

## **VERIFICATION OF UTILITY VALUATION EXPERT**

I, Harold Walker III, Manager of Financial Studies of Gannett Fleming Valuation and Rate Consultants, LLC (“GANNETT”), a Utility Valuation Expert (“UVE”) in the Commonwealth of Pennsylvania approved by the Pennsylvania Public Utility Commission (Utility Code 9919244). In connection with the foregoing application, I hereby state the following:

1. Butler Area Sewer Authority (“BASA”) as seller selected GANNETT, a UVE in the Commonwealth of Pennsylvania approved by the Pennsylvania Public Utility Commission (Utility Code 9919244), to perform a fair market value appraisal of the System.
2. Pennsylvania-American Water Company (“PAWC”) as buyer selected WAD to perform a fair market value appraisal of the wastewater system and related assets (the “System”) of BASA.
3. As Manager of Financial Studies for GANNETT, I and my staff prepared a fair market value appraisal of the System on the BASA’s behalf dated February 2, 2023 (the “Fair Market Value Appraisal”).
4. The facts set forth in the Fair Market Value Appraisal are true and correct to the best of my knowledge, information, and belief.
5. As Manager of Financial Studies for GANNETT, I and my staff determined the fair market value of the System in compliance with the most recent edition of the Uniform Standards of Professional Appraisal Practices as of the date of the Fair Market Appraisal, employing the cost, market and income approaches, as required by 66 Pa. C.S. § 1329(a)(3) and applied applicable jurisdictional exceptions to the Fair Market Appraisal.

6. Neither GANNETT nor I nor any GANNETT staff derived any material benefit from the sale of the System other than fees for services rendered.
7. Neither I nor any members of GANNETT staff are an immediate family member of a director, officer or employee of either PAWC or BASA within a 12- month period of the date BASA engaged GANNETT to perform the Fair Market Value Appraisal.
8. As Manager of Financial Studies of GANNETT, I applied applicable jurisdictional exceptions to the submitted Appraisal.
9. GANNETT has no affiliation with either BASA or PAWC.
10. I make this verification subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



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