



**Teresa K. Harrold**

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April 28, 2022

**VIA** eFiling

Rosemary Chiavetta, Secretary  
Commonwealth of Pennsylvania  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building, 2<sup>nd</sup> Floor  
400 North Street  
Harrisburg, PA 17120

RE: Pennsylvania American Water – Water Operations Negative Surcharge for Deferred Tax Credit Section 1307(e) reconciliation for the 12 months ending December 31, 2021

Dear Secretary Chiavetta:

Attached please find the reconciliation filing for the calendar year ended December 31, 2021, in conjunction with Pennsylvania American Water's Negative Surcharge for Deferred Tax Credit for its water service territory. This surcharge, as approved at Docket No. R-2020-3019369 was applied to customers' bills during the period January 28, 2021 through December 31, 2021.

As approved at Docket No. R-2020-3019369 and ordered by the Commission on February 25, 2021, the Company was entitled to recoup the revenue increase not billed from January 28, 2021 through the effective date of new rates, March 8, 2021. The calculated recoupment surcharge included an offset of the Negative Surcharge for Deferred Tax Credit that would have been returned to customers during the recoupment period, and is therefore included in the reconciliation for the period January 28, 2021 through March 7, 2021.

Consistent with page 40 of Tariff Water-PA P.U.C. No. 5, the reconciliation amount of \$208,073, plus interest, will be deferred to the Company's next base rate case.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Teresa K. Harrold

Attachment

cc. Office of Consumer Advocate w/Attachment VIA E-Mail  
Bureau of Investigation and Enforcement w/Attachment VIA E-Mail  
Office of Small Business Advocate w/Attachment VIA E-Mail  
Bureau of Audits w/Attachment VIA E-Mail  
Bureau of Technical Utility Services w/Attachment VIA E-Mail

PENNSYLVANIA AMERICAN WATER COMPANY  
 Negative Surcharge for Deferred Tax Credit  
 Statement of Over / Under Revenue  
 E1307 (e) - December 31, 2021

DATE	CALCULATED DEFERRED TAX NEGATIVE SURCHARGE	DEFERRED TAX NEGATIVE SURCHARGE COLLECTED	ADJUSTMENT FOR DEFERRED TAX NEG. SURCH. IN RECOUPMENT SURCHARGE	ADJUSTED OVER/ (UNDER) COLLECTIONS	INTEREST RATE	NUMBER OF MONTHS	INTEREST AMOUNT
January- 21 (1-27th)				\$0	3.75%	18	\$0
January- 21 (28-31st)	\$109,704		\$115,068	(\$5,364)	3.75%	18	(\$302)
February-21	\$785,928		805,479	(\$19,551)	3.75%	17	(1,039)
March-21	\$840,109	163,998	201,370	\$474,741	4.00%	16	25,320
April-21	\$831,971	858,380		(\$26,409)	4.25%	15	(1,403)
May-21	\$884,092	874,552		\$9,540	4.50%	14	501
June-21	\$886,873	918,196		(\$31,323)	4.50%	13	(1,527)
July-21	\$915,920	961,929		(\$46,009)	4.50%	12	(2,070)
August-21	\$904,487	942,646		(\$38,159)	4.50%	11	(1,574)
September-21	\$870,495	942,426		(\$71,931)	4.25%	10	(2,548)
October-21	\$860,607	888,814		(\$28,207)	4.25%	9	(899)
November-21	\$824,452	826,981		(\$2,529)	4.25%	8	(72)
December-21	\$845,362	852,088		(\$6,726)	4.50%	7	(177)
	\$9,560,000	\$8,230,010	\$1,121,917	\$208,073			\$14,210