

APPENDIX A
Docket No. P-2023-3043950

Pennsylvania American Water Company (PAWC), in its capacity as receiver of the East Dunkard Water Authority (EDWA), shall be authorized to take the actions identified in Appendix A and serve as the Receiver of the Authority subject to the conditions contained in Appendix A.

1. That the Receiver, in its capacity as receiver of the EDWA, shall have the following duties and responsibilities:
 - a. Operate the system in compliance with all State, Federal, and local laws and regulations, including the Pennsylvania Safe Drinking Water Act.
 - b. Maintain any existing or necessary permits, licenses, approvals, authorizations, orders, consents, registrations, or filings.
 - c. Submit an initial status report to the Commonwealth Court (Court), the Pennsylvania Department of Environmental Protection (DEP), and the Commission within 60 days of assuming operations and then quarterly thereafter to detail any relevant updates pursuant to duties and responsibilities assigned through receivership.
 - i. The status reports should include a listing of recommended capital improvements, identifying the capital improvements necessary to improve the performance of the system, to address or anticipate the obsolescence of portions of the system, to reduce the cost of operating the system, to provide cost savings or efficiency innovations to the system, or to comply with existing or anticipated changes to applicable laws and regulations.
 - d. Conduct an evaluation of the system, identify the deficiencies in the system's physical conditions, facilities and operational procedures, identify and prepare a plan of capital and operational improvements and report the results of such evaluation, as well as any DEP mandated capital improvements, to the Commission.
 - e. Provide all supervision and personnel necessary to operate the system in a professional, efficient and economic manner, and in accordance with sound operating practices and prudent industry and utility standards.

- f. Respond to system emergencies by taking necessary action to ensure the continued provision of adequate, efficient, safe and reasonable service.
- g. Notify appropriate regulatory or governmental agencies regarding any emergency which, in the reasonable judgement of the receiver, is likely to result in material loss or damage to the system or constitute a material threat to human health or safety.
- h. Provide for normal routine maintenance and the provision of supplies for the system.
- i. Keep financial and accounting records and all pertinent operating data and information relating to the system as prudent industry and utility practices would require.
- j. Assume EDWA's billing and collection functions.
- k. Provide EDWA's customer service.
- l. Have the authority to receive and utilize grant funds in the name of EDWA and borrow money in the name of EDWA necessary for the implementation of corrective actions and continued provision of adequate, efficient, safe and reasonable service to the customers of the system.
- m. Have the authority, but not be required, to file a petition for bankruptcy and participate in any such proceedings on behalf of EDWA.
- n. Comply with EDWA's effective rates, rules, and regulations for EDWA customers.
- o. Submit all necessary paperwork to regulatory agencies of the system on behalf of EDWA.
- p. Make reasonable efforts to establish the financial position of EDWA at the time the Receiver assumed receivership.
- q. Establish a deferred expense account for expenses incurred by EDWA that are payable to the Receiver.
 - i. Operating expenses and DEP mandated capital expenses incurred by PAWC as Receiver are eligible for deferred accounting treatment and may be charged to a deferred expenses account.

- r. Petition the Commission to add or remove any duties or responsibilities; however, the Receiver must continue to fulfill all duties and responsibilities until such duties or responsibilities are removed by Commission Order or by a court with competent jurisdiction.
 - s. Be permitted to use existing Commission-approved affiliated entities to provide services to EDWA, provided that the Receiver provides the Commission written notice identifying which affiliates are providing services for which approval under 66 Pa. C.S. § 2102 would typically be required.
 - t. Satisfy the aforementioned duties and responsibilities either directly, through Commission-approved affiliates, or through competitive operation and maintenance agreements or any combination thereof.
 - u. Charge EDWA reasonable rates for all services rendered to or for EDWA on behalf of the receivership.
2. That the Receiver, in its own capacity, shall have the following duties and responsibilities:
- v. Should EDWA be unable to obtain necessary financing for ensuring the continued provision of adequate, efficient, safe and reasonable service to the customers of EDWA, the receiver, at its option, may either directly provide financing for EDWA or file a petition for bankruptcy.
 - w. Establish a deferred expense account for expenses incurred by the receiver resulting from this order, including prudent and reasonable legal expenses.
 - i. Any costs incurred by PAWC in providing emergency assistance to the Authority before it is appointed by the Court as Receiver shall be eligible for the deferred expense account.
3. The Receiver may petition the Commission for modification or termination of this receivership, or to appoint another, or an additional, entity as a receiver of EDWA.