



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET
HARRISBURG, PENNSYLVANIA 17120
February 28, 2023

Docket No. M-2022-3037158
Utility Code: 210060

Whitney Snyder
Audubon Water Company
100 North Tenth Street,
Harrisburg, PA 17101
wesnyder@hmslegal.com

Re: Audubon Water Company (Company) State Tax Adjustment Surcharge Filing

Dear Ms. Snyder:

On November 9, 2022, the Pennsylvania Public Utility Commission (Commission) issued a Secretarial Letter to all jurisdictional fixed utilities containing information on the reduction to the Pennsylvania Corporate Net Income Tax (CNIT) and the Commission's State Tax Adjustment Surcharge (STAS) procedures. Additional guidance, information, and clarification on the Commission's STAS procedures and the reduction in CNIT was subsequently provided by Secretarial Letter issued December 15, 2022.

On January 10, 2023, the Company filed a letter indicating that it will not presently be submitting a STAS revision to account for the reduction in the CNIT. By way of further explanation, Audubon currently operates at a loss and, therefore, does not presently have Pennsylvania corporate state income tax liability.

Commission Staff has reviewed the Company's letter and further investigation does not appear warranted at this time. However, this does not preclude this Commission from investigating the financial affairs of the Company and, in appropriate cases, ordering refunds or other remedies, which it deems proper.

If you are dissatisfied with the resolution of this matter, you may, as set forth in 52 Pa. Code § 5.44, file a petition with the Commission within 20 days of the date of this letter. If you have any questions in this matter, please contact Joel Greene, Finance Section, Bureau of Technical Utility Services at (717) 783-4454 or joelgreene@pa.gov.

Sincerely,

A handwritten signature in black ink that reads 'Rosemary Chiavetta'. The signature is written in a cursive, flowing style.

Rosemary Chiavetta
Secretary