Pennsylvania-American Water Company's Responses to
the Bureau of Technical Utility Services
Water/Wastewater Division
Data Request Set 1

Docket No. A-2021-3028676

Application of Pennsylvania-American Water Company-Wastewater Division for approval of the rights to: (1) acquire, by sale, certain wastewater system assets of Foster Township; and (2) begin to offer, render, furnish and supply wastewater service to the public in portions of Foster Township, Luzerne County, Pennsylvania

A-17. The Application's Appendix W included PAWC-WD's estimated annual revenues and expenses in connection with serving Foster's customers. Please provide a breakdown of estimated operating revenue by customer class for Foster and separately for Butler either by customer class or by bulk service, as applicable.

Original Response:

Please refer to the chart below for a breakdown of estimated operating revenue by customer class for Foster and Butler. The estimated \$10,260 of Butler revenues were inadvertently excluded from Appendix W of the Application. A revised Appendix W is attached as TUS-A-17_Attachment 1 reflecting these revenues.

As demonstrated below and supported by TUS-A-8-b_Attachment 1, the conveyance rate for Butler Township is \$15 per EDU per month. The revised pro forma tariff in TUS-A-14_Attachment 1 includes this rate.

	Number of EDUs	Rate	Revenues	Total Revenues
Residential - Foster	507	85.00	517,140	517,140
Commercial - Foster	29	85.00	29,580	29,580
Industrial - Foster	290	85.00	295,800	295,800
Bulk - Butler	57	15.00	10,260	10,260
Total				842,520

Revised Response 3/2/2022:

Please refer to the chart below for a breakdown of estimated operating revenue by customer class for Foster and Butler. Two changes have been made to Appendix W of the Application. Freeland's fees of \$357,605 charged to Foster for treatment and an estimated \$10,260 of Butler revenues were inadvertently excluded from Appendix W. A revised Appendix W is attached as TUS-A-17_Attachment 1 (Revised) reflecting these revenues.

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As demonstrated below and supported by TUS-A-8-b_Attachment 1, the conveyance rate for Butler Township is \$15 per EDU per month. The revised pro forma tariff in TUS-A-14_Attachment 1 includes this rate.

	Number of EDUs	Rate	Revenues	Total Revenues
Residential - Foster	507	85.00	517,140	517,140
Commercial - Foster	29	85.00	29,580	29,580
Industrial - Foster	290	85.00	295,800	295,800
Bulk - Butler	57	15.00	10,260	10,260
Total				852,780

Name: Michael Salvo
Title: Senior Manager, Business Development

Appendix W (2nd Revision)

Pennsylvania-American Water Company
Estimated Annual Revenues and Expenses of New Service Area
Year 1

Operating Revenues	\$	852,780
Operating Expenses		
Operation and Maintenance		609,792
Depreciation and Amortization		87,648
General Taxes and Other		6,695
Total Operating Expenses		<u>704,135</u>
Operating income		148,645
Other Income/(Expenses)		
Other Income/(Expense), Net		-
Interest Expense, Net		(64,715)
Total Other Expenses		<u>(64,715)</u>
Income Before Income Taxes		83,930
Provision for Income Taxes		23,412
Net Income	\$	<u><u>60,518</u></u>

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VERIFICATION

I, Michael Salvo, hereby state that the facts set forth in the foregoing revised response to the data requests from the Bureau of Technical Utility Services dated December 17, 2021, specifically TUS-A-17, is true and correct to the best of my knowledge, information, and belief, and that I expect to be able to prove the same at a hearing if held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Date: March 2, 2022



Michael Salvo
Senior Manager, Business Development
Pennsylvania-American Water Company

