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VIA e-Filing

April 24, 2023

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

Re: Pennsylvania-American Water Company – Water Operations Negative Surcharge for Deferred Tax Credit Section 1307(e) reconciliation for the period January 1, 2022 through January 27, 2023

Dear Secretary Chiavetta:

Attached please find the reconciliation filing for the 13-month period ending January 27, 2023, in conjunction with Pennsylvania-American Water Company'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 1, 2022 through January 27, 2023.

Consistent with page 40 of Tariff Water-PA P.U.C. No. 5 Supplement No. 27, the reconciliation amount of \$719,248, plus interest, will be deferred to Pennsylvania-American Water Company's next base rate case.

If you have any questions, please 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) - January 27, 2023

DATE	CALCULATED DEFERRED TAX NEGATIVE SURCHARGE	DEFERRED TAX NEGATIVE SURCHARGE COLLECTED	ADJUSTED OVER/ (UNDER) COLLECTIONS	INTEREST RATE	NUMBER OF MONTHS	INTEREST AMOUNT
January-22	\$880,928	\$890,038	(\$9,110)	4.25%	18	(\$581)
February-22	\$814,330	\$861,823	(\$47,493)	4.25%	17	(\$2,859)
March-22	\$870,469	\$822,287	\$48,181	4.50%	16	\$2,891
April-22	\$862,037	\$905,252	(\$43,215)	4.75%	15	(\$2,566)
May-22	\$916,041	\$854,533	\$61,508	4.75%	14	\$3,409
June-22	\$918,923	\$940,591	(\$21,668)	5.25%	13	(\$1,232)
July-22	\$949,020	\$982,719	(\$33,699)	5.50%	12	(\$1,853)
August-22	\$937,173	\$937,983	(\$809)	5.75%	11	(\$43)
September-22	\$901,953	\$970,310	(\$68,356)	5.50%	10	(\$3,133)
October-22	\$891,707	\$908,863	(\$17,155)	5.75%	9	(\$740)
November-22	\$854,246	\$830,471	\$23,775	6.25%	8	\$991
December-22	\$875,912	\$850,409	\$25,503	6.50%	7	\$967
January-23 ¹	\$767,260	\$1,403,970	(\$636,710)	6.50%	6	(\$20,693)
Total	\$11,440,000	\$12,159,248	(\$719,248)			(\$25,442)

¹ January 2023 includes billing for the period ending January 27th, but posted in February due to timing of the bills.