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October 29, 2024

By Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building 4
00 North Street – Second Floor North
Harrisburg, PA 17120

RE: Audubon Water Company; Docket No. R-2024-3051816; **REPLACEMENT PAGES TO SUPPLEMENT NO. 7 TO TARIFF WATER - PA PUC NO. 4**

Dear Secretary Chiavetta:

Enclosed are replacement pages to Audubon Water Company's Supplement No 7 to Tariff Water – Pa. PUC No. 4.

A copy of the enclosed materials has been served upon the Commission's Bureau of Investigation and Enforcement, the Pennsylvania Office of Consumer Advocate and the Office of Small Business Advocate.

Thank you for your attention to this matter. If you have questions regarding this matter, please contact me.

Very truly yours,

/s/ Whitney E. Snyder

Whitney E. Snyder
Thomas J. Sniscak
Aaron D. Rosengarten

Counsel for Audubon Water Company

**AUDUBON WATER COMPANY
AUDUBON, PENNSYLVANIA**

**RATES, RULES AND REGULATIONS
GOVERNING THE DISTRIBUTION OF WATER
IN
PORTIONS OF LOWER PROVIDENCE TOWNSHIP
AND ADJACENT AREAS
MONTGOMERY COUNTY, PENNSYLVANIA**

By: Martha M. Russell, President
Audubon Water Company
Valley Forge Corporate Center
2650 Eisenhower Avenue
P.O. Box 7337
Audubon, PA 19407

NOTICE

This tariff makes increases and changes in existing rates, rules, and regulations.

(C) Indicates Change

ISSUED: October 25, 2024

EFFECTIVE: December 26, 2024

LIST OF CHANGES MADE BY THIS SUPPLEMENT

Increases:

Supplement No. 7 to Tariff Water – Pa. PUC No. 4 is a general base rate increase for all water customers. The increase in rates and resultant change in annual operating revenue is intended to produce an additional \$999,975.00 in additional annual revenues or a 35.3% increase.

Changes:

Supplement No. 7 to Tariff Water – Pa. PUC No. 4 also adds a Purchased Water Adjustment Charge.

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PART I: SCHEDULE OF RATES AND CHARGES**Section A: Rates for Metered Service**

1. **Application:** To all metered customers.
2. **Consumption Charges:** All water used in any billing period will be charged at the following rates:

All Residential Volumes

Rate Per 1,000 Gallons	\$11.6633	(I)
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All Remaining Customers – Gallons Per Month

First 100,000 Gallons/Month	\$11.6633	(I)
Over 100,000 Gallons/Month	\$7.7437	(I)

3. Customer Charge: In addition to the consumption charge, each customer will be assessed a customer service charge based upon the size of the customer’s meter as follows:

Meter Size	Per Month	Per Quarter	
5/8 inch	\$ 22.73	\$ 68.20	(I)
3/4 inch	\$ 22.73	\$ 68.20	(I)
1 inch	\$ 57.91	\$173.74	(I)
1 1/2 inch	\$ 98.64		(I)
2 inch	\$ 157.50		(I)
3 inch	\$ 295.79		(I)
4 inch	\$ 492.39		(I)
6 inch	\$ 984.79		(I)
8 inch	\$1,575.82		(I)
10 inch	\$1,908.68		(I)
12 inch	\$2,618.25		(I)

Section B: Temporary Rates/Water for Building Purposes

The following rates are for the use of water for building purposes and construction in connection therewith, and the water shall not be used for any other purpose.

<u>Single Family Dwelling</u>	\$231.27 per month.	(I)
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All other construction shall receive building water through metered service connection, and payment shall be made in accordance with the schedule of rates for metered service.

Section C: Public Fire Protection Rates

1. Application: To Lower Providence Township.
2. Rate:

Annual charge per hydrant.	\$417.30	(I)
Or a monthly charge per hydrant.	\$ 34.77	(I)

Section D: Private Fire Protection Rates

1. Application: To all private fire protection service.
2. Rate: A customer charge for private fire protection service will be assessed as follows:

<u>Size of Connection</u> <u>With Main</u>	<u>Per Month</u>	<u>Per Annum</u>	
1 inch	\$ 41.68	\$ 500.11	(I)
2 inch	\$ 66.03	\$ 792.38	(I)
3 inch	\$ 76.45	\$ 917.40	(I)
4 inch	\$ 93.91	\$1,126.86	(I)
6 inch	\$139.03	\$1,668.37	(I)
8 inch	\$225.97	\$2,711.61	(I)
10 inch	\$309.32	\$3,711.82	(I)
Hydrants	\$139.03	\$1,668.37	(I)

In the event of fire or testing, consumption charges shall be billed in accordance with the rates for water consumption.

PURCHASED WATER ADJUSTMENT CHARGE

Application: To all metered customers served by Audubon Water Company.

The Company may apply a Purchased Water Adjustment Charge (“PWAC”) to its water rates set forth under Schedule of Metered Rates and Wholesale Service Rates to reflect an increase or decrease in the rates charged by its wholesale water suppliers who are referred to jointly as (“Wholesalers”).

The PWAC will be calculated based on changes in the Company’s Wholesalers’ rates from the purchased water included in the Company’s Baseline Costs. For the purpose of calculating the PWAC, the Baseline Cost is the annual purchased water cost reflected as an operating expense in the Company’s most recently concluded base rate case. This amount will remain constant until such time base rates are reset.

The Company shall provide notice to its customers of such change in rates resulting from application of the PWAC.

When the Company’s Wholesalers change their rates for water purchased by the Company, the Company will re-compute the PWAC based on its annual purchased water cost reflecting the level of consumption and other billing determinants that formed the basis for the Baseline Cost.

Determination of Purchased Water Adjustment Charge

A PWAC may be implemented on the effective date of a change in Wholesalers’ rates charged to the Company for purchased water, but not on less than forty-five (45) days notice to the customer. The Company may at its option, implement a PWAC to recover an increase in purchased water costs. However, if the rate change is a decrease, the Company must implement a credit PWAC to reflect that decrease.

The baseline items established in the Company’s most recently concluded rate case are:

Baseline Purchased Water Cost (per thousand gallons) \$7.950

Baseline 1,000 Gallons of Purchased Water 18,250

Baseline 1,000 Gallons of Water Sales 241,494

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The PWAC, per thousand gallons, shall be computed to the nearest one-tenth cent (0.1¢) in accordance with the formulas set forth below.

$$\text{PWAC} = \frac{(\text{CHGPWC} \times 18,250)}{241,494}$$

In computing the PWAC pursuant to the formulas above, the following definitions shall apply:

“CHGPWC” – Change in Purchased Water Cost, per thousand gallons, is determined by subtracting the Baseline Purchased Water Cost per thousand gallons from the Company’s most recently concluded rate case from the Pro Forma Purchased Water Cost per thousand gallons that arises from the Wholesalers’ change of the rates charged to the Company and shall include any over/under recovery as determined by the Annual Reconciliation.

“PWAC” – the PWAC determined to the nearest one-tenth cent (0.1¢) to be charged for each thousand gallons of domestic metered water sales supplied under Schedule Metered Rates and Wholesale Service Rates after allowance for any applicable tax.

Safeguards

Annual Reconciliation

Upon implementation of a PWAC the Company will annually provide a reconciliation of PWAC revenues with the actual cost of purchased water from its Wholesalers pursuant to Section 1307 (e) of the Public Utility Code. The revenue received under the PWAC for the reconciliation period will be compared to the Company’s eligible costs for that period. The difference between revenue and costs will be recovered or refunded as appropriate, in accordance with Section 1307-(e), over a one-year period commencing on July 1 of each year. If PWAC revenues exceed PWAC eligible costs, such overcollections will be refunded with interest. Interest on the overcollections will be calculated at the residential mortgage lending rate specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P.S. Sec.101, et seq.) and will be refunded in the same manner as an overcollection. For the purposes of calculating such over or under collection, the reconciliation period shall be the annual period ended March 31.

New Base Rates

The PWAC will be reset to zero as of the effective date of new base rates that provide for prospective recovery of the annual costs that had theretofore been recovered under the PWAC.

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Thereafter, only new purchased water adjustments, which have not previously been reflected in the Company's base rate, are eligible for PWAC recovery.

Cap

The PWAC shall not exceed seven and one-half percent (7.5%) of the amount billed to customers, exclusive of the amounts recovered under the State Tax Adjustment Surcharge.

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the forgoing document upon the parties, listed below, in accordance with the requirements of § 1.54 (relating to service by a party). This document has been filed electronically on the Commission's electronic filing system and served via electronic mail only on the following:

VIA ELECTRONIC MAIL ONLY

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/s/ Whitney E. Snyder
Whitney E. Snyder
Thomas J. Sniscak
Aaron D. Rosengarten

Dated: October 29, 2024